

MINUTES

North Dakota State Water Commission Bismarck, North Dakota

February 13, 1998

The North Dakota State Water Commission held a meeting at the State Office Building, Bismarck, North Dakota, on February 13, 1998. Governor-Chairman, Edward T. Schafer, called the meeting to order at 1:30 PM, and requested State Engineer, and Chief Engineer-Secretary, David A. Sprynczynatyk, to call the roll. The Chairman declared a quorum was present.

MEMBERS PRESENT:

Governor Edward T. Schafer, Chairman
Roger Johnson, Commissioner, Department of Agriculture, Bismarck
Mike Ames, Member from Williston
Elmer Hillesland, Member from Grand Forks
Jack Olin, Member from Dickinson
Harley Swenson, Member from Bismarck
Robert Thompson, Member from Page
David A. Sprynczynatyk, State Engineer, and Chief Engineer-Secretary,
North Dakota State Water Commission, Bismarck

MEMBERS ABSENT:

Florenz Bjornson, Member from West Fargo
Judith DeWitz, Member from Tappen

OTHERS PRESENT:

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

There being no additional items for the agenda, the Chairman declared the agenda approved, and requested Secretary Sprynczynatyk to present the agenda.

**CONSIDERATION OF MINUTES
OF DECEMBER 1, 1997 STATE**

The minutes of the December 1, 1997
State Water Commission meeting

**WATER COMMISSION MEETING -
APPROVED**

were approved by the following
motion:

*It was moved by Commissioner Johnson, seconded by
Commissioner Olin, and unanimously carried, that the
minutes of the December 1, 1997 State Water
Commission meeting be approved as prepared.*

**CONSIDERATION OF MINUTES
OF DECEMBER 22, 1997 STATE
WATER COMMISSION TELEPHONE
CONFERENCE CALL MEETING -
APPROVED, AS AMENDED**

The minutes of the December 22, 1997
State Water Commission telephone
conference call meeting were consid-
ered. The 'North Dakota Wetlands
Trust Allocation for Fiscal Year 1997'
was amended on page 4, paragraph
4, to include the following underlined
language:

Commissioner Johnson explained that the 1997 Legislature appropriated \$500,000 from the North Dakota Game and Fish Department for the state Waterbank program. The Wetlands Trust passed a motion at its October, 1996 meeting to provide \$100,000 to match the money provided by the Legislature. However, in December of 1997, the Trust informed the North Dakota Commissioner of Agriculture that they were not going to provide the \$100,000 to the Waterbank program because they felt the state appropriation should not have come from the North Dakota Game and Fish Department funds. Commissioner Johnson expressed concerns relative to the Trust's involvement in the state's Waterbank program and whether or not the Trust is in a position to match the funds appropriated by the Legislature.

*It was moved by Commissioner Johnson, seconded by
Commissioner Olin, and unanimously carried, that the
minutes of the December 22, 1997 State Water
Commission telephone conference call meeting be
approved, as amended.*

**FINANCIAL STATEMENT -
AGENCY PROGRAM BUDGET
EXPENDITURES**

Dale Frink, Assistant State Engineer,
presented and discussed the Program
Budget Expenditures for the period
ending December 31, 1997, reflecting

25 percent of the 1997-1999 biennium. **SEE APPENDIX "A"**

**FINANCIAL STATEMENT -
RESOURCES TRUST FUND**

Dale Frink reviewed and discussed the Contract Fund for the 1997-1999 biennium. **SEE APPENDIX "B"**

Mr. Frink reported that as of February 1, 1998, the Contract Fund has an unallocated balance of \$6,380,791, of which \$2 million of this amount is earmarked for the Maple River dam.

The oil extraction tax revenues into the Resources Trust Fund continue to track below the revenue estimates approved by the 1997 Legislature. Mr. Frink stated that the oil revenues for the first six months of the biennium were nine percent below estimates and, if this trend continues for the entire biennium, the available unallocated balance could be reduced by \$660,000.

COST SHARE POLICY FOR

At the July 22, 1997 State Water

**DRAINAGE PROJECTS
(SWC File AS/SWC/POL)**

Commission meeting, the policy and guidelines on cost share for drainage projects were discussed. Secretary

Sprynczynatyk explained the current availability of funds, and he said in order to ensure that funds are available for eligible projects throughout the state, it is necessary to re-visit the State Water Commission's policy and guidelines for cost share on drainage projects.

Because of the water resource districts' involvement on cost share for projects, the North Dakota Water Resource Districts Association named five people to work with the Commission staff to further review the Commission's cost share policy and to develop recommendations for possible changes.

The drainage cost share committee met on December 17, 1997 to discuss possible changes to the cost share policy for drainage projects. The attached memorandum, labeled as *APPENDIX "C"*, summarizes the meeting. The committee recommended the following changes for inclusion to the drainage cost share policy:

- 1) Include county and township road crossing work as eligible costs
- 2) Cost share at 35 percent of new eligible costs (similar to 40 percent of previous eligible cost)
- 3) Limit the cost share per biennium of any one project to 5 percent of new funding available to the State Water Commission for general projects; 5 percent may be exceeded at the Commission's discretion if funds remain near the end of the biennium. In the event there is a significant reduction in revenue realized in the biennium, the cost share limit percentage may need to be reassessed.

Secretary Sprynczynatyk stated it is his intent to adopt a policy change effective May 1, 1998. He explained this will allow the staff to solicit broader input from townships, counties, and water resource districts before making a final recommendation for the Commission's consideration. The procedure, as recommended by the State Engineer, received the Commission's unanimous concurrence.

**APPROVAL OF REQUEST FROM
CASS COUNTY JOINT WATER
RESOURCE DISTRICT FOR COST
SHARE IN RUSH, MAPLE, WILD
RICE AND SHEYENNE RIVERS
SNAGGING AND CLEARING
(SWC Project No. 1813)**

A request was presented from the Cass County Joint Water Resource District for the Commission's consideration to cost share for the removal of debris from portions of the Rush, Maple, Wild Rice and Sheyenne Rivers in Cass County.

The total cost of the project is \$995,000. The Joint Board will receive a grant in the amount of \$613,791 from the Natural Resources Conservation Service. The non-federal share of the costs is \$381,209, all of which is eligible for cost share. Under the State Water Commission's policy and guidelines for cost share, 25 percent of the eligible costs qualify for cost share. The request before the State Water Commission is to cost share in the amount of \$95,300.

It was the recommendation of the State Engineer that the State Water Commission approve cost share assistance of 25 percent of the eligible costs, not to exceed \$95,300 from the Contract Fund, for snagging and clearing portions of the Rush, Maple, Wild Rice and Sheyenne Rivers in Cass County.

It was moved by Commissioner Olin and seconded by Commissioner Johnson that the State Water Commission approve cost share in 25 percent of the eligible costs, not to exceed \$95,300 from the Contract Fund, for snagging and clearing portions of the Rush, Maple, Wild Rice and Sheyenne Rivers in Cass County. This motion is contingent upon the availability of funds.

Commissioners Ames, Hillesland, Johnson, Olin, Swenson, Thompson, and Chairman Schafer voted aye. There were no nay votes. The Chairman declared the motion unanimously carried.

**APPROVAL OF REQUEST FROM
BURLEIGH, OLIVER, MCLEAN,
MERCER AND MORTON COUNTIES
JOINT WATER RESOURCE DISTRICT
FOR COST SHARE FOR BISMARCK/
MANDAN FLOOD HAZARD RE-STUDY
(SWC Project No. 576)**

A request from the Burleigh, Oliver, McLean, Mercer and Morton Counties (BOMMM) Joint Water Resource District was presented for the Commission's consideration to assist in surveying cross-sections of the Missouri River for the FEMA flood hazard re-study through the

Bismarck-Mandan area. The study will update the 1985 study. FEMA plans to survey a limited number of cross-sections as part of the study, which are necessary to accurately model the changes to the river caused by erosion and sedimentation since the previous study.

The total estimated cost of the survey is \$42,000. Secretary Sprynczynatyk explained that normally the State Water Commission cost shares equally with the other units of government that will benefit from the study. In this re-study, the cities of Bismarck and Mandan and Burleigh and Morton Counties will benefit from the re-study. The request before the State Water Commission is to cost share in one-third of the eligible costs in an amount of \$14,000.

Commissioner Swenson stated because of his personal interest in this project, and to avoid a conflict of interest, he requested to be excused from discussion of the project and that an abstention vote be recorded for him. The Chair acknowledged Commissioner Swenson's request.

It was the recommendation of the State Engineer that the State Water Commission approve cost share to the BOMMM Joint Water Resource District for one-third of the eligible costs, not to exceed \$14,000 from the Contract Fund, for surveying cross-sections for the Bismarck-Mandan Flood Hazard re-study.

Andy Mork, Chairman of the BOMMM Board, provided background information and reiterated the importance of the study as it relates to bank stabilization efforts.

It was moved by Commissioner Ames and seconded by Commissioner Olin that the State Water Commission approve cost share in one-third of the eligible costs, not to exceed \$14,000 from the Contract Fund, for the FEMA Flood Hazard Re-Study in the Bismarck-Mandan area. This motion is contingent upon the availability of funds.

Commissioners Ames, Hillesland, Johnson, Olin, Thompson, and Chairman Schafer voted aye. Commissioner Swenson abstained from voting. The Chairman declared the motion carried.

**APPROVAL OF NORTH DAKOTA
WETLANDS TRUST ALLOCATION
FOR FISCAL YEAR 1997**

(SWC Project No. 1826)

program and the Wetlands Trust. Both features are widespread programs benefitting much of the state.

In 1986, the Garrison Diversion Project was reformulated by Congress. Two new features of the

project were the Municipal, Rural,

and Industrial (MR&I) Water Supply

The Wetlands Trust is a program that provides for the preservation, enhancement, restoration, and management of wetlands and associated wildlife habitat in the state. The Wetlands Trust operates off of the interest from a trust fund that will eventually reach \$13.2 million. Of the \$13.2 million, \$12 million is to come from the federal government and \$1.2 million from the state.

In 1993, the Garrison Diversion Conservancy District, the State Water Commission, and the North Dakota Game and Fish Department entered into a memorandum of agreement in which the three entities agreed to share equally the state's commitment, in accordance with terms set out in a February 14, 1991 agreement between the State of North Dakota, the Bureau of Reclamation, and the North Dakota Wetlands Trust. That agreement provides that the state's share shall be based on 0.15 percent of the federal Garrison Diversion Unit (GDU) appropriation. The Fiscal Year 1997 GDU appropriation was \$24.3 million; therefore, the state's commitment would be \$36,450. The State Water Commission's share is \$12,150. The request was presented to the State Water Commission for consideration at its December 22, 1997 meeting.

Commissioner Johnson explained that the 1997 Legislature appropriated \$500,000 from the North Dakota Game and Fish Department for the state Waterbank program. The Wetlands Trust passed a motion at its October, 1996 meeting to provide \$100,000 to match the money provided by the Legislature. However, in December of 1997, the Trust informed the North Dakota Commissioner of Agriculture that they were not going to provide the \$100,000 to the Waterbank program because they felt the state appropriation should not have come from the North Dakota Game and Fish Department funds. Commissioner Johnson expressed concerns relative to the Trust's involvement in the state's Waterbank program and whether or not the Trust is in a position to match the funds appropriated by the Legislature.

During discussion, the Commission members expressed support to provide the requested funds to the Wetlands Trust, as the Commission has done in the past. The Commission voiced concurrence that representatives of the Wetlands Trust be invited to the next meeting of the Commission to provide a report on the Trust's programs and activities, including acquisition, land management, and involvement with the state's Waterbank program. At the December 22, 1997 State Water Commission meeting, Governor Schafer tabled action on the request for the North Dakota Wetlands Trust allocation for Fiscal Year 1997 until the next meeting of the State Water Commission.

Pam Dryer, Executive Director of the North Dakota Wetlands Trust, provided the following summary of the Trust's activities for 1997:

Continued commitment of work with landowners for wetland conservation on private lands:

- Developed and began implementing a wetland restoration program on Conservation Reserve Program lands offered in 1997. The Trust will provide an incentive payment to landowners for restoring the hydrology of drained wetlands.
- Provided cost share for no-till drills for seven soil conservation districts in seven counties: McLean, Logan, Wells, Barnes, Sheridan, Rolette and LaMoure.

Implementation of the following wetland education goals:

- Committed to a challenge grant for the Prairie Wetlands Interpretive Center. The Trust will provide one dollar for every three dollars raised by the Chase Lake Foundation, up to \$500,000.
- Acted as partners for two statewide wetland education programs: ECO ED camps for sixth graders and the Regional Environmental Education Series; and for one regional program: a wetland development at the Garrison Outdoor Wildlife Learning Site.

Development of partnerships with diverse interests to protect wetlands within watersheds

- Committed technical and financial support for a major wetland restoration in Walsh County sponsored by the Walsh County Water Resource Board. The restoration is in the Stump Lake watershed. The Water Board plans to use the restoration as part of a water storage project. The Trust, Ducks Unlimited and the U.S. Fish and Wildlife Service will act as partners in the restoration.

Ms. Dryer provided information relative to the Trust's projects since its inception in 1986, which is attached hereto as *APPENDIX "D"*.

The Wetlands Trust Board of Directors made the decision to hire a full-time Executive Director effective July 1, 1998. Ms. Dwyer indicated she has been part-time and, therefore, her contract will not be renewed. She commented this is a positive direction for the Board and anticipates a smooth transition.

Commissioner Johnson alluded to the concerns he expressed at the December 22, 1997 Commission meeting relative to the Waterbank program. Commissioner Johnson met with several members of the Wetlands Trust Board and the Executive Director, and based on the discussions, he said the concerns can be satisfactorily resolved.

It was the recommendation of the State Engineer that the State Water Commission approve the obligation of \$12,150 for one-third of the state's Fiscal Year 1997 Wetlands Trust contribution, contingent upon an equal contribution by the Garrison Diversion Conservancy District and the North Dakota Game and Fish Department.

It was moved by Commissioner Johnson and seconded by Commissioner Swenson that the State Water Commission approve the obligation of \$12,150 for one-third of the state's Fiscal Year 1997 North Dakota Wetlands Trust contribution. This motion is contingent upon the availability of funds, and an equal contribution by the Garrison Diversion Conservancy District and the North Dakota Game and Fish Department.

Commissioners Ames, Hillesland, Johnson, Olin, Swenson, Thompson, and Chairman Schafer voted aye. There were no nay votes. The Chairman declared the motion unanimously carried.

APPROVAL OF ADDITIONAL

**FUNDS FOR NORTH DAKOTA
CLOUD MODIFICATION PROJECT**

(SWC Files ACT/RES & AS/SWC/ARB)

In considering the funding needs for

North Dakota water projects, the 1997 Legislature identified \$125,000 within

the Resources Trust Fund in the

1997-1999 biennium to meet, in part, the state's cost share of the North Dakota Cloud Modification project (NDCMP). The NDCMP is an operational summertime cloud seeding program designed to increase rainfall and decrease hail damage. Counties presently participating in the program are Bowman, McKenzie, Mountrail, Slope, Ward and Williams.

Local funds for the program are generated through county tax levies. Matching state funds have, in the past, been appropriated from the general fund. In the 1997-1999 biennium, like amounts were appropriated from the general fund and the Resources Trust Fund to generate the cost share dollars required for the five counties then participating. Williams County was new to the program in 1997. The local share of the multi-county program is 75 percent.

In order to indicate concurrence with the intent of the 1997 Legislature, the State Water Commission approved funding from the Resources Trust Fund, not to exceed \$125,000, for the North Dakota Cloud Modification project at its meeting on September 11, 1997.

Bruce Boe, Director of the State Water Commission's Atmospheric Resource Division, provided a summary of the 1997 North Dakota Cloud Modification project activities. He stated that the project costs exceeded the projections by over \$60,000, and explained the following factors which contributed to the cost overrun:

- The weather during July and August was significantly more active than usual, resulting in a project total of 947 flight hours, compared to a more normal total of approximately 800 hours.
- Improvements to the design of the airborne cloud seeding generators resulted in less down time, therefore, more seeding agent was used.
- Williams County joined the program for the summer, which had not been anticipated by the Legislature.

The total cost for the cloud seeding program in 1997 was \$564,101, of which the participating counties contributed \$407,850 and the state contributed \$156,251.

Mr. Boe stated that independent evaluations of the cloud seeding program indicate an increase in rainfall on the order of 15 percent (about one inch over a typical growing season), and decreases in crop hail damage of 45 percent (*Journal of Applied Meteorology, 1997*). Studies by NDSU have estimated the benefit-to-cost ratio of the program at greater than 22:1.

Mr. Boe explained that the shortfall cannot be made up by the participating counties because Bowman and Slope Counties, which comprise operations District I, already levy the maximum seven mills allowed, depleted their reserves in conducting the 1997 project, and will have about \$10,000 less to put into the 1998 program. McKenzie, Mountrail and

Ward Counties, operations District II, have indicated that although their 1998 project budgets had been submitted last summer, they are able to increase their 1998 budgets by 5 percent, approximately \$12,000.

If the existing reserves of seeding agent are fully depleted and the use of flares by cloud base seeding aircraft is discontinued, full-length (June, July and August) projects can be conducted by both Districts, provided additional funding can be made available and assuming a more normal thunderstorm frequency. Mr. Boe said a more active summer could exhaust the seeding agent supplies and force an early end to operations. If additional cost share funding cannot be obtained, District I will not conduct operations in 1998. The 1998 proposed budget requires the expenditure of all remaining cost share dollars presently in the budget, therefore, Mr. Boe explained that a lesser request on the order of \$45,000 may be forthcoming to support cost sharing in the last months of the biennium for the 1999 project.

It was the recommendation of the State Engineer that the State Water Commission approve supplemental funding for the North Dakota Cloud Modification Project, not to exceed \$57,000 from the Resources Trust Fund. Secretary Sprynczynatyk stated the issue was brought to the attention of the North Dakota Water Coalition and the Coalition voiced no concern in expending supplemental funding through the Contract Fund for the cloud seeding program, which is considered an important water management tool for hail suppression as well as rainfall enhancement.

It was moved by Commissioner Olin and seconded by Commissioner Johnson that the State Water Commission approve supplemental funding for the North Dakota Cloud Modification Project, not to exceed \$57,000 from the Resources Trust Fund. This motion is contingent upon the availability of funds.

Commissioners Ames, Hillesland, Johnson, Olin, Swenson, Thompson, and Chairman Schafer voted aye. There were no nay votes. The Chairman declared the motion unanimously carried.

**APPROVAL OF REQUEST FROM
HIGH VALUE IRRIGATED CROPS
TASK FORCE FOR EXPENDITURE
OF \$2,000 TO SUPPORT ACTIVITIES
FOR 1998
(SWC Project No. 1389)**

A request was presented for the Commission's consideration from the High Value Irrigated Crops Task Force for cost sharing for 1998. The State Water Commission has supported the efforts of the task force during the past six years in the amount of \$2,000 each year.

The task force is made up of representatives of organizations from the public and private sector. They include rural electric cooperatives, investor-owned electric utilities, local economic development organizations, and governmental entities. Funds from these organizations match a grant of approximately \$10,000 from the Agricultural Products Utilization Commission, which is a reduction of \$7,000 from previous years. These funds also match funds from NDSU Extension Service to support a full-time coordinator position. On April 1, 1998, it is expected that the matching funds from NDSU will increase from 50 to 75 percent of the coordinator's salary.

Through the coordinator, the task force was involved in a number of projects in 1997. Some of these projects may result in major long-term opportunities for North Dakota. The projects include the France vegetable task force, carrot analysis, the specialty crop coalition and alfalfa initiative.

The diversification of the state's agricultural production base to high value crops and their processing is a significant component of economic development activities. Much of the acreage devoted to these crops will be irrigated. The creation of opportunities in high value crops will stimulate new irrigation development. The coordinator provides general information on water resources, water rights, and an irrigation district, which reduces the agency staff time needed if projects go forward.

It was the recommendation of the State Engineer that because the activities of the task force are continuing to be successful in developing new opportunities in the development of the state's water resources and economy, the State Water Commission approve the expenditure of \$2,000 for 1998 from the Contract Fund.

It was moved by Commissioner Johnson and seconded by Commissioner Ames that the State Water Commission support the activities of the High Value Irrigated Crops Task Force, and approve the expenditure of \$2,000 for 1998 from the Contract Fund. This motion is contingent upon the availability of funds.

Commissioners Ames, Hillesland, Johnson, Olin, Swenson, Thompson, and Chairman Schafer voted aye. There were no nay votes. The Chairman declared the motion unanimously carried.

**GARRISON DIVERSION PROJECT -
PROJECT UPDATE
(SWC Project No. 237)**

On November 10, 1997, the North Dakota congressional delegation introduced legislation in the United States Senate and House of Representatives (S 1515 and HR 3012) that will re-focus and complete the Garrison Diversion Project. The bills were introduced as amendments to the Garrison Diversion Reformulation Act of 1986, which is an amendment to the 1965 Act. The "Dakota Water Resources Act of 1997" is the final product of years of negotiations and represents broad, bipartisan consensus on the future of the project.

A field hearing on the Dakota Water Resources Act is scheduled for February 19, 1998 in Fargo, North Dakota. Secretary Sprynczynatyk explained the hearing is being convened to receive testimony from interested parties in North Dakota and the region on the legislation to complete the Garrison Diversion Project. A field hearing in western North Dakota is also expected to be scheduled to receive comments from other groups and individuals.

**GARRISON DIVERSION PROJECT -
APPROVAL OF FUNDING FROM
MR&I INTEREST ACCOUNT FOR
"COMPARISON OF WATER RATES
WITH AND WITHOUT THE GARRISON
DIVERSION PROJECT; AND THE RISK-
BASED ASSESSMENT OF "BIOTA
TRANSFER" STUDIES
(SWC Project No. 237)**

During a recent Garrison strategic planning meeting, two studies were identified as critical to the future efforts on Garrison. These studies include a "Comparison of Water Rates With and Without the Garrison Diversion Project" and a risk-based assessment of "Biota Transfer". The total cost to do these studies by Houston Engineering, the Garrison Conservancy District's engineer, is \$91,000. The objectives of the supplemental information is to prepare a cost comparison of water rates between the city of Fargo and selected rural water systems, develop an independent cost assessment to provide Missouri River water to the Red River Valley through the Garrison Diversion Project, and to prepare documentation relative to the biota transfer issue both within a political and technical context.

A request was presented for the State Water Commission's consideration for funding for the "Comparison of Water Rates With and Without the Garrison Diversion Project" and the risk-based assessment of "Biota Transfer" studies, in an amount not to exceed \$91,000, from the Garrison Diversion MR&I interest account.

Commissioner Swenson stated because of his personal interest in this project, and to avoid a conflict of interest, he requested to be excused from discussion of the project and that an abstention vote be recorded for him. The Chair acknowledged Commissioner Swenson's request.

Secretary Sprynczynatyk explained that the supplemental information is essential in support of the Dakota Water Resources Act and recommended the State Water Commission's favorable consideration of the request. As is the current practice, the State Water Commission and the Garrison Conservancy District must approve expenditures from the MR&I interest account.

It was moved by Commissioner Hillesland and seconded by Commissioner Thompson that the State Water Commission approve funding for the "Comparison of Water Rates With and Without the Garrison Diversion Project" and the risk-based assessment of "Biota Transfer" studies, in an amount not to exceed \$91,000 from the Garrison Diversion MR&I interest account.

Commissioners Ames, Hillesland, Johnson, Olin, Thompson, and Chairman Schafer voted aye. Commissioner Swenson abstained from voting. The Chairman declared the motion carried.

**GARRISON DIVERSION PROJECT -
MR&I WATER SUPPLY PROJECT
(SWC Project No. 237-03)**

Secretary Sprynczynatyk provided the following MR&I Water Supply program report:

All Seasons Rural Water: The project is based on Ulteig Engineer's report on the rural water system evaluation for All Seasons Rural Water, Benson Rural Water, Langdon Rural Water Users, and Pierce Rural Water. The project will provide water to rural residents and the city of Bisbee, and will involve a reservoir/pump station, pipeline, and in-line booster stations. The estimated project cost is \$2 million. The existing water permit is insufficient for the demand, therefore, an application to increase the allocation has been submitted to the State Engineer. The hearing on the water permit application was held on February 2, 1998.

Burleigh Water Users, Phase 2: The contractor, Northern Improvement Company, will resume project construction in the spring.

Dickey Rural Water: The remaining rural water user connections will be completed in 1998.

Grand Forks Water Treatment: Computer programming is required on the controls.

Missouri West Rural Water, Phase 2: Northern Improvement Company installed some of the water distribution system north of Mandan, and Maquire Iron completed the foundation work on the airport water storage tank. The remaining construction will be completed in 1998.

North Valley Water Association/Walhalla-Neche Branch: Phase 1 involves Peterson Construction pressure testing the pipeline to Walhalla, and Wick Construction is working on the reservoirs. Phase 2 is the addition of the city of Neche and the rural water users, with an estimated cost of \$3.5 million.

Northwest Area Water Supply Project: See Northwest Area Water Supply Project section in these minutes for status report.

Ransom-Sargent Rural Water: The engineer is working on the feasibility study, the water permit application, and the National Environmental Protection Act (NEPA) requirements. The hearing on the water permit application was held on February 10, 1998. The withdrawal of water from the Sheyenne Delta aquifer is being reviewed to determine the effects it may have on the prairie orchid, which is an endangered species. NEPA requires an assessment of the project on the prairie orchid by the Bureau of Reclamation and the Fish and Wildlife Service. The 1998 project involves an expansion in the Barnes Rural Water area, which is not located near prairie orchids.

Southwest Pipeline Project: See Southwest Pipeline Project section in these minutes for status report.

SOUTHWEST PIPELINE PROJECT -

James Lennington, Project Manager

**PROJECT UPDATE; CONTRACT
AND CONSTRUCTION STATUS**

for the Southwest Pipeline Project,
provided the following contract and

(SWC Project No. 1736)

construction status report:

Contract 4-4 - Jung Lake Pump Station: On October 29, 1997, Contract 4-4 was awarded to Moorhead Construction, Berger Electric, and Central Mechanical. The contractors are using this time to order materials and supply information on equipment.

Contract 5-4 - Jung Lake Reservoir: The contract was awarded to Landmark Structures of Fort Worth, Texas, on September 11, 1997. The contractor poured the reservoir's foundation and the site was insulated for the winter. The completion date of the contract is September 20, 1998.

Contract 7-4/7-3A - Bucyrus and Three Pocket Service Area Rural Distribution Pipeline: The State Water Commission staff is locating approximately 340 individual service connections. The contract was awarded to Northern Improvement Company, and with the mild winter, the contractor has indicated construction could begin as early as March 4, 1998. The contract completion is anticipated in the fall of 1998.

At the July 22, 1997 meeting, the State Water Commission approved the modifications to the Southwest Pipeline Project Phased Development Plan, with the Hebron-Glen Ullin phase of the project next to be constructed. Mr. Lennington stated construction of this phase includes 31 miles of secondary transmission pipeline from Richardton-Hebron-Glen Ullin, a reservoir, and rural water distribution piping to serve rural connections in the areas around Hebron and Glen Ullin. Design on this phase is in progress, as well as the archeological surveys and a supplement to the project's environmental assessment. A supplemental environmental assessment is necessary to include service to Glen Ullin. Construction is anticipated to begin in June, 1998. The current cost estimate for this phase, including engineering and contingencies, is \$3.85 million. Funding will consist of \$3.7 million in MR&I funds, with the remainder from the Resources Trust Fund collections from the Southwest Water Authority.

The decision to treat all water for the Southwest Pipeline Project at the existing Dickinson water treatment plant included provisions to upgrade the plant to increase its capacity. Mr. Lennington explained that one result of the increased flow through the treatment plant is a lack of adequate contact time with disinfectant. Throughout the process of developing the upgrade, Mr. Lennington said the choice of a disinfection method remained a question. Before the upgrade, the Dickinson plant used chlorine dioxide injected as the water entered the filter. Chlorine dioxide is an effective disinfectant, but it is expensive relative to other methods and there is concern about disinfection byproducts produced when chlorine encounters organic compounds. Chloramines are less expensive and do not produce the levels of byproducts formed by chlorine dioxide, but they require more contact time to achieve the same level of disinfection.

Through a pilot study, Mr. Lennington said it was determined that chloramines would provide satisfactory disinfection of the project water if they were applied at the Dodge pump station. On October 14, 1994, the State Water Commission approved the construction of a permanent chloramination facility at the Dodge pump station. Because the facility is an extension of the treatment facility in Dickinson and the two need to work together, the city assumed the role of owner in the contract documents, although the Commission would own the facility once it was complete. The plans and specifications were developed in 1997 after the upgrade at the treatment plant

was completed by the city's engineer. Construction bids were opened in the summer of 1997, but were much higher than expected. Available funding for the facility was not adequate and the engineer was instructed to reject all bids.

Mr. Lennington indicated that funds for the facility are currently available and the contract is ready to be re-bid. The estimated construction cost of the facility is \$150,000 - \$200,000. Funding for this facility will be through the Resources Trust Fund collections from the Southwest Water Authority and Perkins County, South Dakota. Bids are scheduled to be opened on February 24, 1998, and completion of the project is scheduled for late September, 1998. An amendment to the Treatment Agreement between the city of Dickinson, the Southwest Water Authority, and the State Water Commission is being developed to clarify ownership of the facility during and after construction and to describe the role of each party in the operations.

Mr. Lennington provided a summary of the proposed 1998 construction program, which included costs and funding sources.

**SOUTHWEST PIPELINE PROJECT -
APPROVAL OF SOUTHWEST
WATER AUTHORITY OPERATIONS
BUDGET AND CAPITAL REPAYMENT
RATES FOR 1998
(SWC Project No. 1726)**

Under the Transfer of Operations Agreement, the Southwest Water Authority is required to submit a budget to the Secretary of the State Water Commission by December 15 of each year. The budget is deemed approved unless the Secretary of the

Commission notifies the Authority of its disapproval by February 15. The Southwest Water Authority has satisfactorily complied with this provision.

The Southwest Pipeline Project contract for water service states that an adjustment is to be made at the end of each year for the actual costs of operations, maintenance, and replacement. The contract allows an adjustment to the water rate for capital repayment costs based on the Consumer Price Index. The State Water Commission has the responsibility of adjusting the capital repayment rates and approving the debt service credit for each year.

James Lennington reviewed the operating income and expenses for 1997. The following projected capital repayment rates for 1998 were presented for the Commission's consideration:

Contract Users:	\$ 0.78	per thousand gallons
Rural Monthly:	\$ 23.64	per month

(Note: On January 16, 1998, a memorandum was mailed to the State Water Commission members containing the proposed capital repayment rates and debt service credit for 1998. Because the Southwest Water Authority bills its customers on the 25th of each month, it was necessary to give the Authority tentative approval of the proposed rates before the Commission could meet to formally approve the rates.)

Mr. Lennington stated that in conjunction with the 1998 capital repayment rates, in 1991, the State Water Commission approved a request from the city of Dickinson for credit for qualifying debt service according to the provisions of their water service contract. The credit for Dickinson is for 75 percent of the annual debt service payment for the bascule gates at Patterson Lake. At that time, the Commission approved a schedule of declining annual rates. Mr. Lennington indicated that the city has informed the Bureau of Reclamation that they do not intend to repay the debt on the bascule gates in 1998 and have proposed a cash buyout of their repayment contract. The annual credit for 1998 is \$93,654, for a monthly credit of \$7,805. If there is not a repayment to the Bureau, Mr. Lennington said the city will be ineligible for a debt service credit.

It was the recommendation of the State Engineer that the State Water Commission approve the projected capital repayment rates for 1998 for the Southwest Pipeline Project of \$0.78 per thousand gallons for contract users; \$23.64 per month for rural users; and a monthly debt service credit of \$7,805 for the city of Dickinson, provided the city makes a debt service payment to the Bureau of Reclamation.

It was moved by Commissioner Johnson and seconded by Commissioner Ames that the State Water Commission approve the following capital repayment rates for 1998 for the Southwest Pipeline Project:

- 1) Contract Users: \$ 0.78 per thousand gallons***
- 2) Rural Monthly: \$ 23.64 per month***
- 3) Monthly debt service credit of \$7,805 for the city of Dickinson, provided the city makes a debt service payment to the Bureau of Reclamation.***

Commissioners Ames, Hillesland, Johnson, Olin, Swenson, Thompson, and Chairman Schafer voted aye. There were no nay votes. The Chairman declared the motion unanimously carried.

**SOUTHWEST PIPELINE PROJECT -
APPROVAL OF TRANSFER
AGREEMENT AMENDMENT NO. 3
RELATIVE TO CHANGE IN CONSUMER
PRICE INDEX (CPI) DATE TO
SEPTEMBER 1
(SWC Project No. 1736)**

The Southwest Water Authority and the State Water Commission have a transfer agreement for the management, operations, and maintenance of the Southwest Pipeline Project.

James Lennington explained a discrepancy exists between the transfer of operations agreement and the water service contracts with users. The transfer of operations agreement uses a January 1 Consumer Price Index (CPI) for calculating the annual adjustment to the capital repayment rate, while the existing water service agreements use a September 1 CPI. The calculation of the capital repayment should be the same in these agreements. Mr. Lennington said a September 1 CPI is available much earlier in the budget preparation period for the Southwest Water Authority. In past years, the water rate for the coming year had to be estimated for the budget due from the Authority by December 15. A September 1 CPI will make the budget process easier for the Authority, which is the Authority's preference. Mr. Lennington explained that amending the transfer of operations agreement is much more readily accomplished than amending all of the water service agreements.

It was the recommendation of the State Engineer that the State Water Commission amend the following section of the transfer agreement for the management, operations, and maintenance of the Southwest Pipeline Project:

- **Section VI, Paragraph I (2)**
 1. **Adjustment of water rate for capital cost.** The commission shall have the authority to adjust the base water rate for capital costs annually for each category of user in accordance with the increase or the decrease in the Consumer Price Index (CPI). The formula for determining the adjustment to the water rate for capital costs for each year is as follows: The CPI for **September 1** of each year shall be divided by the base CPI of January 1, 1995, which is 448.4 (1982-1984=100). ... (remainder of this section remains unchanged)

It was moved by Commissioner Johnson and seconded by Commissioner Olin that the State Water Commission approve Amendment No. 3 to the Agreement for the Transfer of Management, Operations, and Maintenance Responsibilities for the Southwest Pipeline Project, North Dakota, from the North Dakota State Water Commission to the Southwest Water Authority as recommended by the State Engineer. SEE APPENDIX "E".

Commissioners Ames, Hillesland, Johnson, Olin, Swenson, Thompson, and Chairman Schafer voted aye. There were no nay votes. The Chairman declared the motion unanimously carried.

SOUTHWEST PIPELINE PROJECT -

APPROVAL OF REIMBURSEMENT OF \$16,405 FROM RESERVE FUND FOR REPLACEMENT AND EXTRAORDINARY MAINTENANCE TO SOUTHWEST WATER AUTHORITY FOR TELEMETRY UPGRADE (SWC Project No. 1736)

The Southwest Water Authority

collects and maintains a reserve fund for replacement and extraordinary maintenance. This fund exists because over the life of the project, replacement and maintenance items will occur that will exceed annually budgeted amounts. These items need to be pre-funded. Expenditures from

this fund are to be authorized by the State Water Commission.

The distinction between ordinary maintenance and extraordinary maintenance was discussed by the Commission at its June 19, 1996 meeting. It is a known fact that there will be maintenance costs each year, and an amount sufficient to cover the unexpected maintenance with some allowance for the unexpected is included in each year's operating budget. If an extremely unlikely event occurs, but its cost is low, it should be considered as ordinary maintenance, since a certain number of unlikely events are bound to happen each year. The reserve fund is intended for use on extremely costly events, which are too costly to be included in any year's operating budget.

In considering authorization of use of the fund for the replacement of air vacuum/air release valves at its June 19, 1996 meeting, the Commission adopted a criterion based on the cost of the event. The Southwest Water Authority calculates the maintenance or replacement cost of an event. Based upon the State Engineer's review, if the eligible items exceed \$10,000, the Commission shall authorize the maintenance or replacement. Staff time, lost water, and vehicle replacement would not be included in the amount eligible.

A request from the Southwest Water Authority was presented for the State Water Commission's consideration of reimbursement from the Reserve Fund for Replacement and Extraordinary Maintenance. The request is for the costs of a telemetry upgrade increasing the communication speed of the telemetry system. The total amount requested is \$26,820.29, of which \$16,405 is considered eligible for reimbursement from the fund. Discussions with the Southwest Water Authority will be conducted on the ineligible amount.

It was the recommendation of the State Engineer that the State Water Commission approve reimbursement of \$16,405 from the Reserve Fund for Replacement and Extraordinary Maintenance to the Southwest Water Authority for the telemetry upgrade.

It was moved by Commissioner Olin and seconded by Commissioner Johnson that the State Water Commission approve the reimbursement of \$16,405 from the Reserve Fund for Replacement and Extraordinary Maintenance to the Southwest Water Authority for the telemetry system.

Commissioners Ames, Hillesland, Johnson, Olin, Swenson, Thompson, and Chairman Schafer voted aye. There were no nay votes. The Chairman declared the motion unanimously carried.

**NORTHWEST AREA WATER
SUPPLY PROJECT UPDATE
(SWC Project No. 237-04)**

James Lennington, Project Manager for the Northwest Area Water Supply Project, reported that the draft *Biota Control Facilities and Criteria* was

distributed to the Garrison Joint Technical Committee (GJTC) on January 22, 1998. Comments that were received on the *Draft Environmental Assessment* are being addressed and responses drafted, which will be submitted to the GJTC. It is anticipated that a meeting of the GJTC will be scheduled in April or May, 1998.

The engineering team is preparing a time and cost schedule of engineering design tasks to bring the project to the point where a construction contract on the first segment of the pipeline to Minot can be advertised in the late fall of 1998. Some of the required tasks include refining the hydraulic design of the entire pipeline from the intake to the Minot water treatment plant, a telemetry study, field investigations, and laboratory studies to evaluate the soil corrosivity potential along the proposed pipeline route, completion of the environmental assessment, and development of plans and specifications for the first pipeline segment.

The preliminary pipeline alignment has been drafted on contour maps generated from aerial photographs taken in October, 1997. The raw water quality monitoring program is continuing and results are being used in the intake evaluation and the analysis of modifications to treatment processes at the Minot water treatment plant. A draft report entitled *Minot WTP Evaluation and Facilities Plan* is being reviewed by the Commission staff and the city of Minot personnel.

The Rugby contract has been finalized and modifications will be drafted for the other water service contracts. Significant changes include changing the non-federal share of the project costs from 25 percent to 35 percent, removing references to closure of the Minot Air Force Base, and updating the map showing the scope of the project. A revised contract will be presented to the city of Minot and the NAWS Advisory Committee in February, 1998 for review and consideration.

**NORTHWEST AREA WATER
SUPPLY PROJECT -
APPROVAL OF CONTRACT
237-41 FOR CITY OF RUGBY
(SWC Project No. 237-04)**

The Northwest Area Water Supply water service contract, approved by the city of Rugby in 1994, was developed during the pre-final design of the project when it was proposed to serve Rugby with a pipeline from

Minot. James Lennington explained that this contract contains language referring to a Missouri River water supply, a pipeline, and delivery of water by the Commission, none of which applies for Rugby in the current project configuration. After cities between Minot and Rugby elected not to sign the contract, the project was reconfigured to include the development of a local high quality ground-water supply for the city and a proposed rural water system in Pierce County. Additional changes to the contract were necessary in order to implement a revenue bonding program to finance the local share of costs. A revised contract for the city of Rugby designed for its particular situation was drafted by the Commission staff. The NAWS Advisory Committee approved the contract for the city of Rugby at its meeting on February 9, 1998.

The current cost estimate for the Rugby phase of the project totals approximately \$4.6 million, with \$2.9 million in construction scheduled for 1998. Of the \$2.9 million, it has been determined that approximately \$2.67 million is eligible for MR&I funding. The remaining \$230,000 is considered deferred maintenance and/or replacement, based on past precedent, and would be the city's share. Mr. Lennington explained that if bonding were used to finance the non-federal costs of the project, approximately \$1.3 million in bonds would be issued for the non-federal share of the eligible costs of the project. The city of Rugby has been offered the option of financing the non-eligible costs through the revenue bond program. If the city chooses that option, the bonds issued for the project would total approximately \$1.6 million.

On December 1, 1997, the State Water Commission adopted a Resolution of Intent to Issue and Sell North Dakota State Water Commission Water Development Revenue Bonds for the Northwest Area Water Supply Project, Rugby Works - Phase 1. Mr. Lennington explained the bonding process and the next step would be for the Commission to adopt the development of a preliminary official statement and a series resolution. Adoption of this resolution does not obligate the Commission to enter into a bond purchase

agreement or to issue bonds without further action by the Commission. The design of the 1998 construction has been prepared, the engineer has advertised for bids which will be opened in late February, 1998, and award of a construction contract is dependent on the Commission's approval of the sale of the bonds.

Mr. Lennington explained that in order to proceed with the bonding program, an executed project contract between the city of Rugby and the State Water Commission is required. To ensure payment of the bonds, the water rate for repayment of the capital costs of the project in the contract is \$0.80 per thousand gallons of water. This rate was estimated by assuming bonding was used to finance the 35 percent of the current estimated project costs of the Rugby component and the pre-treated water pipeline to Minot. The rate is about \$0.10 higher than necessary to repay the bonds at Rugby. Mr. Lennington stated this follows a strategy approved by the NAWS Advisory Committee in June, 1995 and, subsequently, by the Commission on July 19, 1995, when it was decided to build the Rugby component of the project first. Rugby benefits by having its water treatment needs addressed as the first phase of the NAWS, and NAWS benefits by generating capital repayment funds which can be used elsewhere on the project. Mr. Lennington said that if the remainder of the project is not built, the excess will be used to retire the debt at Rugby. Rugby's operation and maintenance (O&M) costs will remain its own. If a rural water system is developed in the area in the future, the O&M costs will be divided proportionally between them. A water rate for replacement and extraordinary maintenance of \$0.15 per thousand gallons for the entire project will be collected by the Commission.

Dale Niewoehner, President of the Rugby City Council, addressed the State Water Commission with the following comments, in part:

I appear before you today to express the city of Rugby's appreciation and excitement over being a part of the NAWS project. We have been talking about this for quite a few years and it is now becoming a reality. North Dakota, although still mainly a rural state, has changed over the years, and so has the city of Rugby and the surrounding area. Agriculture accounts for approximately 60 percent of the local community, however, continued modernization of agriculture means fewer people are employed or actually live on farms. As a result, Rugby and Pierce County's top priority is to attract new businesses and to provide jobs for people to remain in the state, county and city.

A major factor in attracting and maintaining the economic development in communities in the state is to be able to provide a dependable and affordable water supply. We have found that whenever people want to move to Rugby or any other town in North Dakota, one of the first questions they ask is related to water. That is how important water is to us and to all of the cities in North Dakota.

The MR&I Water Supply program has identified and started to solve many water problems in North Dakota, and to meet the demands of a reliable supply of clean water for the urban and rural users. We applaud the State Water Commission and the Garrison Conservancy District for this and urge its continuance.

Rugby's water problems are not unique, but they are approaching the need of immediate attention of being critical. The Rugby water treatment plant was built in 1957, and although maintained throughout the years, it is now in need of modernization. Technology and the age factor make replacing the machinery and processing systems a necessity. If Rugby is going to meet the growing needs of domestic water use, which is estimated to increase to 1.4 million gallons per day, the city cannot respond to this need with the current water supply source of a maximum capacity of 900,000 gallons per day. Expansion and improvement of the water treatment plant also becomes a necessity to meet the city's commitment and resolution to the Pierce County Rural Water Association, which is also a part of the NAWS project.

The Rugby phase of the NAWS project will improve and serve approximately 4,000 people in the city and the surrounding area. Many of the farm wells which are of poor quality and have an unsafe water supply will enjoy a safe, clean and dependable water source. Our general quality of life improves with this project so that we can provide the water quality and quantity needs of our city and the rural population for the next 30 to 40 years.

It was the recommendation of the State Engineer that the State Water Commission approve the Northwest Area Water Supply Contract No. 237-4-1 for the city of Rugby.

*It was moved by Commissioner Johnson and seconded by Commissioner Thompson that the State Water Commission approve Northwest Area Water Supply Contract No. 237-4-1 for the city of Rugby, and authorize the State Engineer to execute the contract.
SEE APPENDIX "F"*

Commissioners Ames, Hillesland, Johnson, Olin, Swenson, Thompson, and Chairman Schafer voted aye. There were no nay votes. The Chairman declared the motion unanimously carried.

**DEVILS LAKE
HYDROLOGIC UPDATE
(SWC Project No. 416-01)**

Secretary Sprynczynatyk reported the current level of Devils Lake is 1442.7. On February 13, 1998, the National Weather Service released its initial spring flood outlook for 1998. The outlook for the Devils Lake basin states the snow depths are generally 4 to 8 inches, with water equivalent between 1 and 2 inches. The highest level in recorded history was reached in July, 1997 near 1443.0. Based on assumed normal precipitation and melt rates, and assumed normal evaporation through June, the crest outlook is for 1443.5 - 1444.0 to occur in May or June. If spring weather is warmer and drier than normal, then the crest would occur earlier. Above normal spring and summer rains could delay the crest.

**CITY OF DEVILS LAKE
LEVEE PROJECT
(SWC Project No. 416-02)**

Secretary Sprynczynatyk provided an update on the city of Devils Lake levee raise project, which is being conducted in four increments. The first increment raised the original levee five feet, which increased the level of protection for the city from a lake elevation of 1440 to 1445 (top of levee raised from elevation 1445 to 1450) along the levee's original alignment. This increment is essentially complete, with an approximate cost of \$7 million.

The second increment will extend the original alignment to include areas not previously protected from Devils Lake. Work on this increment is progressing, and the estimated cost for the realignment is \$19 million.

The third increment in the levee raise project involves raising the entire levee alignment an additional two feet, providing protection against a lake elevation of 1447 (top of levee will be 1452). This increment is being designed and construction is planned for 1998, contingent upon the execution of an amendment to the Project Cooperation Agreement. The estimated cost for this increment is \$12 million.

The fourth increment will raise the entire levee to provide protection against a lake elevation of 1450 (top of levee will be 1457). This increment is estimated to cost an additional \$12 million and will be considered for future implementation as the need develops. The total estimated cost for all of the increments, including realignment of the original levee and raising it from a top of levee elevation of 1445 to 1457, is \$50 million. The Project Agreement is being amended to handle the cost increase.

Secretary Sprynczynatyk noted that two new pumping stations will also be built at Devils Lake. The East Ditch pumping station has received bids for construction, which is estimated to cost \$4.1 million.

**CORPS OF ENGINEERS DEVILS
LAKE EMERGENCY OUTLET
(SWC Project No. 416-01)**

On July 22, 1997, the State Water Commission endorsed the Peterson Coulee outlet route from Devils Lake to the Sheyenne River, and the

preliminary plan using a combination of pumped storage, pipeline, and open channel components, with a design flow capacity of 300 cubic feet per second.

At the State Water Commission meeting on October 29, 1997, the Corps of Engineers reported that the Corps and their consultant, Barr Engineering, are continuing work on the pre-construction engineering and design of an emergency outlet from Devils Lake to the Sheyenne River via Peterson Coulee. The Corps and Barr Engineering met with State Water Commission staff and other state agencies on September 12 and October 8, 1997 to present the current status of their technical review. Seven alternatives consisting of various combinations of pumped storage, open channels, and pipe have been investigated. The preliminary cost estimates vary from \$35 to \$39.7 million.

The Corps reported that the preliminary environmental evaluation, the estimate of environmental mitigation and survey costs, and the preliminary design, permitting, and construction evaluation favored the selection of a pipeline for the entire length of the outlet. Further analysis of the pipeline alternative is required, especially to determine the features required to control surge in the pipeline.

On October 29, 1997, based on the additional information from the Corps of Engineers and the consultant, the State Water Commission reconsidered its endorsement (by motion of July 22, 1997) of the preliminary plan using a combination of pumped storage, pipeline, and open channel components, and endorsed a pipeline alternative. The Commission staff continues to work with the Corps of Engineers and Barr Engineering to develop a preferred plan based on cost, environmental impacts, and ease of construction.

An appropriation of \$5 million was passed by Congress and signed by the President, enabling the Corps of Engineers to begin construction of the outlet in 1998, with operation beginning in late 1999 or early 2000. Although a local sponsor has not yet been determined, the Commission staff has begun reviewing data provided by the Corps for the real estate acquisition requirements. The local sponsor will be responsible for the right-of-way acquisition of the project.

Secretary Sprynczynatyk reported the Corps of Engineers is continuing its efforts on the emergency final design. The Corps anticipates ordering pipe and supplies this fall, with construction commencing in 1999.

On January 14-15, 1998, a meeting was held in Moorhead, Minnesota, to address the water quality concerns associated with the Devils Lake emergency outlet into the Sheyenne River. Secretary Sprynczynatyk stated that the discussions centered on the Corps' modeling efforts that will estimate the downstream impacts. The model being developed by the Corps will predict water levels as well as water quality parameters along the Sheyenne and Red Rivers. The computer simulation called "Virtual Flood" will show pictures as seen from a helicopter flying over the lake and show the impacts that various water levels could have on the area. Representatives were at the meeting from Environment Canada and stated they were also modeling the effects of an emergency outlet.

On January 26-27, 1998, a meeting was held in St. Paul, Minnesota, to discuss the National Environmental Policy Act (NEPA) scoping process. Secretary Sprynczynatyk explained that the main emphasis of the meeting dealt with the public involvement/public scoping for the Devils Lake emergency outlet. The Corps intends to have a preliminary draft Environmental Impact Statement (EIS) available for agency review in April, 1999, a public draft EIS in June, 1999, and a Record of Decision in the spring of 2000. The Corps intends to have a draft scoping document completed by the end of May, 1998. The report to Congress on the economics of the outlet will be completed in July and is the Corps's top priority. Secretary Sprynczynatyk stated that the EIS will address two alternatives in detail, the Peterson Coulee pipeline route and the No Action alternative. Rust Environment & Infrastructure (Rust), an environmental consulting firm, has been contracted by the Corps to conduct public meetings for the EIS. Discussions with Rust include identifying the best methods to conduct the meetings, the dissemination of emergency outlet information to the public, as well as methods to involve the public and gather information about their concerns. The public meetings are scheduled for mid- to late March, but a final decision has not been made on the cities where the public meetings will be held.

Secretary Sprynczynatyk briefed the Commission members on the announcement made by the Spirit Lake Nation tribe that it is opposed to the outlet until the environmental impacts have been analyzed by the Corps and the tribe. The tribe has also challenged the location of the reservation boundary, claiming the entire lake to be part of the reservation. The tribe also claims the current west boundary of the reservation is not accurate contending that the Treaty of 1867, which created the reservation, included the Peterson Coulee area. Secretary Sprynczynatyk stated that if the tribe's boundary claim is valid, the entire Peterson Coulee outlet will lie on the reservation. The Corps of Engineers intends to meet with the tribe to discuss their concerns.

A meeting with the general public and the landowners affected by the Devils Lake emergency outlet was held on January 23, 1998 in Minnewaukan. State Water Commission staff and Corps

representatives updated the public on the outlet and discussed efforts on obtaining rights-of-entry along the emergency outlet alignment. Local landowners' concerns were addressed including the need for an outlet, outlet effectiveness, alignment selection, pipeline operation, rights-of-entry, easements, and construction impacts.

Governor Schafer expressed consternation relative to 'delayed tactics' at the federal level in pursuing the emergency status of the Devils Lake outlet. The Governor requested that the State Engineer be directed to communicate with the Department of State, the Department of Army, the Council of Environmental Quality, and the Congressional Delegation to do everything in their power to assist the state in pursuing its course of action in expediting a solution to the Devils Lake flood problems.

It was moved by Commissioner Swenson, seconded by Commissioner Thompson, and unanimously carried, that the State Water Commission direct the State Engineer to communicate with the Department of State, the Department of Army, the Council of Environmental Quality, and the Congressional Delegation requesting they do everything possible to assist the state in pursuing its course of action in expediting a solution to the Devils Lake flood problems.

**DEVILS LAKE UPPER
BASIN MANAGEMENT -
AVAILABLE STORAGE
ACREAGE PROGRAM (ASAP)
(SWC Project No. 1882-01)**

On September 11, 1997, the State Water Commission passed a motion providing the second year option be exercised on the 1997 Devils Lake Available Storage Acreage Program (ASAP) contracts and that current

ASAP participants with expiring contracts be allowed to sign extensions into 1998. The Commission approved the expenditure of \$1.15 million for water storage in 1998.

The goal for the ASAP program is to hold 22,000 acre-feet of water in 1998, which is the same amount stored in 1997. The sites with two-year contracts that were signed in 1997 are ready for 1998 storage. Approximately 90 sites are in this category (\$400,000 and 7,000 acre-feet of water).

ASAP participants with contracts that expired in 1997 have been offered one-year contract extensions for 1998 storage. To date, 70 contract extensions have been received from prior partici-

pants. These extensions show intent to renew about 35 of the 76 expired sites (multiple contracts are required for some sites). These 35 sites will store approximately 9,250 acre-feet of water and will cost approximately \$500,000.

Secretary Sprynczynatyk indicated that although contract extensions are still being received, it is doubtful that all previous ASAP participants will choose to extend their contracts. If adequate money remains from the \$1.15 million, new storage sites will be pursued. Previous ASAP participants will have until March 1, 1998 to renew their contracts before new applications are processed.

**DEVILS LAKE OUTLET
AWARENESS PROJECT
(SWC Project No. 416-01)**

At the December 22, 1997 meeting, the State Water Commission passed a motion to cost share up to \$15,000 from the Contract Fund for the Devils

Lake Awareness Project manager for a period of one year. An agreement was executed with the State Water Commission, the Devils Lake Joint Board, the Garrison Conservancy District, the Forward Devils Lake Corporation, and Joe Belford, project manager. The purpose of the agreement was to hire a full-time manager to help inform all interested parties about the Devils Lake emergency outlet. The success of implementing the outlet project will require a thorough understanding of the proposed project and the acceptance of people living downstream in North Dakota, Minnesota and Manitoba.

Joe Belford briefed the Commission members on his efforts which included meetings with the Garrison Conservancy District, the Corps of Engineers' public involvement planning meeting in Moorhead, and the National Wildlife Federation's annual meeting. Mr. Belford is currently working with the tribal leaders concerning their resolution of opposition to the outlet project.

Secretary Sprynczynatyk explained that Mr. Belford's activities are reviewed in advance and will be reported to the Commission on a regular basis. Guidance will be provided to the project manager through a number of means including the Devils Lake Outlet Advisory Committee that was created by the legislature.

**ILLEGAL DRAINAGE IN
DEVILS LAKE BASIN
(SWC Project No. 1882-05)**

On June 5, 1997, Governor Schafer issued a press release directing the State Water Commission to identify illegal drainage in the Devils Lake basin and to work with the water resource boards to close the drains.

Section 61-32-07 of the North Dakota Century Code requires unauthorized drains to be closed. Secretary Sprynczynatyk explained that the closing of illegal drains is a part of the effort to properly manage the water in the Devils Lake basin on a watershed basis. As the inventory is completed, the water resource boards in the basin will be requested to investigate the drains, which are identified as being built after 1957 and having a watershed of greater than 80 acres, so that a final determination of legality can be made by the water resource boards in the basin.

Secretary Sprynczynatyk reported that the State Water Commission staff's inventory to identify possible illegal drainage in the Devils Lake is essentially complete. He said it appears that approximately 1.3 percent of the drains in the basin are potentially illegal. The water resource districts are reviewing their records and doing a follow-up investigation to determine a course of action.

STATE WETLANDS CONSERVATION PLAN, FY 1997 EPA GRANT - APPROVAL FOR STATE ENGINEER TO ENTER INTO AGREEMENTS TO IMPLEMENT FY 1997 PROPOSAL (SWC Project No. 1500-03)

LeRoy Klapprodt, Director of the State Water Commission's Planning and Education Division, provided a status report on the State Wetlands Conservation Plan. The Fiscal Year 1997 grant agreement has been finalized by the Environmental Protection

Agency. North Dakota has been awarded \$265,100 of federal funds. The non-federal match requirement is \$88,367 (cash or in-kind services) and must be provided by the entity responsible for each project. The tasks funded by the Fiscal Year 1997 grant, and the responsible agency, include:

- North Dakota State Water Commission's wetland capacity evaluation in Devils Lake Basin - State Water Commission
- Wetland grant administration - State Water Commission
- North Dakota Wetlands Institute's State wetland education and information program - North Dakota Water Education Foundation
- Index of Wetland Integrity - Department of Health
- Support of the Red River Basin Board's water management planning - State Water Commission is providing the non-federal match

It was recommended that the State Water Commission authorize the State Engineer to execute the agreements with the U.S. Environmental Protection Agency and the appropriate agencies to implement the Fiscal Year 1997 Wetlands Conservation proposal.

It was moved by Commissioner Johnson and seconded by Commissioner Olin that the State Water Commission authorize the State Engineer to execute the agreements with the U.S. Environmental Protection Agency and the appropriate agencies to implement the Fiscal Year 1997 Wetlands Conservation proposal.

Commissioners Ames, Hillesland, Johnson, Olin, Swenson, Thompson, and Chairman Schafer voted aye. There were no nay votes. The Chairman declared the motion unanimously carried.

**SHEYENNE RIVER
FLOOD CONTROL -
MAPLE RIVER DAM
PROJECT UPDATE
(SWC Project No. 1785)**

The Cass County Joint Water Resource District requested an audience before the State Water Commission for the purpose of making a presentation relating to the Maple River Dam, which is a component of the

Sheyenne River flood control project. Appearing were James McLaughlin, Chairman of the Board; Board members Tom Fischer and Commissioner Robert Thompson; Daniel Twichell, Board attorney; and Jeff Volk, Moore Engineering.

A report was distributed to the Commission members entitled *Maple River Dam, Report to the North Dakota State Water Commission, February 13, 1998*, and is on file at the State Water Commission. Jeff Volk's comments alluded to the project features and downstream benefits, projected schedule, and proposed project funding. Mr. Volk reported that if the required permits for the project can be satisfied, construction could begin in 1999.

**ELK/CHARBONNEAU/TIMBER
CREEK FEASIBILITY STUDY
(SWC Project No. 1857)**

On December 4, 1996, the State Water Commission passed a motion to cost share with the McKenzie County Water Resource District for 50

percent of the eligible costs, not to exceed \$25,000 from the Contract Fund, for a feasibility study of developing irrigation in the Elk/Charbonneau/Timber Creek area in McKenzie County. IRZ Consulting of Hermiston, Oregon, has completed the feasibility study.

Matt Iverson, steering committee member, and farmer in northwest McKenzie County, requested an audience before the State Water Commission for the purpose of providing the feasibility study results of the Elk/Charbonneau/Timber Creek irrigation project. Mr. Iverson provided a written report entitled *Elk/Charbonneau/Irrigation Project, Project Status Update, North Dakota State Water Commission, February 13, 1998*, which is on file in the State Water Commission office, Project No. 1857.

The proposed Elk/Charbonneau irrigation project in McKenzie County could be an economically viable venture providing increased income for district members and stimulating additional developments which will provide new jobs for the area.

The feasibility of the proposed irrigation project was considered for a group of 15 McKenzie County landowners. Three design options were identified ranging in size from 2,927 irrigated acres up to 4,555 irrigated acres. The total estimated project costs range from \$4.3 to \$7.3 million. The soils and topography are suitable with only isolated problem spots. Mr. Iverson said it is strongly believed that water rights from the Missouri River can be obtained. Water quality is suitable for irrigation with only a problem of high sediment loads during the early part of the season and the need to manage water applications to avoid accumulating salts. An application for an irrigation district has been filed in the Office of the State Engineer.

**1999 STATE WATER PLAN
(SWC Project No. 322)**

The Planning and Education Division of the State Water Commission is developing the 1999 State Water Plan.

Work on the plan was initiated during the last part of 1997 and is scheduled to be completed by the end of 1998. The North Dakota Water Coalition has agreed to work with the Commission staff in developing the State Water Plan. The plan will be available for the 1999 legislative session.

The 1999 State Water Plan will focus on water management for the 21st century. It will outline current and future management policies and will help serve as a guide for decision-makers. It is intended to be a realistic vision of water management with emphasis on regional and local projects that are appropriate to the plan's goals and objectives.

The previous update to the plan in 1992 focused on water projects. The current plan will emphasize current water policies and their effect on water management. The division has begun the process of collecting, documenting and reviewing all of the State Water Commission's water management, cost sharing, and permitting policies. In addition to the State Water Commission policies, the plan will reference appropriate water-related policies from the state's other natural resource agencies.

The 1999 State Water Management Plan has three main goals: 1) to comprehensively illustrate how North Dakota water resources are currently managed and the responsibilities associated with that management; 2) to provide a vision or direction for how water could be managed into the 21st century; and 3) to reinforce the framework for implementa-

tion of the current water management plan and water development program, per the Fifty-fifth North Dakota Legislative Assembly Session laws, Chapter 15, Section 9, which reads as follows:

The legislative assembly finds that there is a critical need to develop a comprehensive statewide water development program. The state water commission shall develop and implement a comprehensive statewide water development program. The commission shall design the program to serve the long-term water resource needs of the state and its people and to protect the state's current usage of, and the state's claim to its proper share of Missouri River water.

The public involvement process will gather input on water issues and needs in the state. This process will take approximately four months to complete. Input will be gathered from surveys, public meetings, and special representative input groups. The Planning and Education Division will be hosting public meetings February 16-23, 1998.

**RED RIVER BASIN BOARD
(SWC File AOC/RBB)**

The Red River Basin Board was organized to develop and cause to be implemented, a comprehensive water management plan for the Red River basin addressing the needs on a watershed basis and to facilitate and pursue the resolution of inter-jurisdictional issues. The board of directors is comprised of five members each from Minnesota and North Dakota; seven members from Manitoba; two members from South Dakota; and two members from the tribal/aboriginal reservations in Minnesota, North Dakota, and Manitoba.

The organizational meeting of the Red River Basin Board was held on July 24, 1997 in Pembina, North Dakota. The board met on September 4, 1997 in Grand Forks, at which time Morris Lanning, Mayor of Moorhead, Minnesota, was elected to chair the board. Secretary Sprynczynatyk reported that of the 21-member board, all of the members have been identified, with the exception of the Province of Manitoba.

The board contracted with Eugene Krenz, former State Water Commission employee, to develop the Red River Basin Water Management Plan outline and the coordination efforts for implementation of the plan.

Secretary Sprynczynatyk informed the Commission members that the Red River Basin Board recently passed a resolution of support addressing the Bois de Sioux watershed district in Minnesota. The legislation is presently being considered by the Minnesota Legislature.

**INTERNATIONAL JOINT
COMMISSION RED RIVER
BASIN TASK FORCE
(SWC Project No. 1431-08)
(SWC File AOC/RRB)**

The federal governments of the United States and Canada have formally requested the International Joint Commission to examine and report on the causes and effects of the flooding in the Red River basin and to

make recommendations to the two governments by the end of 1998 on the means of reducing future risks from flooding. The International Joint Commission is a bi-national United States-Canada organization established by the Boundary Waters Treaty of 1909 and assists the governments in managing waters along the border for the benefit of both countries. It has built its reputation by producing cooperation among a variety of interests on both sides of the border.

To assist the International Joint Commission with the work, the Commission appointed an International Red River Basin Task Force consisting of United States and Canada flood experts from a variety of backgrounds in public policy and water resource management. Task force members serve the Commission in their personal and professional capacities, not as representatives of their agencies or employers. Secretary Sprynczynatyk is a member of the task force.

Efforts of the task force focused on flood forecasting, flood controls, emergency preparedness, land use practices, and related issues. The task force submitted an interim report to the International Joint Commission entitled *Interim Report of the International Red River Basin Task Force to the International Joint Commission - Red River Flooding Short-Term Measures, dated December, 1997.*

Secretary Sprynczynatyk reported the interim report developed 40 recommendations regarding flood forecasting, monitoring improvements, emergency measures and planning, environmental concerns, and floodplain management including zoning, legislation and enforcement. The interim report includes a draft plan of study to highlight issues that need more attention and that will form part of the final report. The draft plan proposes the development of a database, models and studies to assist future management of the river basin.

The International Joint Commission and the task force held public consultations in the Red River basin the week of February 9-13, 1998 to receive public comments on the 40 recommendations and on the draft plan of study. Written comments will be accepted until February 27, 1998. The IJC has proposed that its final report will be submitted by June 30, 1999. This will allow time for the IJC to carry out extensive work relating to modeling, data analysis, social impact and public consultation outlined in the report.

The recommendations are directed toward governments at various levels in both countries and address the following issues:

- stressing that a significant risk of flooding remains
- improving, clarifying, and coordinating various flood policies
- simplifying and clarifying flood forecast information released to the public
- enforcing and adhering to floodplain management policies
- improving emergency management coordination and plans
- ensuring support for impacted families and individuals
- making major technical improvements in forecasting and water flow models, gaging networks and surveys, and ice management
- addressing environmental concerns such as hazardous products, groundwater contamination, and considerations in levee/dike design

The International Red River Basin Task Force will undertake studies to support preparation of its final report on the problems relating to flooding in the Red River in North Dakota, Minnesota, and Manitoba. The task force established three subgroups - Database, Tools, and Strategies to conduct or direct much of the data collection, model development, program evaluation, and prepare preliminary recommendations for its final report. Secretary Sprynczynatyk reported that Dale Frink, Assistant State Engineer, will serve on the Strategies subgroup.

**INTERNATIONAL JOINT
COMMISSION RED RIVER
BASIN TASK FORCE -
APPROVAL OF REQUEST TO
COST SHARE TO STUDY ROLE OF
WETLANDS ON FLOODING IN
RED RIVER VALLEY
(SWC Project No. 1431-08)
(SWC File AOC/RRB/RES)**

In September, 1997, the International Joint Commission formed the Red River Basin Task Force to examine a range of alternatives to reduce future flood damages. Land use management is one of many alternatives under review.

In response to the issue of land use management, the Water Resource

Research Institute, NDSU, has submitted a proposal to the International Joint Commission Red River Basin Task Force, the State Water Commission and the State of Minnesota. The proposal objectives include an evaluation of the hydrologic influence of wetlands on Red River flooding, and an economic feasibility analysis of wetland protection, mitigation and restoration efforts to reduce the impact of flood events in the Red River Valley.

The cost of the study is \$82,500. The proposal requests \$38,800 from the Red River Basin Task Force, \$27,200 from other sources (including Minnesota), and \$16,500 from the State Water Commission. Secretary Sprynczynatyk stated that neither the Red River Basin Task Force nor Minnesota has approved funding for the study.

A request was presented for the State Water Commission's consideration to provide \$16,500 from the Contract Fund to the Water Resources Research Institute to cost share on the study proposal to evaluate the hydrologic and economic impacts of wetlands on Red River flooding.

Secretary Sprynczynatyk explained that the effect of wetland drainage has received considerable interest since the 1997 flood. He said this proposal is important in that it combines hydrologic impacts with economic feasibility. It was the recommendation of the State Engineer that the State Water Commission approve \$16,500 from the Contract Fund to the Water Resources Research Institute to cost share on the study proposal to evaluate the hydrologic and economic impacts of wetlands on Red River flooding, contingent upon the availability of funds from the Contract Fund, and upon the Water Resources Research Institute obtaining cost share funds from the Red River Basin Task Force, the State of Minnesota, and other sources.

It was moved by Commissioner Hillesland and seconded by Commissioner Swenson that the State Water Commission authorize the expenditure of \$16,500 from the Contract Fund to the Water Resources Research Institute to cost share on the study proposal to evaluate the hydrologic and economic impacts of wetlands on the Red River flooding. This motion is contingent upon the availability of funds from the Contract Fund, and upon the Water Resources Research Institute obtaining cost share funds from the Red River Basin Task Force, the State of Minnesota, and other sources.

Commissioners Ames, Hillesland, Johnson, Olin, Swenson, Thompson, and Chairman Schafer voted aye. There were no nay votes. The Chairman declared the motion unanimously carried.

**GRAND FORKS
FLOOD CONTROL
(SWC Project No. 830)**

Following the devastation in Grand Forks and East Grand Forks resulting from the spring flood of 1997 on the Red River of the North, the Corps of Engineers has been assisting with restoration activities and long-term planning in these communities. In order to provide technical assistance to local, state, and federal entities who are trying to expedite the 1997 flood recovery, a concept level of alternatives of four possible federal flood reduction plans was developed. They are: 1) a large diversion channel aligned to the east of East Grand Forks; 2) a large setback levee/floodwall system aligned along both sides of the river; 3) a combination of a somewhat smaller diversion channel on the Minnesota side and a smaller and less setback levee/floodwall system; and 4) a combination of a somewhat smaller diversion channel on the North Dakota side and a smaller and less setback levee/floodwall system.

Secretary Sprynczynatyk provided the Commission members handouts relative to the long-term flood abatement project, dated February 12, 1998, for Grand Forks and East Grand Forks, which are attached hereto as *APPENDIX "G"*.

Secretary Sprynczynatyk explained that a marker for this project has been placed in the Water Resources Development Act of 1998 (WRDA 98), the federal authorizing bill. Project authorization will be requested subject to completion of an approved technical report by December, 1998. To meet this deadline, and to provide sufficient input to authorizing language, the local communities must select a single locally preferred alternative by the end of February, 1998.

**MISSOURI RIVER UPDATE
(SWC Project No. 1392)**

Secretary Sprynczynatyk reported that for the past two years, the Missouri River Basin Association (MRBA) has been involved in an extensive planning effort, utilizing input from the citizens throughout the basin, as part of a plan to help enhance the economic and environmental uses of the Missouri River. The planning process is summarized as follows:

In 1994, the Corps of Engineers published the results of its extended review of the Master Manual Control Manual for the Missouri River. In the document, the Corps recommended several changes in the way it managed the river. Some of the changes were controversial, and the document failed to achieve public approval.

The Corps asked the MRBA directors to develop elements of a Missouri River operating plan that would meet with broader approval. In response, the directors began an extensive planning effort in 1995. They hired a facilitator from The River Group to help them design a process that would lead to a consensus on at least certain elements of a river operating plan.

The MRBA directors agreed on several issues early in the process. One point of agreement was that the basin needed to have in place an extensive environmental monitoring program. The Missouri River Natural Resources Committee developed a draft monitoring program for the basin. The directors also agreed that the Corps and other agencies need to involve the basin's Indian tribes to a greater degree in planning activities. The directors also agreed that the spring rise (an increase in springtime reservoir releases to stimulate the flows that existed before the dams were built) proposed by the Corps is not the best method for addressing habitat concerns.

The MRBA directors organized a basinwide conference in Bismarck, North Dakota, in June, 1996, to solicit feedback from people who would be affected by any plan for the Missouri River. Approximately 120 people attended the conference, and the participants produced nearly 80 pages of recommendations for MRBA's consideration. The MRBA directors spent several months reviewing the results of the Bismarck conference.

In the spring of 1997, the MRBA Executive Director met with the ad hoc committees representing the following five interests in the river: navigation; recreation; fish and wildlife; bank stabilization and agriculture; and municipal and industrial water supply. The MRBA directors felt that the hydropower recommendations that came from the June, 1996 Bismarck conference did not need elaboration, so there was no follow-up meeting with the hydropower committee.

After working through the Bismarck conference and the committees' suggestions, the MRBA directors drafted a set of recommendations that was the focus of a second MRBA-sponsored basinwide event, which was held in Kansas City, Missouri in November, 1997.

The MRBA directors used input from the Kansas City conference to develop the recommendations, which are attached to these minutes as *APPENDIX "H"*.

The MRBA directors will address the issue of drought management in its future planning efforts.

**APPROVAL OF RESOLUTION
OF APPRECIATION TO
FRANK JOHNSON
(SWC Resolution No. 98-2-478)**

A draft Resolution of Appreciation to Frank Johnson, State Water Commission's Realty Officer, was presented for the State Water Commission's consideration.

Mr. Johnson served the State of North Dakota since 1986. Effective December 31, 1997, Mr. Johnson decided to enjoy retirement.

It was moved by Commissioner Olin, seconded by Commissioner Ames, and unanimously carried, to approve Resolution of Appreciation, No. 98-2-478, to Frank Johnson. SEE APPENDIX "I"

**APPROVAL OF RELEASE
OF EASEMENT BETWEEN
CITY OF FARGO, SOUTHEAST
CASS WATER RESOURCE
DISTRICT, THE STATE OF
NORTH DAKOTA, AND VERNON
ARNESON, ARNOLD T. ARNESON
AND GLADYS S. ARNESON
(SWC Project No. 599)**

The State of North Dakota, the Southeast Cass Water Resource District, the city of Fargo, and Vernon S. Arneson, Arnold T. Arneson, and Gladys S. Arneson obtained a permanent flood easement in May, 1983 that covered land flooded as a result of the diversion of water from the Sheyenne River to the Red River. The easement was acquired as a result of

a lawsuit brought by landowners who were flooded by the diversion. Because the overland pumping caused flooding, the city later installed underground pipes to pump the water directly to the Fargo water treatment plant and, consequently, the flood easement is no longer necessary.

Secretary Sprynczynatyk explained that the landowners desire to sell a portion of the land covered by the flood easement and have requested that the flood easement be released. A document was presented for the State Water Commission's consideration authorizing the city of Fargo to partially release the easement on behalf of itself, the state, and the water resource district. Before the easement can be released, the Fargo City engineering department must determine that the property covered by the easement is protected from flooding by fill or other approved means.

It was the recommendation of the State Engineer that the State Water Commission approve the easement release agreement that authorizes the city of Fargo to release the permanent easements under the conditions provided for in the agreement.

It was moved by Commissioner Olin and seconded by Commissioner Thompson that the State Water Commission approve the easement release agreement that authorizes the city of Fargo to release the permanent easements under the conditions provided for in the agreement.

Commissioners Ames, Hillesland, Johnson, Olin Swenson, Thompson, and Chairman Schafer voted aye. There were no nay votes. The Chairman declared the motion unanimously carried. SEE APPENDIX "J"

**1998 FLOOD OUTLOOK
(SWC Project No. 1431-08)**

On February 13, 1998, the National Weather Service issued its initial flood outlook statement. Secretary

Sprynczynatyk provided a summary of the outlook, which is attached hereto as *APPENDIX "K"*.

There being no further business to come before the State Water Commission, Governor Schafer adjourned the meeting at 4:30 PM.

/S/ Edward T. Schafer
Edward T. Schafer
Governor of North Dakota

SEAL

/S/ David A. Sprynczynatyk
David A. Sprynczynatyk
State Engineer, and
Chief Engineer-Secretary

