



North Dakota State Water Commission

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

**May 29, 2014
1:30 P.M., CDT**

AGENDA

- A. Roll Call
- B. Consideration of Agenda --- *Information pertaining to the agenda items is available on the State Water Commission's website at <http://www.swc.nd.gov>*
- C. Consideration of Draft Minutes of Following SWC Meetings:
 - 1) **February 27, 2014 SWC Telephone Conference Call Meeting** **
 - 2) **March 17, 2014 State Water Commission Meeting** **
- D. State Water Commission Financial Reports:
 - 1) Agency Program Budget Expenditures
 - 2) 2013-2015 Biennium Resources Trust Fund and Water Development Trust Fund Revenues
- E. Red River Valley Water Supply Value Engineering Update
- F. North Dakota State Water Commission Cost Share Policy, Procedure, and General Requirements:
 - 1) Cost Share Policy Draft Modifications
 - 2) Loan Program
- G. Consideration of Following Requests for Cost Share:
 - 1) **Big Coulee Dam Feasibility Study - City of Bisbee** **
 - 2) **City of Killdeer Floodplain Mapping Project** **
 - 3) **LiDar Collection - Mercer County** **
 - 4) **City of Marion Mitigation and Lagoon Drainage Project** **
 - 5) **City of Pembina Flood Protection System Modifications** **
 - 6) **Pembina County Drain No. 11 Extension Project** **
 - 7) **Bourbanis Dam and Olson Dam Safety Repairs-Pembina Co.** **
 - 8) **Ward County Road 18 Flood Control Project** **
 - 9) **City of Minot Property Acquisitions, Phase III** **
- H. Sheyenne River Flood Control:
 - 1) **Valley City Permanent Flood Protection Project** **
 - 2) **City of Lisbon Flood Protection Project** **

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- I. State Water Supply Projects:
 - 1) **North Central Rural Water - Granville/Surrey/Deering** **
 - 2) **North Central Rural Water - Carpio/Berthold, Phase II** **
 - 3) **Northeast Regional Water District - Rural Expansion** **

- J. 2014 Federal Municipal, Rural and Industrial (MR&I) Water Supply:
 - 1) **McLean-Sheridan Water District-Blue/Brush Lake Expansion** **
 - 2) **South Central Regional Water District - Kidder County** **

- K. Fargo Moorhead Area Diversion Project Report

- L. Mouse River Enhanced Flood Protection Project:
 - 1) Project Update
 - 2) **International Joint Commission Study Board** **

- M. Southwest Pipeline Project:
 - 1) Project Update
 - 2) **Contract 4-5 - Finished Water Pump Station** **
 - 3) **Contract 7-9E - West Center Service Area** **
 - 4) **City of Rhame Water Service Agreement** **
 - 5) **Industrial Use by Communities - Contract Amendment** **

- N. Devils Lake:
 - 1) Hydrologic and Projects Updates
 - 2) **Operations of Devils Lake Outlets** **

- O. Proposed Amendments to North Dakota Administrative Code Articles** **

- P. Western Area Water Supply Project:
 - 1) Project Update
 - 2) **Stanley Distribution Project** **

- Q. Northwest Area Water Supply Project Update

- R. State Water Plan:
 - 1) Plan Update
 - 2) Introduction - Public Information Specialist

- S. Missouri River Update

- T. Other Business

- U. Adjournment

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

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

MINUTES

North Dakota State Water Commission Bismarck, North Dakota

May 29, 2014

The North Dakota State Water Commission held a meeting at the State Office Building, Bismarck, North Dakota, on May 29, 2014. Governor Jack Dalrymple, Chairman, called the meeting to order at 1:30 p.m., and requested Todd Sando, State Engineer, and Chief Engineer-Secretary to the State Water Commission, to call the roll. Governor Dalrymple announced a quorum was present.

STATE WATER COMMISSION MEMBERS PRESENT:

Governor Jack Dalrymple, Chairman
Doug Goehring, Commissioner, North Dakota
Department of Agriculture, Bismarck (portion of meeting via telephone)
Maurice Foley, Member from Minot
Larry Hanson, Member from Williston
George Nodland, Member from Dickinson
Harley Swenson, Member from Bismarck
Robert Thompson, Member from Page
Douglas Vosper, Member from Neche

STATE WATER COMMISSION MEMBER ABSENT:

Arne Berg, Member from Devils Lake

OTHERS PRESENT:

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

The attendance register is on file with the official minutes.

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

CONSIDERATION OF AGENDA

The agenda for the May 29, 2014 State Water Commission meeting was presented; there were no modifications.

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

CONSIDERATION OF DRAFT MINUTES OF FEBRUARY 27, 2014 STATE WATER COMMISSION AUDIO TELEPHONE CONFERENCE CALL MEETING - APPROVED

The draft final minutes of the February 27, 2014 State Water Commission audio telephone conference call meeting were approved by the following motion:

It was moved by Commissioner Foley, seconded by Commissioner Thompson, and unanimously carried, that the draft final minutes of the February 27, 2014 State Water Commission audio telephone conference call meeting be approved as prepared.

CONSIDERATION OF DRAFT MINUTES OF MARCH 17, 2014 STATE WATER COMMISSION MEETING - APPROVED

The draft final minutes of the March 17, 2014 State Water Commission meeting were approved by the following motion:

It was moved by Commissioner Foley, seconded by Commissioner Thompson, and unanimously carried, that the draft final minutes of the March 17, 2014 State Water Commission meeting be approved as prepared.

STATE WATER COMMISSION BUDGET EXPENDITURES, 2013-2015 BIENNIUM

In the 2013-2015 biennium, the State Water Commission has two line items - administrative and support services, and water and atmospheric resources expenditures. The allocated program expenditures for the period ending April 30, 2014, reflecting 42 percent of the 2013-2015 biennium, were presented and discussed by David Laschkewitsch, State Water Commission's Director of Administrative Services. The expenditures, in total, are within the authorized budget amounts. **SEE APPENDIX "A"**

The Contract Fund spreadsheet, attached hereto as **APPENDIX "B"**, provides information on the committed and uncommitted funds from the Resources Trust Fund and the Water Development Trust Fund. The total amount allocated for projects is \$426,945,166 leaving an unobligated balance of \$278,948,926 available to commit to projects in the 2013-2015 biennium.

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

Oil extraction tax deposits into the Resources Trust Fund total \$248,099,213 through May, 2014 and are currently \$28,809,113, or 13.1 percent above budgeted revenues.

Deposits into the Water Development Resources Trust Fund (tobacco settlement) total \$10,240,371 through May, 2014, and are currently \$1,240,371, or 13.8 percent above budgeted revenues.

**RED RIVER VALLEY WATER
SUPPLY PROJECT ALTERNATIVE
ROUTE ENGINEERING STUDY -
APPROVAL OF STATE COST
PARTICIPATION FOR RIGHT-OF-WAY
FIVE-YEAR TERM EXTENSIONS
(\$420,000); AND MISSOURI RIVER
BANK FILTRATION INTAKE HYDRO-
GEOLOGIC INVESTIGATION AND
CONCEPTUAL DESIGN (\$2,500,000)
(SWC Project No. 325)**

On December 23, 2013, the North Dakota State Water Commission issued a Request for Proposals for a value engineering study of the Red River valley water supply alternatives to supply water from the Missouri River to the Red River valley users (municipalities, rural water districts, and industry). The alternatives varied in regard to their alignment, length, and environmental permitting requirements. The overall value engineering study goal is to assist

the state select an alignment that provides the best opportunity to complete the project.

Six proposals were received, and the top three scoring firms were interviewed on January 27 and 28, 2014. The top candidate was CH2MHILL, who has considerable experience with similar projects in design, planning, construction, and legal perspectives. The negotiated contract cost with CH2MHILL was \$375,000, with an anticipated completion date of May 16, 2014. On February 27, 2014, the State Water Commission adopted a motion which authorized the Secretary to the Commission to enter into a contract with CH2MHILL for the Red River valley water supply value engineering study, and approved an allocation not to exceed \$375,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020).

The draft report titled "Red River Valley Water Supply Project Alternative Route Engineering Study" was prepared by CH2MHILL and Trout, Raley, Montano, Witwer and Freeman, and was completed in May, 2014. Representatives of CH2MHill presented the study results, which are outlined in **APPENDIX "C"**. The study is available on the State Water Commission's web site at <http://swc.nd.gov>.

Based on the selection criteria developed during the study workshops, the Washburn to Baldhill Creek pipeline alignment is the apparent best alternative. The key criteria for the Washburn to Baldhill Creek alignment includes: leveraging previous work completed including preliminary design, environmental studies and investigations, and the acquisition of easement options along the route; a relatively shorter length of pipeline resulting in timely construction start criterion; and the inclusion of Lake Ashtabula provides for environmental benefits (higher instream flows) and robustness (Lake Ashtabula storage).

A key recommendation of the CH2MHill study states that "a conventional intake on the Missouri River has a high probability of requiring a Clean Water Act Section 404 Permit and a River and Harbors Act Section 10 permit." The study team recommended that an engineering and hydrogeologic study should identify potential intake locations, determine feasible bank filtration system configuration to avoid environmental impacts that would require federal permits, evaluate expected water quality, and estimate the cost. The report emphasized that "the results of this study will need to be carefully considered in the final selection of the preferred pipeline route."

Other recommendations of the report included: conduct a study of the Baldhill Creek outfall location including land requirements, site selection, layout, design and permitting requirements; revise pipeline alignments to avoid environmental impacts or encroachment on easements that would require the need for discretionary federal permits or actions; after evaluating alignment revisions, extend expiring easement options along the Washburn to Baldhill Creek alignment; confirm the status of existing jurisdictional determination for waters of the United States along the Washburn to Baldhill Creek alignment; monitor status of proposed rule expanding scope of water protected under the Clean Water Act; and develop a cost share, implementation strategy, and action plan that reflects a state and local project.

A request from the Lake Agassiz Water Authority was presented for the State Water Commission's consideration for state cost participation of 90 percent up to \$4,800,000 for the Garrison Diversion Conservancy District to complete the following tasks: 1) Right-of-way - extend the current right-of-way option agreements for an additional five years and evaluate ways to minimize federal permitting - \$700,000; 2) Missouri River intake investigation - the Missouri River intake options include a series of riverbank filtration wells or a conventional raw water intake, and require additional geological investigations to determine optimum placement, erosion and sedimentation evaluations, permeability evaluations and foundation investigations - \$2,500,000; and 3) Design and Permit Outfall - evaluate and identify possible discharge areas along the Sheyenne River and surrounding tributaries, includ-

ing specific tasks relating to hydraulic modeling, survey work, development of a preliminary discharge structure, and final plans and specifications for the structure - \$1,600,000.

In discussion of the request for state cost participation, the Commission members were concerned about the Lake Agassiz Water Authority and the Garrison Diversion Conservancy District for non-compliance with the Commission's policy to provide a request for state cost participation 30 days in advance of the Commission's consideration.

Secretary Sando explained that the request to extend the right-of-way options for an additional five years is eligible for a 60 percent state cost participation grant under the State Water Commission's cost share policy for water supply projects. The Commission members concurred with the recommendation in the Red River Valley Water Supply Project Alternative Route Engineering Study report to conduct the hydrogeologic and engineering study on intake options for a potential Red River Valley Water Supply project as well as potential subsurface intake locations for other uses. The Secretary to the Commission and the Commission staff were directed to proceed in developing the request for proposals for the Missouri River bank filtration intake hydrogeologic investigation and conceptual design.

It was moved by Commissioner Nodland and seconded by Commissioner Vosper that the State Water Commission:

1) approve a 60 percent state cost participation grant, not to exceed an allocation of \$420,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Garrison Diversion Conservancy District to provide five-year term extensions for right-of-way options; and

2) approve an allocation not to exceed \$2,500,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to conduct the Missouri River bank filtration intake hydrogeologic investigation and conceptual design.

These actions are contingent upon the availability of funds.

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

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

section, and offered language at the May 29, 2014 meeting that would make expansion projects into new service areas eligible for a higher level of cost share.

The State Water Commission continued its discussion on the draft modifications to the North Dakota Cost Share Policy, Procedure, and General Requirements. The Commission's staff was previously directed to review the water supply

The State Water Commission and the Interim Legislative Water Topics Overview Committee has scheduled a joint roundtable discussion on June 23, 2014 to discuss the draft modifications to the cost share policy and other water-related projects.

**INFRASTRUCTURE REVOLVING
LOAN FUND, CREATED IN 2013
SENATE BILL 2233**

2013 Senate Bill 2233, Section 11, created and enacted a new section to chapter 61-02 of the North Dakota Century Code as follows:

1. An infrastructure revolving fund is established on January 1, 2015, within the resources trust fund to provide loans for water supply, flood protection, or other water development and water management projects. Ten percent of oil extraction moneys deposited in the resources trust fund are made available on a continuing basis for making loans in accordance with this section. Accounts may be established in the resources trust fund as necessary for its management and administration.
2. The commission shall consider the following information when evaluating projects:
 - a. A description of the nature and purposes of the proposed infrastructure project including an explanation of the need for the project, the reasons why it is in the public interest, and the overall economic impact of the project.
 - b. The estimated cost of the project and the amount of the loan sought and other proposed sources of funding.
 - c. The extent to which completion of the project will provide a benefit to the state or regions within the state.

3. The commission shall approve projects and loans from the infrastructure loan fund, and the Bank of North Dakota shall manage and administer loans from the infrastructure loan fund and individual accounts in the fund. The commission may adopt policies for the review and approval of loans under this section. Loans made under this section must be made at an interest rate of one and one-half percent.
4. Annually the Bank of North Dakota may deduct a service fee at one-half of one percent for administering the infrastructure loan fund.
5. Projects not eligible for the state revolving fund will be given priority for these funds.

The specifics of the bill were reviewed noting that projects not eligible for the state revolving loan fund administered by the State Department of Health will be given priority for these funds. Water supply projects are the only projects eligible for state cost participation that are eligible for the state revolving loan program. It is estimated that ten percent of the deposit between January 1, 2015 and the end of the 2013-2015 biennium could result in \$16,400,000 being available for this loan program.

Loans approved prior to January 1, 2015 would not be considered under this law. Although the Commission is tasked with adopting policies for the project review and approval of loans after January 1, 2015, it was the general consensus of the Commission members to take into account the specifics defined within the legislation, at a preferred interest rate of one and one-half percent, when considering loans for water supply projects prior to January 1, 2015.

***BIG COULEE DAM FEASIBILITY
STUDY - APPROVAL OF STATE
COST PARTICIPATION (\$65,000)
(SWC Project No. 1418)***

A request from the City of Bisbee was presented for the State Water Commission's consideration for state cost participation for the Big Coulee Dam feasibility study. The dam is located in

Section 36, Township 160 North, Range 68 West in Towner county.

Principal spillway and foundation issues at Big Coulee Dam have developed over the past decade and are reaching a threshold where the safety of the dam may soon come into question. The most recent dam safety inspection completed by the State Water Commission staff recommended the city of Bisbee conduct a feasibility study of the issues and develop alternatives to repair the deficiencies. The city anticipates to have the study completed by the end of 2014 in order to pursue the repair options in 2015.

The project engineer's study cost estimate is \$130,000, of which all is determined eligible for state cost participation as a feasibility study at 50 percent of the eligible costs (\$65,000). The City of Bisbee, the Towner County Water Resource District, and the Towner County Commission will sponsor the study and provide the local cost share (\$65,000). The request before the State Water Commission is for a 50 percent state cost participation in the amount of \$65,000.

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation as a feasibility study at 50 percent of the eligible costs, not to exceed an allocation of \$65,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020) to the City of Bisbee to support the Big Coulee Dam feasibility study.

It was moved by Commissioner Foley and seconded by Commissioner Thompson that the State Water Commission approve state cost participation as a feasibility study at 50 percent of the eligible costs, not to exceed an allocation of \$65,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the City of Bisbee to support the Big Coulee Dam feasibility study. This action is contingent upon the availability of funds.

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

**CITY OF KILLDEER AND DUNN COUNTY
FLOODPLAIN MAPPING PROJECT -
APPROVAL OF STATE COST
PARTICIPATION (\$55,000)
(SWC Project No. 1577)**

A request from the City of Killdeer and the Dunn County Planning and Zoning Commission was presented for the State Water Commission's consideration for state cost participation in their floodplain mapping project.

The city and county are experiencing significant impacts due to energy development in the region, primarily in population growth. Current estimates indicate that the city has nearly doubled in size since the 2010 census from a population of 735 to nearly 1,400. The city estimates the population will grow to 4,000 people due to continued energy development activity in the region, with the county seeing a corresponding and similar increase in population throughout.

The challenges of this growth are being addressed by the city and the county in various ways including the development of a land use and growth management plan, implementation of new storm water management standards, development of a capital improvement plan, and construction of critical infrastructure. These items do not address the outdated floodplain mapping associated with the currently effective Flood Insurance Study and the Flood Insurance Rate Map which have not been updated since 1989.

The State Water Commission recognizes the need to update the city and surrounding region's floodplain mapping. This area has a priority ranking in the 2014 funding request to FEMA. Because FEMA has not released information relative to projects that will be awarded funding, the updated analysis and remapping process could be delayed.

The project engineer's total estimated cost is \$110,000, all of which is determined eligible for state cost participation as a floodplain mapping project at 50 percent of the eligible costs (\$55,000). The proposed project will provide effective floodplain management through the proper administration of floodplain zoning requirements, and will allow for informed development reducing the likelihood of construction in areas at risk from flooding.

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation as a floodplain mapping project at 50 percent of the eligible costs, not to exceed an allocation of \$55,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to support the City of Killdeer and the Dunn County floodplain mapping project.

It was moved by Commissioner Thompson and seconded by Commissioner Hanson that the State Water Commission approve state cost participation as a floodplain mapping project at 50 percent of the eligible costs, not to exceed an allocation of \$55,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to support the City of Killdeer and the Dunn County floodplain mapping project. This action is contingent upon the availability of funds.

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

**MERCER COUNTY LIDAR
COLLECTION PROJECT -
APPROVAL OF STATE
PARTICIPATION (\$117,000)
(SWC Project No. 2045)**

A request from the Mercer County Water Resource District was presented for the State Water Commission's consideration for state cost participation in the Mercer County LiDAR Collection project. The data would assist in

developing solutions to the Knife River flooding, and leverage the hydrology and hydraulic studies completed by the State Water Commission. The collection is targeted for the fall of 2014.

The collection for Mercer county will meet LiDAR specifications for FEMA/USGS mapping requirements, and will be included in the state and federal collection project currently ongoing in Divide, Burke, Mountrail, McLean, and the northern portions of Burleigh and Kidder counties

The estimated project cost is \$234,000, all of which is determined eligible for state cost participation as a floodplain mapping project at 50 percent of the eligible costs (\$117,000). The federal and state LiDAR coalition funding this collection consists of the U.S. Army Corps of Engineers, State Water Commission, U.S. Geological Survey, and the Natural Resources Conservation Service, of which all parties are members of the North Dakota Silver Jackets Flood Risk Management Team Charter.

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation as a floodplain mapping project at 50 percent of the eligible costs, not to exceed an allocation of \$117,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Mercer County Water Resource District to support the Mercer County LiDAR Collection project.

It was moved by Commissioner Nodland and seconded by Commissioner Vosper that the State Water Commission approve state cost participation as a floodplain mapping project at 50 percent of the eligible costs, not to exceed an allocation of \$117,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Mercer County Water Resource District to support the Mercer County LiDAR Collection project. This action is contingent upon the availability of funds.

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

**CITY OF MARION FLOOD
MITIGATION PROJECT
(LAMOURE COUNTY) -
APPROVAL OF STATE COST
PARTICIPATION (\$188,366)
(SWC Project No. 2048)**

A request from the City of Marion was presented for the State Water Commission's consideration for state cost participation for their flood mitigation project. In 2013, a request from the city for cost share was denied due to an urban drainage issue. LaMoure

county has scheduled a reconstruction project in 2014 that will re-establish the drainage along the highway creating a rural drainage project.

The city of Marion has been fighting the rising waters of Boom Lake to the west and a slough on the eastern side of the city, which is divided by LaMoure County Highway No. 61. Boom Lake is a closed basin and was studied in 2012 by the State Water Commission. The city plugged the gravity drain from the north end of the city and has manually pumped the drainage ditch for the past two years. Flooding of the slough, which has endangered multiple homes, a church, and a sewage lift station, is pumped yearly by the local fire department. The culverts under the highway were plugged by the city in the 1970s to reduce the impact of the slough to the community. Although the soils are highly permeable, the flow rate is manageable due to the plugged culverts. The proposed project will provide a permanent pumping station in the existing drainage ditch and reroute water from the slough on the eastern side of the city.

The project engineer's estimated cost estimate is \$521,480, of which \$341,242 is determined eligible for state cost participation as a rural flood control project at 60 percent of the eligible costs (\$188,366).

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation as a rural flood control project at 60 percent of the eligible costs, not to exceed an allocation of \$188,366 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the city of Marion to support the flood mitigation project.

It was moved by Commissioner Hanson and seconded by Commissioner Thompson that the State Water Commission approve state cost participation as a rural flood control project at 60 percent of the eligible costs, not to exceed an allocation of \$188,366 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the city of Marion to support the flood mitigation project. This action is contingent upon the availability of funds.

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

**CITY OF PEMBINA 2014 FLOOD
PROTECTION SYSTEM MODIFI-
CATIONS PROJECT -
APPROVAL OF ADDITIONAL STATE
COST PARTICIPATION (\$371,081)
(SWC Project No. 1444)**

On March 11, 2010, the State Water Commission approved a request from the city of Pembina for state cost participation of 60 percent of the eligible costs, not to exceed an allocation of \$27,156 from the funds appropriated to the State Water Commission in the

2009-2011 biennium (H.B. 1020) to analyze the city's flood control levee system for compliance with FEMA guidelines as outlined in the Code of Federal Regulations, Title 44 Part 65.10. The analysis was required for FEMA to accredit the levee system, flood insurance mapping purposes, operations are designed to the current standards, and provide protection from the 100-year flood.

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

The city of Pembina intends to begin construction in 2014 on the flood protection system modifications project. In order to meet the certification criteria outlined in 44 CFR 65.10, the levee must be raised and the floodwall must be rehabilitated and raised, as well as other improvements. The project is intended to address these requirements and ensure the levee system continues to provide the appropriate protection. The Corps of Engineers has approved the Section 408 Major Modification proposal. On March 17, 2014, the State Water Commission approved state cost participation at 60 percent of the eligible costs, not to exceed an additional allocation of \$660,900 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the city of Pembina to support the flood protection system modifications project.

Bids for the project were opened on May 12, 2014. The project engineer's revised estimated cost is \$2,060,380, of which \$1,719,969 is determined eligible for state cost participation at 60 percent (\$1,031,981). The cost overrun is primarily due to higher earthwork prices and a combination of factors including local/regional workload, late start to the construction season, and the influence of work in western North Dakota. A request from the city of Pembina was presented for the State Water Commission's consideration for a 60 percent state cost participation in the additional amount of \$371,081 (60 percent state cost participation of eligible costs (\$1,031,981) less \$660,900 approved on March 17, 2014).

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation at 60 percent of the eligible costs, not to exceed an additional allocation of \$371,081 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020) to the city of Pembina to support the flood protection system modifications project. The Commission's affirmative action would increase the total state cost participation to \$1,167,137.

It was moved by Commissioner Thompson and seconded by Commissioner Vosper that the State Water Commission approve state cost participation at 60 percent of the eligible costs, not to exceed an additional allocation of \$371,081 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the city of Pembina to support the flood protection system modifications project. This action is contingent upon the availability of funds, satisfaction of the Corps of Engineers Section 408 major modification proposal, and approval of the State Water Commission construction permit.

Commissioners Foley, Hanson, Nodland, Thompson, Vosper, and Governor Dalrymple voted aye. Commissioner Swenson voted nay. The recorded votes were 6 ayes; 1 nay. (Commissioner Goehring was not available for the vote.) Governor Dalrymple announced the motion carried.

This action increases the total State Water Commission financial allocation to \$1,167,137 (\$27,156 approved March 11, 2010; \$108,000 approved March 6, 2012; \$660,900 approved March 17, 2014; and \$371,081 approved May 29, 2014) for the city of Pembina's flood protection system modifications project.

**PEMBINA COUNTY DRAIN NO. 11
OUTLET EXTENSION PROJECT -
APPROVAL OF STATE COST
PARTICIPATION (\$125,760)
(SWC Project No. 1140)**

A request from the Pembina County Water Resource District was presented for the State Water Commission's consideration for state cost participation in the Pembina County Drain No. 11 outlet extension project. The project is

located in Section 15, Township 163 North, Range 52 West.

Landowners in Pembina county have experienced significant flooding and crop loss in the past years. The outlet of Drain No. 11 was reconstructed, but the design was insufficient due to sediment issues from the Pembina River. The proposed project will extend the current outlet structure to the river to alleviate sediment issues, the current outlet structure will remain in place with modifications to the headwall and culverts to allow for the extension of the outlet.

The project engineer's estimate is \$322,717, of which \$279,467 is determined eligible for state cost participation as a rural flood control project at 45 percent of the eligible costs (\$125,760).

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation as a rural flood control project at 45 percent of the eligible costs, not to exceed an allocation of \$125,760 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Pembina County Water Resource District to support the Pembina County Drain No. 11 outlet extension project.

It was moved by Commissioner Vosper and seconded by Commissioner Nodland that the State Water Commission approve state cost participation as a rural flood control project at 45 percent of the eligible costs, not to exceed an allocation of \$125,760 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Pembina County Water Resource District to support the Pembina County Drain No. 11 outlet extension project. This action is contingent upon the availability of funds, and satisfaction of the required drain permit.

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

**BOURBANIS DAM (CAVALIER COUNTY)
AND OLSON DAM (PEMBINA COUNTY)
SAFETY PROJECTS -
APPROVAL OF STATE COST
PARTICIPATION (\$132,680)
(SWC Project No. 1296)**

A request from the Pembina County Water Resource District was presented for the State Water Commission's consideration for state cost participation in the Bourbanis Dam (Cavalier county) and Olson Dam (Pembina county) safety projects.

Substantial damages occurred to both dams during the spring 2013 flooding event, Bourbanis Dam experienced significant erosion on the emergency spillway, and Olson Dam experienced a slough within one of its emergency spillways. The Natural Resources Conservation Service (NRCS) engineers monitored the damage during the flood event to assess the repair costs. Both dams have been approved for NRCS cost share for flood damages at the 75 percent level. The construction needs to be completed prior to the end of the 2013-2014 fiscal year for NRCS, which ends September 30, 2014.

The project engineer's estimated cost is \$1,061,435, of which \$265,360 is determined eligible for state cost participation as a dam safety project at 50 percent of the eligible costs (\$132,680). The NRCS has agreed to cost share 75 percent in the amount of \$796,075.

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation as a dam safety project at 50 percent of the eligible costs, not to exceed an allocation of \$132,680 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Pembina County Water Resource District to support the Bourbanis Dam and Olson Dam safety projects.

It was moved by Commissioner Thompson and seconded by Commissioner Hanson that the State Water Commission approve state cost participation as a dam safety project at 50 percent of the eligible costs, not to exceed an allocation of \$132,680 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Pembina County Water Resource District to support the Bourbanis Dam and Olson Dam safety projects. This action is contingent upon the availability of funds.

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

**WARD COUNTY ROAD 18
FLOOD CONTROL PROJECT -
APPROVAL OF ADDITIONAL STATE
COST PARTICIPATION (\$191,940)
(SWC Project No. 1523)**

On July 23, 2013, the State Water Commission approved a request from the Ward County Highway Department for state cost participation of 45 percent of the eligible costs, not to exceed an allocation of \$133,268 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to support the Ward County Road 18 flood control project to lower water levels in a series of wetland complexes. The project will provide multiple flood control benefits, protect farmsteads and agricultural lands while also reducing the degree of grade raise required for the locally important transportation route. The project is located in Sections 4, 5, 8 and 9 in Torning Township, Ward County.

The wetlands have exceeded their normal water levels and are inundating previously productive farmland, threatening farmsteads, and inundating county and township roadways including County Road 18. An evaluation for a grade raise on County Road 18 resulted in landowners requesting

an examination of a means of removing the excess water as an alternative to raising the road. The Ward County Highway Department is planning to construct overflow channels between several wetland complexes with an ultimate discharge to an unnamed tributary to Second Larson Coulee.

Construction of the drainage project was delayed in 2013 due to the acquisition of easements, and consideration of landowners suggestions of the revised plans for the proposed project. The revised plans meets the intent of the project and protects the wetlands that are present throughout the project. The project engineer's revised estimated cost is \$845,585, of which \$722,684 is determined eligible for state cost participation at 45 percent (\$325,208). A request from the Ward County Highway Department was presented for the State Water Commission's consideration for a 50 percent state cost participation of the eligible costs.

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation as a rural flood control project at 45 percent of the eligible costs, not to exceed an additional allocation of \$191,940 (45 percent state cost participation of the eligible costs (\$325,208) less \$133,268 approved on July 23, 2013) from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Ward County Highway Department to support the Ward County Road 18 Flood Control project. The Commission's affirmative action would increase the total state cost participation to \$325,208.

It was moved by Commissioner Foley and seconded by Commissioner Nodland that the State Water Commission approve state cost participation as a rural flood control project at 45 percent of the eligible costs, not to exceed an additional allocation of \$191,940 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the Ward County Highway Department to support the Ward County Road 18 Flood Control project. This action is contingent upon the availability of funds, satisfaction of the required drain permit, and receipt of the final engineering plans.

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

This action increases the total State Water Commission's financial allocation to \$325,208 for the Ward County Road 18 Flood Control project.

**CITY OF MINOT FLOOD PROTECTION
PROJECT, PHASE III - APPROVAL
OF CITY OF MINOT'S MASTER
ROSTER OF PROPERTIES
(SWC Project No. 1993-05)**

On February 2, 2012, the State Water Commission approved a request from the City of Minot for state cost participation at 75 percent of the eligible costs not to exceed an allocation of \$17,750,000 from the funds appropriat-

ed to the State Water Commission in 2011 Senate Bill 2371 to support the Mouse River Enhanced Flood Protection project, Phase I. The city proposed to acquire 117 properties in Phase I of the acquisition project at an estimated purchase price of \$23,070,000.

On October 7, 2013, the State Water Commission passed a motion approving state cost participation at 75 percent of the eligible costs, not to exceed an additional \$24,408,258 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to support the Mouse River Enhanced Flood Protection project, Phase II. The city proposed to acquire 113 additional properties for Phase II of the acquisition program, at an estimated purchase price of \$32,544,345. These properties were identified as necessary for acquisition to support the construction of the Mouse River Enhanced Flood Protection project as approved by the U.S. Army Corps of Engineers.

In an effort to streamline the process of acquiring those properties identified to support the construction of the Mouse River Enhanced Flood Protection project, Phase III, a Master Roster of Properties and associated map, which includes all properties identified based on the preliminary design adopted by the Minot City Council, was presented for the State Water Commission's consideration. The map shows the parcels offered a buyout, buyouts yet to be offered, partial property buyout is needed, and proposed levees and floodwalls.

It was the recommendation of Secretary Sando that the State Water Commission approve the City of Minot's Master Roster of Properties and the associated map for property acquisition, Phase III, to support the Mouse River Enhanced Flood Protection project. Properties owned by other political subdivisions and properties where only a portion is needed for the project would require the State Water Commission's consideration.

It was moved by Commissioner Foley and seconded by Commissioner Nodland that the State Water Commission approve the City of Minot's Master Roster of Properties and the associated map for property acquisition, Phase III, to support the Mouse River Enhanced Flood Protection project. Properties owned by other political subdivisions and properties where only a portion is needed for the project would require the State Water Commission's consideration.

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

**VALLEY CITY PERMANENT
FLOOD PROTECTION PROJECT -
APPROVAL OF STATE COST
PARTICIPATION (\$8,679,680)
(SWC Project No. 1504)**

The City of Valley City began developing a permanent flood protection project in 2011 after suffering its worst flood in history in 2009 and its second worst flood in 2011. Due to the multiple years of back-to-back flooding the city has

received from the Sheyenne River, their limited ability to pay due to expenses incurred on flood recovery efforts, and the effects of the Devils Lake floodwaters, the State Water Commission adopted a motion on June 19, 2013 to approve an allocation not to exceed \$350,625 from the funds appropriated to the State Water Commission in 2011 Senate Bill 2371 for the Sheyenne River Valley Flood Protection Program to the City of Valley City to assist with engineering design costs for the city's flood protection project.

On March 17, 2014, representatives from the City of Valley City appeared before the State Water Commission to discuss the status of the city's permanent flood protection project, and the accomplishments which included Phase I property acquisitions of 29 properties along College Street and within the district of the Valley City State University, and 13 additional properties which are scheduled for acquisition in Phase II. The proposed preliminary project design for floodwall construction on the Valley City State University campus consists of clay levees, permanent concrete walls, and removable floodwalls.

The project engineer's estimated cost is \$12,540,294, of which \$10,849,600 is determined eligible for state cost participation as a flood control project at 60 percent of the eligible costs (\$6,509,760). The 2013 Legislature earmarked \$11,600,000 for the project, but the funds will not be allocated until the project is shovel-ready. On April 1, 2014, the Valley City Commission approved the Phase I project's final plans. Contingent upon the required approvals, construction on Phase I could begin in the summer of 2014.

Due to the financial consequences of numerous floods in recent years, representatives from the City of Valley City presented a request for the State Water Commission's consideration for state cost participation of 85 percent, and that the local cost share be considered for a loan from the State Water Commission.

It was the recommendation of Secretary Sando that the State Water Commission: 1) approve state cost participation as a flood control project at 60 percent of the eligible costs (\$6,509,760); 2) due to the increased

flood risk from the Devils Lake outlets, the State Water Commission deviate from its current cost share policy for an additional state cost participation of 15 percent of the eligible costs (\$1,627,440) to mitigate the flood risk from the Devils Lake outlets, which would provide a total state cost participation of 75 percent not to exceed a total allocation of \$8,137,200 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the City of Valley City for its permanent flood protection project; and 3) approve a loan from the State Water Commission to the City of Valley City for the local cost share (\$4,403,094), with an interest rate of one and one-half percent, and authorize the Secretary to the Commission to negotiate the term of the loan.

It was moved by Commissioner Goehring and seconded by Commissioner Thompson that the State Water Commission:

1) approve state cost participation as a flood control project at 60 percent of the eligible costs (\$6,509,760), from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020);

2) approve state cost participation of 15 percent of the eligible costs (\$1,627,440) to mitigate the flood risk from the Devils Lake outlets, from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020); and

3) approve a loan from the State Water Commission to the City of Valley City for the local cost share (\$4,403,094), with an interest rate of one and one-half percent, and authorize the Secretary to the Commission to negotiate the term of the loan.

These actions are contingent upon the availability of funds, and satisfaction of the required permits.

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

The above approvals include a total state cost participation grant of 75 percent not to exceed a total allocation of \$8,137,200, and a loan in the amount of \$4,403,094 to the City of Valley City for its permanent flood protection project.

During the May 29, 2014 State Water Commission meeting, Governor Dalrymple recognized Commissioner Goehring who requested amendments to the motion which was adopted for the City of Valley City's permanent flood protection project that would increase the total state cost participation to 80 percent not to exceed a total allocation of \$8,679,680, and change the amount of the loan to the city for the local cost share to \$3,860,614.

It was moved by Commissioner Goehring and seconded by Commissioner Thompson that the State Water Commission amend the motion that was adopted for the City of Valley City permanent flood protection project as follows:

- 1) approve state cost participation as a flood control project at 60 percent of the eligible costs (\$6,509,760);***

- 2) approve state cost participation of 20 percent of the eligible costs (\$2,169,920) to mitigate the flood risk from the Devils Lake outlets; and***

- 3) approve a loan from the State Water Commission to the City of Valley City for the local cost share (\$3,860,614), with an interest rate of one and one-half percent, and authorize the Secretary to the Commission to negotiate the term of the loan.***

These actions are contingent upon the availability of funds, and satisfaction of the required permits.

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

The above approvals include a total state cost participation grant of 80 percent not to exceed a total allocation of \$8,679,680 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), and a loan in the amount of \$3,860,614 to the City of Valley City for its permanent flood protection project.

**CITY OF LISBON PERMANENT
FLOOD CONTROL PROJECT, PHASE 1 -
LEVEE A - APPROVAL OF STATE
COST PARTICIPATION (\$1,238,698)
(SWC Project No. 1991)**

A request from the City of Lisbon was presented for the State Water Commission's consideration for state cost participation of 100 percent for the city's permanent flood protection project, Phase 1 - Levee A.

The city has experienced major flood events in recent years due to Sheyenne River flooding. During the large flood events, emergency levees were built through the city in an effort to retain flood waters, which resulted in significant costs during the construction and removal of the emergency levees. Construction of the emergency levees damaged the existing streets and infrastructure not designed to handle heavy construction traffic. The city has been forced to postpone Phases 3 and 4 of a large city water and sewer infrastructure replacement project due to the costs it has incurred fighting floods. The completed project will provide permanent flood protection for the city eliminating the need for emergency flood fighting efforts. Once all phases are completed, the total project would protect the City of Lisbon from the 1 percent (100-year) flood event as described by the Flood Insurance Rate Maps issued by the Federal Emergency Management Agency (FEMA).

The proposed project would install a clay levee through an area on the northwest side of the city that involves crossing through Sandagger Park. The proposed levee would tie into an existing high ground on the northwest side of the park and end at North Dakota State Highway No. 32. Sandagger Park is an area that provides important aesthetic and recreational benefits to the city of Lisbon. The area also provides a source of positive economic benefits to the city. Due to the levee footprint, river set back requirements, and required 15 foot clear zone on both sides of the levee, several amenities in the park will need to be relocated including a campground, bathhouse, pump house, skate park, and volleyball court.

The project engineer's estimated cost for Phase 1 - Levee A is \$1,775,000, of which \$1,548,372 has been determined eligible for state cost participation as a flood control project at 60 percent of the eligible costs (\$929,023).

It was the recommendation of Secretary Sando that the State Water Commission: 1) approve state cost participation as a flood control project at 60 percent of the eligible costs (\$929,023); 2) deviate from its current cost share policy to approve an additional state cost participation of 20 percent of the eligible costs (\$309,675) to mitigate the flood risk from the Devils Lake outlets, which will provide a total state cost participation of 80 percent not to exceed a total allocation of \$1,238,698 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the City of Lisbon for its permanent flood protection project, Phase 1 - Levee A; and 3) approve a loan from the State Water Commission to

the City of Lisbon for the local cost share (\$536,302), with an interest rate of one and one-half percent, and authorize the Secretary to the Commission to negotiate the term of the loan.

It was moved by Commissioner Goehring and seconded by Commissioner Foley that the State Water Commission:

- 1) approve state cost participation as a flood control project at 60 percent of the eligible costs (\$929,023);***
- 2) approve state cost participation to mitigate the flood risk from the Devils Lake outlets at 20 percent of the eligible costs (\$309,675); and***
- 3) approve a loan to the City of Lisbon from the State Water Commission for the local cost share (\$536,302), at an interest rate of one and one-half percent; and, authorize the Secretary to the State Water Commission to negotiate the term of the loan.***

These actions are contingent upon the availability of funds, and satisfaction of the required permits.

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

The above approvals include a total state cost participation grant of 80 percent not to exceed a total allocation of \$1,238,698 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B.1020), and a loan in the amount of \$536,302 to the City of Lisbon for its permanent flood protection project, Phase 1 - Levee A.

***NORTH CENTRAL RURAL WATER
CONSORTIUM II, DEERING-GRANVILLE-
SURREY RURAL WATER SUPPLY -
APPROVAL OF ADDITIONAL STATE COST
PARTICIPATION GRANT (\$4,800,000)
(SWC Project No. 237-03NOC)***

to the North Central Rural Water Consortium II for engineering and a cultural resource study of the Granville-Deering rural water supply project.

On July 23, 2013, the State Water Commission passed a motion to approve a state cost participation grant of 75 percent, not to exceed an allocation of \$180,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020),

A request from the North Central Rural Water Consortium II was presented for the State Water Commission's consideration for state cost participation for a 75 percent grant to address water supply service in northeastern Ward county and McHenry county at an estimated project cost of \$7,669,000. The proposed project would involve 147 miles of 6" to 2" pipeline for approximately 191 rural users and 69 service connections in the city of Deering. The water rate will include a monthly minimum charge of \$52.00 and a water rate of \$5.65 per 1,000 gallons. The project is in the design phase with the project to be bid in 2014, and construction anticipated in 2015.

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation of a 75 percent grant, not to exceed an additional allocation of \$4,800,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the North Central Rural Water Consortium II to support the Deering-Granville-Surrey water supply project. The Commission's affirmative action would increase the total state allocation grants to \$4,980,000.

It was moved by Commissioner Foley and seconded by Commissioner Thompson that the State Water Commission approve state cost participation of a 75 percent grant, not to exceed an additional allocation of \$4,800,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the North Central Rural Water Consortium II to support the Deering-Granville-Surrey water supply project. This action is contingent upon the availability of funds, and is subject to future revisions.

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

This action increases the total state allocation grants to \$4,980,000 to the North Central Rural Water Consortium II to support the Deering-Granville-Surrey water supply project.

**NORTH CENTRAL RURAL WATER
CONSORTIUM II, BERTHOLD-CARPIO,
PHASE II -
APPROVAL OF ADDITIONAL
STATE COST PARTICIPATION
GRANT (\$1,100,000)
(SWC Project No. 237-03CAR)**

On June 21, 2011, the State Water Commission approved a 65 percent state cost participation grant, not to exceed an allocation of \$3,150,000 from the funds appropriated to the State Water Commission in the 2011-2013 biennium to the North Central Rural Water Consortium II, Berthold-Carpio

water supply project, Phase I. The project included 140 miles of 4" to 1.5" pipeline for approximately 125 rural users and service for the city of Carpio. The water rate includes a monthly minimum charge of \$52.00 and a water rate of \$5.65 per 1,000 gallons of water.

The 2013 Berthold-Carpio project addressed service to the rural area near the cities of Foxholm and Donnybrook with 70 miles of 3" to 2" pipeline for approximately 50 rural users, with an estimated total cost of \$2,600,000. On July 23, 2013, the State Water Commission approved a 75 percent state cost participation grant, not to exceed an allocation of \$1,950,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the North Central Rural Water Consortium II, Phase II, to support the Berthold-Carpio water supply project.

The overall project provides water supply service in northwestern Ward county and extends from Des Lacs to Carpio, at an estimated total project cost of \$4,066,667. The 2014 Berthold-Carpio water supply project, Phase II, addresses service to the rural area near Foxholm and Donnybrook with 82 miles of 3" to 1" pipeline for service to approximately 100 rural users at an estimated cost of \$1,466,667. A request from the North Central Rural Water Consortium II was presented for the State Water Commission's consideration for state cost participation of a 75 percent grant in the amount of \$1,100,000.

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation of a 75 percent grant, not to exceed an additional allocation of \$1,100,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the North Central Rural Water Consortium II for the Berthold-Carpio water supply project, Phase II. The Commission's affirmative action would increase the total state allocation grants to \$6,200,000 for the North Central Rural Water Consortium II, Berthold-Carpio water supply project.

It was moved by Commissioner Vosper and seconded by Commissioner Foley that the State Water Commission approve state cost participation of a 75 percent grant, not to exceed an additional allocation of \$1,100,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the North Central Rural Water Consortium II for the Berthold-Carpio water supply project, Phase II. This action is contingent upon the availability of funds, and is subject to future revisions

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

This action increases the total state allocation grants to \$6,200,000 to the North Central Rural Water Consortium II, Berthold-Carpio water supply project.

NORTHEAST REGIONAL WATER DISTRICT, 2014 RURAL EXPANSION - APPROVAL OF ADDITIONAL STATE COST PARTICIPATION GRANT (\$937,500) (SWC Project File 2050-NOE)

On October 7, 2013, the State Water Commission passed a motion to approve a state cost participation grant of 75 percent of the eligible costs, not to exceed an allocation of \$862,500 from the funds appropriated to the State

Water Commission in the 2013-2015 biennium (H.B. 1020), to the North Valley Water District to support the 2013 rural expansion project. The project involved the installation of 30 miles of 2" transmission pipeline to connect 35 new rural users, at an estimated cost of \$1,150,000.

On January 1, 2014, the North Valley Water District merged with the Langdon Rural Water District to form the Northeast Regional Water District.

A request from the Northeast Regional Water District was presented for the State Water Commission's consideration for state cost participation of a 75 percent grant for their 2014 rural expansion project that would involve the installation of 51 miles of 2" transmission pipeline to provide service to 66 new rural users.

The Northeast Regional Water District's current monthly rural water rate is \$66.00 per 6,000 gallons based on a monthly minimum charge of \$30.00 and a water rate of \$6.00 per 1,000 gallons of water. The estimated total project cost is \$2,400,000, with a 75 percent grant of \$1,800,000.

It was the recommendation of Secretary Sando that the State Water Commission approve a state cost participation grant of 75 percent of the eligible costs, not to exceed an additional allocation of \$937,500 (eligible costs of \$1,800,000 less \$862,500 approved on October 7, 2013) from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B.1020), to the Northeast Regional Water District to support the 2014 rural expansion project. The Commission's affirmative action would increase the total state allocation grants to \$1,800,000.

It was moved by Commissioner Thompson and seconded by Commissioner Hanson that the State Water Commission approve a state cost participation grant of 75 percent of the eligible costs, not to exceed an additional allocation of \$937,500 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B.1020), to the Northeast Regional Water District to support the 2014 rural expansion project. This action is contingent upon the availability of funds, and is subject to future revisions.

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

This action increases the total state allocation grants to \$1,800,000 to the Northeast Regional Water District rural expansion project.

**2014 AND 2015 FISCAL YEARS
FEDERAL MR&I FUNDING FOR
MCLEAN-SHERIDAN WATER
DISTRICT, BLUE AND BRUSH
LAKES REGIONAL SERVICE
AREA; AND SOUTH CENTRAL
REGIONAL WATER DISTRICT,
KIDDER COUNTY EXPANSION
(SWC Project Files 1782/237-03SOU)**

Regional Water District, Phase V - \$4,987,500; and state administration - \$300,000.

The 2014 proposed federal budget includes funding for the Garrison Diversion Unit, of which \$6,800,000 is for funding projects under the North Dakota Municipal, Rural and Industrial (MR&I) Water Supply program for the following: McLean-Sheridan, Blue and Brush Lakes Expansion - \$575,000; South Central Regional Water District, Phase IV - \$937,500; South Central

McLean-Sheridan Water District, Blue and Brush Lakes Regional Service Area: The Blue and Brush Lakes regional water service area expansion project revised estimated cost is \$2,550,000, with a 50 percent grant of \$1,275,000, and involves the installation of 12 miles of 6" to 2" transmission pipeline for service to an additional 150 rural users north of the city of Mercer. The proposed project will provide reliable and quality water to address issues of total dissolved solids, iron, manganese, and sodium.

On February 27, 2013, the State Water Commission adopted a motion approving state cost participation of a 50 percent grant, not to exceed a total allocation of \$800,000 from the following funding sources:

- 1) a grant allocation not to exceed \$100,000 from the supplemental funds appropriated to the State Water Commission in the 2011-2013 biennium through House Bill 1269; and

- 2) a grant allocation not to exceed \$700,000 from the Water Development and Research Fund administered by the Garrison Diversion Conservancy District.

Federal Fiscal Year 2014 MR&I grant funds were recommended in the amount of \$575,000 for the McLean-Sheridan Water District, Blue and Brush Lakes Regional Service Area. It was the recommendation of Secretary Sando that the State Water Commission rescind the action approved on February 27, 2013 (allocation not to exceed \$100,000 - 2013 House Bill), and approve a federal Fiscal Year 2014 MR&I grant of 50 percent, not to exceed an allocation of \$575,000, to the McLean-Sheridan Water District to support the Blue and Brush Lakes Regional Service area. The \$700,000 allocation from the Water Development and Research Fund administered through the Garrison Diversion Conservancy District (approved on February 27, 2013) remains unchanged,

It was moved by Commissioner Goehring and seconded by Commissioner Swenson that the State Water Commission:

1) rescind the action approved on February 27, 2013 (allocation not to exceed \$100,000 - 2013 House Bill 1269); and

2) approve a 50 percent grant to the McLean-Sheridan Water District to support the Blue and Brush Lakes Regional Service Area expansion project, not to exceed a total allocation of \$1,275,000 from the following sources:

a) federal Fiscal Year 2014 MR&I grant of 50 percent, not to exceed an allocation of \$575,000; and

b) grant allocation not to exceed \$700,000 from the Water Development and Research Fund administered through the Garrison Diversion Conservancy District (approved February 27, 2013).

These actions are contingent upon the availability of funds, satisfaction of the federal MR&I Water Supply program requirements, and are subject to future revisions.

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

South Central Regional Water District, Phases IV and V: A regional water system is being developed to serve rural users and municipalities in the counties of Burleigh, Emmons, Kidder, Logan, and McIntosh at an estimated cost of \$85,000,000. The South Central Regional Water District is developing the project with sponsors from the various counties. The water supply includes a new water treatment plant using an intake in the Missouri River west of the city of Linton.

Federal MR&I and State Water Commission previous funding actions for the South Central Regional Water District include the following:

On July 17, 2007, the State Water Commission approved a 29 percent grant, not to exceed an allocation of \$4,870,000 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), to the South Central Regional Water District for Phase 1 project development. On February 4, 2008, the State Water Commission amended the Phase I allocation (\$4,870,000 approved on July 17, 2007) to a federal fiscal year 2008 MR&I grant of 31 percent, not to exceed an allocation of \$2,952,000; and an allocation not to exceed \$1,918,000 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020).

On June 23, 2008, the State Water Commission approved a 53 percent grant, not to exceed an allocation of \$8,200,000 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), to the South Central Regional Water System, Phase II.

Federal Fiscal Year 2009 MR&I grant funds were earmarked in the amount of \$5,850,000 for the South Central Regional Water District, Phase II. On April 28, 2009, the State Water Commission amended its previous allocation (\$8,200,000 approved on June 23, 2008) to a federal Fiscal Year 2009 MR&I grant of 53 percent not to exceed an allocation of \$5,850,000; and an allocation not to exceed \$2,350,000 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020).

Federal Fiscal Year 2010 MR&I grant funds were earmarked in the amount of \$8,800,000 for the South Central Regional Water System (Emmons county, Phase II). On December 11, 2009, the State Water Commission approved a federal Fiscal Year 2010 MR&I grant of 75 percent, not to exceed an allocation of \$8,800,000.

Federal Fiscal Year 2011 MR&I grant funds were earmarked in the amount of \$6,650,000 for the South Central Regional Water System (Emmons county, Phase III). On September 1, 2010, the State Water Commission approved a federal Fiscal Year 2011 MR&I grant of 75 percent, not to exceed an allocation of \$6,650,000.

Federal Fiscal Year 2011 grant funds were later revised and earmarked in the amount of \$9,300,000 for the South Central Regional Water System (Emmons county, Phase III, and a portion of Phase IV). On June 21, 2011, the State Water Commission approved a federal Fiscal Year 2011 MR&I grant of 75 percent, not to exceed an additional allocation of \$2,650,000, for a total federal Fiscal Year 2011 MR&I grant of \$9,300,000 for the South Central Regional Water System (Emmons county, Phase III, and a portion of Phase IV).

Federal Fiscal Year 2012 MR&I grant funds were recommended in the amount of \$7,700,000 for the South Central Regional Water System, Phase IV, to serve Emmons, Logan, and McIntosh counties. On June 13, 2012, the State Water Commission approved a federal Fiscal Year 2012 MR&I grant of 75 percent, not to exceed an allocation of \$7,700,000 to the South Central Regional Water System, Phase IV.

On July 23, 2013, the State Water Commission passed a motion approving a state cost participation grant of 75 percent, not to exceed an allocation of \$196,500 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020), to the South Central Regional Rural Water System for engineering and a cultural resource study of the Kidder county expansion project.

Federal Fiscal Year 2014 MR&I grant funds are recommended in the amount of \$937,500 for South Central Regional Water District, Phase IV, and \$4,987,500 for Phase V. Federal Fiscal Year 2015 MR&I grant funds are also recommended in the amount of \$575,000 for Phase V. It was the recommendation of Secretary Sando that the State Water Commission rescind the action approved on July 23, 2013 (allocation not to exceed \$196,500 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020)), and approve a federal Fiscal Year 2014 MR&I grant of 75 percent, not to exceed an allocation of \$5,925,000, and a federal Fiscal Year 2015 grant of 75 percent, not to exceed an allocation of \$575,000, to the South Central Regional Water District, Phases IV and V, to support construction of the Emmons, Logan, McIntosh, and Kidder counties water supply projects.

Commissioner Swenson disclosed that he serves as a member of the South Central Regional Water District board of directors, and requested to be excused from discussion of the project and that an abstention vote be recorded.

It was moved by Commissioner Nodland and seconded by Commissioner Vosper that the State Water Commission:

1) rescind the action approved on July 23, 2013 (allocation not to exceed \$196,500 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020));

2) approve a federal Fiscal Year 2014 MR&I grant of 75 percent, not to exceed an allocation of \$5,925,000 to the South Central Regional Water District, Phases IV and V; and

3) approve a federal Fiscal Year 2015 MR&I grant of 75 percent, not to exceed an allocation of \$575,000, to the South Central Regional Water District, Phase V.

These actions are contingent upon the availability of funds, satisfaction of the federal MR&I Water Supply program requirements, and are subject to future revisions.

Commissioners Foley, Goehring, Hanson, Nodland, Thompson, Vosper, and Governor Dalrymple voted aye. There were no nay votes. Commissioner Swenson abstained from voting. Recorded votes were 7 ayes; 0 nays; and 1 abstention. Governor Dalrymple announced the motion carried.

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

The Fargo Moorhead Area Diversion project update report was presented, which is outlined in **APPENDIX "D"**.

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

The Mouse River Enhanced Flood Protection project status report was provided, which is detailed in the staff memorandum dated May 16, 2014, and attached hereto as **APPENDIX "E"**.

**MOUSE RIVER ENHANCED
FLOOD PROTECTION PROJECT,
SOURIS RIVER BASIN TASK
FORCE PLAN OF STUDY -
APPROVAL OF STATE COST
PARTICIPATION (\$302,500)
(SWC Project No. 1974-01)**

The unprecedented flooding in 2011 prompted the International Joint Commission's (IJC) International Souris River Board (ISRB) to develop a Plan of Study to review the Operating Plan contained in Annex A of the 1989 Agreement between the United States and Canada for water supply and flood control in the Souris River basin.

The ISRB's mandate includes performing an oversight function for flood operations in cooperation with the designated entities in the Agreement, all of whom are represented on the Board. The ISRB established a Souris River task force in February, 2012 to develop the Plan of Study.

After consultation with the public, the final Plan of Study was presented to the IJC in April, 2013. In June, 2013, the IJC submitted the Plan of Study to the governments and recommended they fund the full scope option. The IJC has provided limited funding to help move this high priority forward. The Governor of North Dakota sent a letter to the two governments offering assistance to provide funding in order to expedite the work.

In order to provide the IJC and the governments with recommendations relative to how the flood operations and coordination activities could be improved in the Souris River basin, the IJC proposed the establishment of an International Souris River Study Board. The total estimated cost is \$2,135,000 for a three-year effort.

It was the recommendation of Secretary Sando that the State Water Commission approve an allocation not to exceed \$302,500 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020) to fund the first year of a three-year effort to complete the 2012 Souris River Basin Task Force Plan of Study.

It was moved by Commissioner Foley and seconded by Commissioner Goehring that the State Water Commission approve an allocation not to exceed \$302,500 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020) to fund the first year of a three-year effort to complete the 2012 Souris River Basin Task Force Plan of Study. This action is contingent upon the availability of funds.

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

Commissioner Goehring leaves the meeting due to scheduling commitments.

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

The Southwest Pipeline Project report was presented, which is detailed in the staff memorandum dated May 12, 2014, attached as ***APPENDIX "F"***.

***SOUTHWEST PIPELINE PROJECT -
AUTHORIZE AWARD OF CONTRACT 4-5,
FINISHED WATER PUMP STATION, TO
JOHN T. JONES CONSTRUCTION CO.,
FARGO, ND - (\$10,249,999.00)
(SWC Project No. 1736-99)***

Southwest Pipeline Project Contract 4-5, Finished Water Pump Station, is the joint facility that will house the pumps for the Southwest Pipeline Project and the City of Dickinson. This contract generally consists of the construction of a 60' by 85' reinforced concrete and

precast concrete building with a 30' deep clear well with approximately 0.5 million gallons capacity and precast concrete building, and the installation of pumping, piping, mechanical, electrical, and instrumentation systems.

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

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

Bids for Contract 4-5 were opened on April 9, 2014. Six bid packages were received - one bid for Bid Schedule I, General Construction; one bid for Bid Schedule II, Mechanical Construction; two bids for Bid Schedule III, Electrical Construction; and two bids for Bid Schedule IV, Combined Single Bid. One contractor, John T. Jones Construction, Fargo, ND, submitted a bid package containing a bid for both Schedule I and Schedule IV. The single bid received for Bid Schedule II, Mechanical Construction, did not contain a proper bid bond and was not opened. Because of the lack of a responsive Mechanical Construction bid, the contract has to be awarded on the basis of Bid Schedule IV, Combined Single Bid. The apparent low bid received was \$10,249,999.00 from John T. Jones Construction Co., Fargo, ND. The project engineer's estimate was \$9,256,200.00.

At its meeting on March 17, 2014, the State Water Commission authorized the Secretary to the Commission to award Southwest Pipeline Project Contract 4-5, Finished Water Pump Station, to the lowest responsible bidder. The State Water Commission staff had reservations in awarding Contract 4-5 to John T. Jones Construction because of the previous litigation history on the Northwest Area Water Supply Contract 4-2A. Therefore, the award of the contract was presented for the State Water Commission's consideration.

The contract documents allow the State Water Commission to select the most advantageous bid. Based on the project engineer's review, the bid received from John T. Jones Construction appeared to be in accordance with the advertisement for construction bid and the bid documents, and is considered to be a responsive bid. It was the recommendation of the project engineer to award Contract 4-5 to John T. Jones Construction, Fargo, ND. The award of the contract and notice to proceed are dependent on the satisfactory completion and submission of the contract documents by John T. Jones Construction, and review/approval by the Commission's legal counsel.

In light of the references received for John T. Jones Construction and the significant difference in the bid price, it was the recommendation of Secretary Sando that the State Water Commission authorize the Secretary to the Commission to award Southwest Pipeline Project Contract 4-5, Finished Water Pump Station, in the amount of \$10,249,999.00 based on the Base Bid for Schedule IV, to John T. Jones Construction, Fargo, ND. Secretary Sando further recommended that the notice of award stipulate the timely execution and successful completion of Southwest Pipeline Project Contract 4-5, without disputed claims, is essential for future qualification of John T. Jones Construction as a responsible bidder.

It was moved by Commissioner Thompson and seconded by Commissioner Nodland that the State Water Commission authorize the Secretary to the Commission to award Southwest Pipeline Project Contract 4-5, Finished Water Pump Station, in the amount of \$10,249,999.00 based on the Base Bid for Schedule IV, to John T. Jones Construction, Fargo, ND. This action is contingent upon the satisfactory completion and submission of the contract documents by John T. Jones Construction, the review/approval by the Commission's legal counsel, and that the notice of award stipulate the timely execution and successful completion of Southwest Pipeline Project Contract 4-5, without disputed claims, is essential for future qualification of John T. Jones Construction as a responsible bidder.

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

***SOUTHWEST PIPELINE PROJECT -
AWARD OF CONTRACT 7-9E, WEST
CENTER SERVICE AREA RURAL
REGIONAL DISTRIBUTION SYSTEM,
TO SWANBERG CONSTRUCTION,
FARGO, ND - (\$8,317,088.50)
(SWC Project No. 1736-99)***

On May 22, 2014, bids were opened for Southwest Pipeline Project, Oliver-Mercer-North Dunn Regional Service Area, West Center Service Area Rural Distribution System, Contract 7-9E. The contract consists generally of the construction of approximately 270 miles of

6" - 1 1/2" ASTM D2241 gasketed joint pipe, 255 rural water services, road crossings, connections to existing pipelines, and other related appurtenances. Approximately 3,730 feet of the pipeline will be located within road right-of-way within Mercer and Oliver counties. The contract documents stipulate a substantial completion date of November 15, 2015, with an intermediate completion date of July 15, 2015 for a portion of the project.

Four bid packages were received for Contract 7-9E from Carstensen Contracting, Inc., Pipestone, MN; Eatherly Constructors, Inc., Leawood, KS; Northern Improvement Co., Bismarck, ND; and Swanberg Construction, Inc., Valley City, ND. All bid packages appeared in order and were opened. The apparent low bid received was \$8,317,088.50 from Swanberg Construction, Inc. The project engineer's estimate was \$8,538,070.00.

The pipe unit prices for Contract 7-9E were higher than on previous Southwest Pipeline Project contracts and other regional water distribution contracts, but are similar to the prices seen on Contract 7-9F. The Southwest Pipeline Project has a feasibility criteria jointly developed by the State Water Commission and the Southwest Water Authority in 1983. One criterion is a maximum expenditure for a single rural service connection. The maximum cost was set at \$25,000 based on the Consumer Price Index for September, 1992 of 141.3. The adjusted maximum cost per user based on the current Consumer Price Index of 237.1 would be \$41,940. The miles of pipe that can be installed for the maximum cost has been steadily decreasing from approximately 3 miles to roughly 1 1/2 miles on Contract 7-9F and 1 2/3 miles on Contract 7-9E.

The contract documents allow the State Water Commission to select the most advantageous bid. Based on the project engineer's review, the bid received from Swanberg Construction, Inc. appeared to be in accordance with the advertisement for construction bid and the bid documents, and is considered to be a responsive bid. It was the recommendation of the project engineer to award Contract 7-9E to Swanberg Construction, Inc., Valley City, ND. The award of the contract and notice to proceed are dependent on the satisfactory completion and submission of the contract documents by Swanberg Construction, Inc., and review/approval by the Commission's legal counsel.

It was the recommendation of Secretary Sando that the State Water Commission authorize the Secretary to the Commission to award Southwest Pipeline Project, Oliver-Mercer-North Dunn Regional Service Area, West Center Service Area Rural Distribution System, Contract 7-9E, in the amount of \$8,317,088.50 based on the Base Bid to Swanberg Construction, Valley City, ND.

It was moved by Commissioner Nodland and seconded by Commissioner Swenson that the State Water Commission authorize the Secretary to the Commission to award Southwest Pipeline Project, Oliver-Mercer-North Dunn Regional Service Area, West Center Service Area Rural Distribution System, Contract 7-9E, in the amount of \$8,317,088.50 based on the Base Bid to Swanberg Construction, Valley City, ND. This action is contingent upon the satisfactory completion and submission of the contract documents by Swanberg Construction, and the review/approval by the Commission's legal counsel.

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

***SOUTHWEST PIPELINE PROJECT -
APPROVAL OF WATER SERVICE
CONTRACT 1736-38, CITY OF RHAME
(SWC Project No. 1736-99)***

The City of Rhame has requested a water service contract from the State Water Commission and the Southwest Water Authority for the delivery of potable treated water from the Southwest

Pipeline Project that meets water quality standards of the North Dakota Department of Health.

The contract specifies a maximum flow allocation rate of 35 gallons per minute total for all connections and a minimum annual water purchase of 100,000 gallons per year during the entire term of the contract. The city is responsible for construction of three miles of parallel pipe upstream of the Rhame booster and the connection to the city's distribution system. The city is also responsible for 25 percent of the improvement costs of the pumps required to upgrade the Rhame booster. The contract incorporates the higher rate for water used for oil industry and the real time monitoring requirements for oil industry water depots.

It was the recommendation of Secretary Sando that the State Water Commission authorize the Secretary to the Commission to finalize and execute Southwest Pipeline Project Water Service Contract 1736-38 with the City of Rhame. The Southwest Water Authority will consider the water service contract for approval at its June 2, 2014 meeting.

It was moved by Commissioner Nodland and seconded by Commissioner Foley that the State Water Commission authorize the Secretary to the Commission to finalize and execute Southwest Pipeline Project Water Service Contract 1736-38 with the City of Rhame. SEE APPENDIX "G".

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

***SOUTHWEST PIPELINE PROJECT -
APPROVAL OF AMENDMENT NO. 4
TO CITY OF DICKINSON WATER
SERVICE CONTRACT 1736-03; AND
AUTHORIZE SECRETARY TO
COMMISSION TO EXECUTE
AMENDMENTS TO WATER SERVICE
CONTRACTS WITH CUSTOMERS
(SWC Project No. 1736-99)***

The withdrawal of water for the Southwest Pipeline Project was initially permitted under conditional water permit No. 3688 approved on December 5, 1984. The permit provides for the use of 17,100 acre-feet of water, of which 13,047 acre-feet is permitted for municipal use and 4,053 acre-feet is permitted for rural domestic use. Industrial use was not permitted with conditional water permit No. 3688.

Conditional Water Permit No. 5754 was approved on March 31, 2006 for industrial use that provides for the use of 1,130 acre-feet of water for the Southwest Pipeline Project's industrial use customers.

The use of water for hydraulic fracturing by the oil industry has resulted in the industrial use of the Southwest Pipeline Project's water exceeding its permitted amount starting in 2011. Temporary permits were requested to meet the expected annual use in addition to the allocation of 1,130 acre-feet of water. Conditional water permit No. 6145 was approved on March 17, 2014 and provides for 8,000 acre-feet of water for industrial use.

In order to enforce the water permit conditions and comply with the State Water Commission's cost share policy of domestic water supply having priority over industrial water supply, 31 communities with water service contracts executed prior to March 17, 2014 have been notified of the necessity to amend their contract. The State Water Commission is a party to water service contracts with bulk customers, which will require an amendment to prevent the resale of water.

The city of Dickinson's amendment to water service contract 1736-03 was presented for the State Water Commission's consideration. The amendment included the maximum water capacity allocation emergency connection to the Southwest Pipeline Project, and the higher rate and telemetry requirement for industrial use. The amendment was approved by the city of Dickinson and the Southwest Water Authority on May 5, 2014.

It was the recommendation of Secretary Sando that the State Water Commission approve Amendment No. 4 to the city of Dickinson's water service contract 1736-03, and authorize the Secretary to the Commission to finalize and execute amendments to water service contracts with other Southwest Pipeline Project customers.

It was moved by Commissioner Nodland and seconded by Commissioner Thompson that the State Water Commission approve Amendment No. 4 to the city of Dickinson's water service contract 1736-03, and finalize and authorize the Secretary to the Commission to execute amendments to water service contracts with other Southwest Pipeline Project customers. SEE APPENDIX "H"

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

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

The Devils Lake hydrologic report, and project updates were provided, which are detailed in the staff memorandum, dated May 19, 2014, attached as ***APPENDIX "I"***.

***DEVILS LAKE OUTLET OPERATIONS -
APPROVAL OF 2013 HOUSE BILL 1020
APPROPRIATION FOR OPERATIONS
OF DEVILS LAKE OUTLETS (\$10,000,000)
(SWC Project No. 416-10)***

The Sixty-third Legislative Assembly of North Dakota included \$10,000,000 in House Bill 1020, the State Water Commission's appropriation bill for the 2013-2015 biennium, for the operations of the Devils Lake outlets.

It was the recommendation of Secretary Sando that the State Water Commission approve an allocation not to exceed \$10,000,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020) for the operations of the Devils Lake outlets.

It was moved by Commissioner Vosper and seconded by Commissioner Foley that the State Water Commission approve an allocation not to exceed \$10,000,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020) for the operations of the Devils Lake outlets. This action is contingent upon the availability of funds.

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

**APPROVAL OF PROPOSED RULES
CHANGES TO ARTICLES 89-06 AND 89-11
OF THE NORTH DAKOTA ADMINISTRATIVE CODE**

(Water Appropriations), 89-06 (Funding from the Resources Trust Fund), 89-07 (Atmospheric Resource Board), 89-10 (Sovereign Lands), and 89-11 (Drought Disaster Livestock Water Supply Project Assistance Program). The proposed rules were submitted to the Attorney General's office for approval, and are pending before the Legislative Rules Committee at its meeting on June 11, 2014.

The North Dakota State Engineer and the North Dakota State Water Commission held a public hearing on March 27, 2014 to address proposed administrative rules changes to the North Dakota Administrative Code Articles 89-03

Articles 89-03 and 89-10 are administered by the State Engineer. Article 89-07 is administered by the Atmospheric Resource Board and requires the approval of that board to finalize. Articles 89-06 and 89-11 are administered by the State Water Commission and requires approval to finalize.

It was the recommendation of Secretary Sando that the State Water Commission approve the proposed changes to Articles 89-06 and 89-11 of the North Dakota Administrative Code to the extent they are approved by the Legislative Rules Committee.

It was moved by Commissioner Swenson and seconded by Commissioner Hanson that the State Water Commission approve the proposed changes to Articles 89-06 and 89-11 of the North Dakota Administrative Code to the extent they are approved by the Legislative Rules Committee.

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

Due to scheduling commitments, Commissioner Nodland left the meeting.

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

2011 House Bill 1206 created the Western Area Water Supply (WAWS) project, under chapter 61-40 of the North Dakota Century Code. The project report was provided, which is detailed in the staff memorandum dated May 19, 2014, and attached as **APPENDIX "J"**.

**WESTERN AREA WATER
SUPPLY PROJECT -
APPROVAL OF STANLEY
DISTRIBUTION PROJECT
(SWC Project No. 1973)**

A request from the Western Area Water Supply Authority was presented for the State Water Commission's consideration for the Stanley distribution project involving service to users located south and north of the city of Stanley, at a total estimated cost of \$11,220,000.

The transmission pipeline project consists of 35 miles of 8" - 6" diameter pipeline at a cost of \$3,665,000 to convey the water for distribution to serve approximately 135 new users. The distribution pipeline project requires 135 miles of 4" - 2" diameter pipeline at a cost of \$7,555,000. The Western Area Water Supply Project Authority's, Phases 1-3, budget included an estimate for the Stanley Distribution project - Part 1 of \$6,720,000, and the Phase 4 budget included a project estimate - Part 2 of \$12,501,000.

The State Water Commission's 2013-2015 appropriation includes \$79,000,000 for the Western Area Water Supply project, with \$40,000,000 approved as a \$20,000,000 loan and \$20,000,000 grant. The total approved funding is \$190,000,000 from several sources; with the remaining appropriation budget of \$39,000,000, the Authority would have funding of \$229,000,000. It is anticipated the project design and easement work could begin in 2014 after a revised budget is provided to determine the current projects and the Stanley project are within a \$229,000,000 budget.

It was the recommendation of Secretary Sando that the State Water Commission approve the Stanley Distribution project, with the advertisement for bids for construction contingent upon submittal from the Western Area Water Supply Authority of a revised overall budget which indicates that the Stanley Distribution project is within a budget of \$229,000,000. The Secretary to the Commission shall concur with the revised overall project budget.

It was moved by Commissioner Vosper and seconded by Commissioner Hanson that:

- 1) the State Water Commission shall approve the Stanley Distribution Project;***
- 2) the Western Area Water Supply Authority shall submit a revised overall budget prior to the advertisement for bids for the Stanley Distribution project indicating the project is within the budget of \$229,000,000 for Phases 1-3; and***

- 3) ***the Secretary to the Commission shall concur with the revised budget for Phases 1-3 submitted by the Western Area Water Supply Authority.***

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

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

The Northwest Area Water Supply (NAWS) project and construction status reports were provided, which are detailed in the staff memorandum dated May 19, 2014, attached as ***APPENDIX "K"***.

***STATE WATER PLAN -
2015-2017 BIENNIUM
(SWC Project No. 322)***

The Planning and Education division of the State Water Commission initiated the process of developing the State Water Plan for the 2015-2017 biennium and beyond. Because a comprehensive overview of the state's current and future water needs and issues is critical, part of this effort included project information from local sponsors across the state who may request state cost participation in future biennia. As a result of that request, approximately 240 project information forms were received.

State Water Commission staff members have reviewed the project information forms for general eligibility and to categorize projects by cost share category, with an end goal to develop an inventory of projects and their potential financial need from the state. Because modifications to the State Water Commission's cost share policy have not been finalized, development of the project inventory and their potential financial need from the state is contingent upon finalizing the cost share policy to determine the eligibility requirements and cost share percentages.

In the fall of 2013, the State Water Commission and staff completed a series of Commissioner-hosted meetings in six drainage basins across the state as required by 2013 House Bill 1206. By conducting those meetings, the requirement was met. A second round of meetings was planned in the summer of 2014 to outline the final cost share policy and to discuss projects that were submitted as part of the inventory process, however, with the ongoing discussions regarding the cost share policy and the policy not finalized, there may not be adequate time to conduct another round of Commissioner-hosted meetings.

Jessie Wald, Planning and Education Division, was introduced as the State Water Commission's Public Information Specialist, effective April 7, 2014.

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

The Missouri River report was provided, which is detailed in the staff memorandum dated May 15, 2014, and attached hereto as **APPENDIX "L"**.

There being no further business to come before the State Water Commission, Governor Dalrymple adjourned the meeting at 5:45 p.m.





Jack Dalrymple, Governor
Chairman, State Water Commission



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

DRAFT FINAL

MINUTES

**North Dakota State Water Commission
Audio Telephone Conference Call Meeting
Bismarck, North Dakota**

February 27, 2014

The North Dakota State Water Commission held an audio telephone conference call meeting in the Governor's conference room at the State Capitol, Bismarck, North Dakota, on February 27, 2014. Governor Jack Dalrymple, Chairman, called the meeting to order at 1:00 p.m., and announced a quorum was present.

STATE WATER COMMISSION MEMBERS PRESENT:

Governor Jack Dalrymple, Chairman
Tom Bodine, representing Doug Goehring, Commissioner,
North Dakota Department of Agriculture, Bismarck
Arne Berg, Member from Devils Lake
Maurice Foley, Member from Minot
Larry Hanson, Member from Williston
George Nodland, Member from Dickinson
Robert Thompson, Member from Page
Harley Swenson, Member from Bismarck
Douglas Vosper, Member from Neche

OTHERS PRESENT:

Todd Sando, State Engineer, and Chief Engineer-Secretary,
North Dakota State Water Commission, Bismarck
State Water Commission Staff
Andrea Travnicek, North Dakota Office of the Governor, Bismarck
Jennifer Verleger, North Dakota Office of Attorney General, Bismarck
Mary Massad, Southwest Water Authority, Dickinson
Tyson Decker, Bartlett & West/AECOM, Bismarck
Jim Neubauer, City of Mandan
Britt Aasmundstad, Department of Agriculture, Bismarck
Representatives from the Cities of Dickinson, Watford City and Williston (via telephone)

The attendance register is on file with the official minutes.

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

CONSIDERATION OF AGENDA

The agenda for the February 27, 2014 State Water Commission audio telephone conference call meeting was modified to include a discussion of the proposed Rice Lake drain project in Ward county.

It was moved by Commissioner Foley, seconded by Commissioner Nodland, and unanimously carried, that the agenda be accepted as modified.

2013-2015 STATE WATER SUPPLY, COMMUNITY INFRASTRUCTURE - APPROVAL OF STATE COST PARTICIPATION GRANTS (TOTAL-\$32,100,000); (CITY OF DICKINSON-\$18,400,000) (CITY OF WATFORD CITY-\$6,700,000) (CITY OF WILLISTON-\$7,000,000) (SWC Project Nos. 2050DIC; 2050WAT; and 2050WLL)

Requests from the cities of Dickinson, Watford City, and Williston were presented for the State Water Commission's consideration of state cost participation grant funding for capital infrastructure water projects needed within the next three years to address current and future demands of their systems resulting from the growing population of western North Dakota. These communi-

ties are seeking funds in addition to sales tax, general obligation bonds, energy impact grants, and enterprise funds. The proposed projects are in various stages of planning, design, bidding for construction, and under construction. The estimated water distribution project costs are: City of Dickinson - \$32,100,000, City of Watford City - \$11,700,000, and City of Williston - \$23,200,000.

Representatives of the cities of Dickinson, Watford City and Williston presented additional information relating to their capital infrastructure water projects, and responded to inquiries from the State Water Commission members that included maintenance costs, special city assessments, projects design, costs, and construction.

In December, 2013, the State Water Commission began its review of potential revisions to the Cost Share Policy, Procedure, and General Requirements. Cost share modifications are currently being considered that could expand the criteria for the state's grant program in order that more water supply projects could qualify for state assistance. Governor Dalrymple stated that although the Commission has not approved revisions to the current cost share policy, the state grant requests before the Commission would support critical water supply projects in the cities of Dickinson, Watford City and Williston based on population growth and financial need. Governor Dalrymple also expressed that "expanding the state's grant program would provide assistance in meeting North Dakota's growing needs for access to quality water supplies."

Funding for pre-construction engineering and construction engineering eligible costs was discussed. It was the general consensus of the State Water Commission members to fund the pre-construction engineering costs at 35 percent of the eligible costs, construction engineering costs at 60 percent of the eligible costs, and construction costs at 60 percent of the eligible costs.

It was the recommendation of Secretary Sando that the State Water Commission approve state cost participation grants of 35 percent of the eligible costs for pre-construction engineering, 60 percent of the eligible costs for construction engineering, and 60 percent of the eligible costs for construction, not to exceed a total state cost participation grant allocation of \$32,100,000 to be disbursed as follows: 1) City of Dickinson - \$18,400,000; 2) City of Watford City - \$6,700,000; and 3) City of Williston - \$7,000,000.

It was moved by Commissioner Nodland and seconded by Commissioner Berg that the State Water Commission approve state cost participation grants of 35 percent of the eligible costs for pre-construction engineering, 60 percent of the eligible costs for construction engineering, and 60 percent of the eligible costs for construction, not to exceed a total state cost participation grant allocation of \$32,100,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020) to be disbursed as follows: 1) City of Dickinson - \$18,400,000; 2) City of Watford City - \$6,700,000; and 3) City of Williston - \$7,000,000. These actions are contingent upon the availability of funds, and are subject to future revisions.

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

**RED RIVER VALLEY WATER SUPPLY
VALUE ENGINEERING STUDY -
AUTHORIZATION TO ENTER
INTO CONTRACT WITH CH2MHILL
IN THE AMOUNT OF \$375,000
(SWC Project No. 325)**

On December 23, 2013, the North Dakota State Water Commission issued a Request for Proposals for a value engineering study of the Red River valley water supply alternatives to supply water from the Missouri River to the Red River valley users (municipalities, rural water districts, and industry). The alternatives vary in regard to their alignment, length, and environmental permitting requirements. The overall value engineering study goal is to assist the state select an alignment that provides the best opportunity to complete the project.

Six proposals were received, and the top three scoring firms were interviewed on January 27 and 28, 2014. The top candidate was CH2MHILL, who has considerable experience with similar projects in design, planning, construction, and legal perspectives. The Commission staff negotiated the scope of work with CH2MHILL focusing on deliverables of comparative costs, viability, and risk of a federal nexus for three alternatives compared to the federal preferred alternative in the Environmental Impact Statement performed by the U.S. Bureau of Reclamation, which was finalized in 2007. The negotiated contract cost with CH2MHILL was \$375,000, with an anticipated completion date of May 16, 2014.

It was the recommendation of Secretary Sando that the State Water Commission authorize the Secretary to the Commission to enter into a contract with CH2MHILL for the Red River valley water supply value engineering study, and that the State Water Commission approve an allocation not to exceed \$375,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020) to support the contract.

It was moved by Commissioner Berg and seconded by Commissioner Thompson that the State Water Commission authorize the Secretary to the Commission to enter into a contract with CH2MHILL for the Red River valley water supply value engineering study, and that the State Water Commission approve an allocation not to exceed \$375,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium (H.B. 1020) to support the contract. This action is contingent upon the availability of funds.

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

**SOUTHWEST PIPELINE PROJECT -
AUTHORIZATION TO AWARD
CONTRACT 3-2A, MEMBRANE
SYSTEMS EQUIPMENT PROCURE-
MENT AT NEW DICKINSON WATER
TREATMENT PLANT, TO TONKA
WATER, PLYMOUTH, MN, IN THE
AMOUNT OF \$1,934,137.58
(SWC Project No. 1736-99)**

On January 23, 2014, bid packages were opened for Southwest Pipeline Project, Contract 3-2A, New Dickinson Water Treatment Plant Membrane Systems Procurement. This contract consists of furnishing micro-filtration or ultra-filtration membrane equipment for removing suspended solids for the proposed Dickinson water treatment plant to be located on property east of

the existing Dickinson water treatment plant, which is currently owned by the city of

Dickinson. The scope of supply was generally for membrane systems equipment with a capacity of approximately 6,000,000 million gallons per day (MGD), along with pre-filtration membrane backwash, membrane clean-in-place, air integrity testing, air scouring, and integration and controls equipment. A 'secondary' set of membranes will also be used to recover most of the backwash water generated by the 'primary' membranes.

The new water treatment plant is proposed with a capacity of 6 MGD and will initially operate in conjunction with the existing Dickinson water treatment plant, which has a capacity of 12 MGD. The 6 MGD plant can be expanded in phases for a total capacity of 18 MGD when the existing plant is retired in phases. Some parts of the existing plant are approaching 60 years in age. The new plant will employ ozonation of the raw water to combat taste and odor issues followed by lime softening and membrane filtration.

Competitive sealed proposals were solicited for this contract in accordance with North Dakota Administrative Code 4-12-12. Three proposals were received, one proposal did not contain a valid bid bond, therefore, the proposal was considered non-responsive and was not opened. The other two proposals received were from Tonka Water, Plymouth, MN, and H2O Innovation USA, Inc., Champlin, MN. The award of this contract is based on a 20-year life cycle analysis, completed by Bartlett & West/AECOM.

The bid form included two bid alternates. Bid alternate 1 was for an additional 12 months of warranty on all equipment, excluding the membranes. Bid alternate 2 was for the additional costs of stainless steel support frames for the equipment. The apparent low bid for the base bid with bid alternative 1 was \$1,934,137.58 submitted from Tonka Water, Plymouth, MN,

The contract documents allow the State Water Commission to select the most advantageous bid. Based on the project engineer's review, the bid received from Tonka Water, Plymouth, MN, appeared to be in accordance with the advertisement for construction bid and the bid documents, and is considered to be a responsive bid. It was the recommendation of the project engineer to award Contract 3-2A to Tonka Water, Plymouth, MN. The award of the contract and notice to proceed are dependent on the satisfactory completion and submission of the contract documents by Tonka Water, and review/approval by the Commission's legal counsel.

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

It was the recommendation of Secretary Sando that the State Water Commission authorize the Secretary to the Commission to award Southwest Pipeline Project Contract 3-2A, New Dickinson Water Treatment Plant Membrane Systems Procurement, based on the base bid plus bid alternate 1, in the amount of \$1,934,137.58, to Tonka Water, Plymouth, MN.

It was moved by Commissioner Swenson and seconded by Commissioner Hanson that the State Water Commission authorize the Secretary to the Commission to award Southwest Pipeline Project Contract 3-2A, New Dickinson Water Treatment Plant Membrane Systems Procurement, based on the base bid plus bid alternate 1, in the amount of \$1,934,137.58, to Tonka Water, Plymouth, MN. This action is contingent upon the satisfactory completion and submission of the contract documents by Tonka Water, and the review/approval by the Commission's legal counsel.

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

***SOUTHWEST PIPELINE PROJECT -
AUTHORIZATION TO AWARD
CONTRACT 2-8F, DUNN CENTER
BOOSTER TO NORTH FAIRFIELD
BOOSTER MAIN TRANSMISSION
PIPELINE, TO CARSTENSEN
CONTRACTING, INC., PIPESTONE, MN,
IN THE AMOUNT OF \$7,162,006.00
(SWC Project No. 1736-99)***

On January 30, 2014, bid packages were opened for the Southwest Pipeline Project Contract 2-8F, which is Phase II of the main transmission line in Dunn County from the Dunn Center booster station (north of Halliday) to the north Fairfield booster station (west of Killdeer). The contract was divided into three bid schedules in order to have different completion dates and to

accommodate different unit prices for pipeline installation in the western part of the state involving utility crossings.

Bid schedule 1 generally consisted of furnishing and installing approximately 15 miles of 16" AWWA C-905 PVC gasketed joint pipe, road crossings, connections to existing pipelines, and other related appurtenances. The contract specifies an intermediate completion date of August 15, 2014 for bid schedule 1.

Bid schedule 2A generally consisted of furnishing and installing approximately 5 miles of 14" AWWA C-905 PVC gasketed joint pipe, 7 miles of 10" - 6" ASTM D 2241 PVC gasketed joint pipe, two prefabricated steel meter vaults, road crossings, connections to existing pipelines, and other related appurtenances. The contract specifies an intermediate completion date of November 1, 2014 for bid schedule 2A.

Bid schedule 2B generally consisted of furnishing and installing approximately 12.5 miles of 8" - 6" ASTM D 2241 PVC gasketed joint pipe, two prefabricated below grade VFD booster stations, road crossings, connections to existing pipelines, and other related appurtenances. Installation of pipeline in bid schedule 2B will allow serving the Killdeer Mountains, Grassy Butte, and a portion of the Fairfield service area from the Oliver-Mercer-North Dunn water treatment plant. These areas are currently served from the Dickinson water treatment plant. The contract specifies that the work for bid schedule 2B and the entire project will be substantially complete on or before August 1, 2015.

Six bid packages were received for Contract 2-8F from Carstensen Contracting, Inc., Pipestone, MN; Wagner Construction, International Falls, MN; S. J. Louis, Rockville, MN; Merryman Excavation, Woodstock, IL; Northern Improvement Company, Bismarck, ND; and Knife River, Bismarck, ND. All bid packages appeared in order and were opened. The project engineer's estimate was \$7,324,606.50. The apparent low bid received was \$7,162,006.00 submitted by Carstensen Contracting, Inc., Pipestone, MN.

The contract documents allow the State Water Commission to select the most advantageous bid. Based on the project engineer's review, the bid received from Carstensen Contracting, Pipestone, MN, appeared to be in accordance with the advertisement for construction bid and the bid documents, and is considered to be a responsive bid. It was the recommendation of the project engineer to award Contract 2-8F to Carstensen Contracting, Pipestone, MN. The award of the contract and notice to proceed are dependent on the satisfactory completion and submission of the contract documents by Carstensen Contracting, and review/approval by the Commission's legal counsel.

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

It was the recommendation of Secretary Sando that the State Water Commission authorize the Secretary to the Commission to award Southwest Pipeline Project Contract 2-8F, Oliver-Mercer-North Dunn regional service area, Dunn Center Booster to North Fairfield Booster Main Transmission Pipeline, in the amount of \$7,162,006.00 to Carstensen Contracting, Pipestone MN.

It was moved by Commissioner Vosper and seconded by Commissioner Nodland that the State Water Commission authorize the Secretary to the Commission to award Southwest Pipeline Project Contract 2-8F, Oliver-Mercer-North Dunn regional service area, Dunn Center Booster to North Fairfield Booster Main Transmission Pipeline, in the amount of \$7,162,006.00, to Carstensen Contracting, Pipestone, MN. This action is contingent upon the satisfactory completion and submission of the contract documents by Carstensen Contracting, and the review/approval by the Commission's legal counsel.

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

***RICE LAKE DRAIN PROJECT,
WARD COUNTY
(SWC Project No. 1262)***

concerns relating to the proposed Rice Lake drain project in Ward county.

On February 13, 2014, the Office of the State Engineer was in receipt of a letter from Norman Nelson, Mayor, City of Douglas, North Dakota, expressing

At the request of the State Water Commission members, the staff responded indicating that the Office of the State Engineer's review of the Application to Drain No. 4035, which is determined to be of statewide significance, is pending contingent upon an updated design of the proposed project from the Rice Lake Recreation Service District Engineer. The review process will proceed upon receipt of the new project design.

There being no additional business to come before the State Water Commission, Governor Dalrymple adjourned the audio telephone conference call meeting at 1:50 p.m.



Jack Dalrymple, Governor
Chairman, State Water Commission

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

DRAFT FINAL

MINUTES

**North Dakota State Water Commission
Bismarck, North Dakota**

March 17, 2014

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

STATE WATER COMMISSION MEMBERS PRESENT:

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

OTHERS PRESENT:

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

The attendance register is on file with the official minutes.

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

CONSIDERATION OF AGENDA

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

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

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

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

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

**STATE WATER COMMISSION
BUDGET EXPENDITURES,
2013-2015 BIENNIUM**

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

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

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

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

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

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

BOND RETIREMENT

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

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

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

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

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

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

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

A request from the Rush River Water Resource District was presented for the State Water Commission's consideration for state cost participation in the Cass County Drain No. 30 Channel Improvements project. The proposed project

involves the reconstruction of approximately two miles of an existing legal assessment drain located southeast of the city of Argusville in Harwood township which has experienced significant channel bottom erosion and sliding on the side slopes.

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

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

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

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

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

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

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

A request from the city of Mapleton was presented for the State Water Commission's consideration for state cost participation in the costs for re-certification of the city's flood control levee system. FEMA has been updating its Flood Insurance Rate Maps (FIRM)

as part of the map modernization process. As part of its effort for the new Cass County Flood Insurance Study (FIS), FEMA determined that the levee protecting the city of Mapleton was accredited in the previous FIS based on the information available and on the mapping standards at that time.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2009-2011 biennium (H.B. 1020) to analyze the city's flood control levee system for compliance with FEMA guidelines as outlined in the Code of Federal Regulations, Title 44 Part 65.10. The analysis was required for FEMA to accredit the levee system, flood insurance mapping purposes, operations are designed to the current standards, and provide protection from the 100-year flood.

On March 11, 2010, the State Water Commission approved a request from the city of Pembina for state cost participation of 60 percent of the eligible costs, not to exceed an allocation of \$27,156 from the funds appropriated to the State Water Commission in the

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

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

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

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

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

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

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

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

On October 7, 2013, the State Water Commission passed a motion approving a state cost participation grant of 50 percent of the eligible costs, not to exceed \$400,000 from the funds appropriated to the State Water Commission

in the 2013-2015 biennium (H.B. 1020) to the Missouri West Water System to support the south Mandan project. The project involves the installation of 13.2 miles of 6" to 4" transmission pipeline for service to 275 existing users, and would restore flow rates through areas impacted by the rapid population growth along the existing undersized pipelines in three sections of the system in Morton county. The water supply is from the city of Mandan and the Southwest Water Authority.

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

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

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

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

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

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

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

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

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

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

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

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

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

The Stutsman Rural Water District is developing expansions to address inadequacies in the rural system which limits their ability for the addition of rural water users. The system initially served 1,200 rural users, the cities of Cleveland and Montpelier, and the Northern Prairie Wildlife Research Center. On March 11,

2004, the State Water Commission passed a motion to approve a 65 percent grant not to exceed \$24,700 from the Water Development and Research Fund, for the Stutsman County Rural Water hydraulic model and feasibility study. On March 10, 2005, the State Water Commission approved a 5 percent grant, not to exceed an allocation of \$83,500 from the Water Development and Research Fund, for the Stutsman Rural Water District infrastructure improvements project. On June 22, 2005, the Commission passed a motion to increase the grant to 10 percent of the eligible costs.

Previous State Water Commission grant

funding actions include:

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

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

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

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

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

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

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

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

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

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

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

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

On June 21, 2011, the State Water Commission passed a motion to approve a 50 percent state cost participation grant, not to exceed an allocation of \$600,000 from the funds appropriated to the State Water Commission in the 2011-2013 biennium (S.B. 2020) to the

city of Fargo to support a pilot study of the reverse osmosis treatment process at the water treatment plant. The study was conducted in July, 2011, and completed in April, 2012 to evaluate seasonal water supply variation impacts on the membrane processes.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The City of Valley City began developing a permanent flood protection project in 2011 after suffering its worst flood in history in 2009 and its second worst flood in 2011. Due to the multiple years

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

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

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

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

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

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

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

the local sponsor for the Mouse River Enhanced Flood Protection project.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Southwest Pipeline Project Contract 3-2B, Softening Equipment Procurement for the New Dickinson Water Treatment Plant, generally consists of the design and construction phase service for a high-rate softening system for the Phase I, 6 million gallons per day capacity. The

design phase and construction phase will consist of providing consultation to ensure the treatment plant is designed to properly utilize the softening equipment and proper installation of the equipment as well as providing start-up services.

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

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

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

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

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

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

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

SE1/4 of Section 14, Township 146 North, Range 88 West, at a maximum pumping rate of 4,970 gallons per minute for industrial use from the Missouri River.

The Southwest Pipeline Project of the State Water Commission applied to the State Engineer's Office for conditional water permit application No. 6145 to divert 8,000.0 acre-feet of water annually from a point of diversion located in the

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

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

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

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

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

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

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

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

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

**GARRISON DIVERSION
CONSERVANCY DISTRICT
(SWC Project No. 237)**

Supply project, and the District's ongoing activities. Duane DeKrey was introduced as the District's Deputy Manager.

Dave Koland, Garrison Diversion Conservancy District general manager, provided a status report relating to the efforts of the Red River Valley Water

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

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

**2014 STATEWIDE FLOOD FORECAST
(SWC Project No. 1431)**

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

**PROPOSED AMENDMENTS TO
NORTH DAKOTA ADMINISTRATIVE
CODE ARTICLES**

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

The North Dakota State Engineer and the North Dakota State Water Commission will hold a public hearing on March 27, 2014 to address proposed amend-

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

mission and the State Engineer are required to assist the committee in developing that schedule of priorities.

North Dakota Century Code 54-35-021.7 requires the Legislature's Water Topics Overview Committee to develop a schedule of priorities with respect to water projects. The State Water Com-

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

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

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

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

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

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



Jack Dalrymple, Governor
Chairman, State Water Commission

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

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

APPENDIX "A"
 March 17, 2014

PROGRAM	SALARIES/ BENEFITS	OPERATING EXPENSES	GRANTS & CONTRACTS	3-Mar-14 PROGRAM TOTALS
ADMINISTRATION				
Allocated	2,492,011	2,323,966		4,815,977
Expended	705,391	483,527		1,188,918
Percent	28%	21%		25%
			Funding Source:	
			General Fund:	0
			Federal Fund:	17,526
			Special Fund:	1,171,392
PLANNING AND EDUCATION				
Allocated	1,334,304	301,110	107,000	1,742,414
Expended	335,775	48,120	21,322	405,217
Percent	25%	16%	20%	23%
			Funding Source:	
			General Fund:	0
			Federal Fund:	48,825
			Special Fund:	356,392
WATER APPROPRIATION				
Allocated	4,632,809	548,947	1,215,267	6,397,023
Expended	1,292,190	182,834	191,431	1,666,455
Percent	28%	33%	16%	26%
			Funding Source:	
			General Fund:	0
			Federal Fund:	0
			Special Fund:	1,666,455
WATER DEVELOPMENT				
Allocated	6,258,796	14,555,905	3,313,200	24,127,901
Expended	1,669,422	2,857,886	76,020	4,603,328
Percent	27%	20%	2%	19%
			Funding Source:	
			General Fund:	0
			Federal Fund:	396,897
			Special Fund:	4,206,431
STATEWIDE WATER PROJECTS				
Allocated			629,600,000	629,600,000
Expended			34,251,386	34,251,386
Percent			5%	5%
			Funding Source:	
			General Fund:	0
			Federal Fund:	0
			Special Fund:	34,251,386
ATMOSPHERIC RESOURCE				
Allocated	993,898	712,307	4,694,692	6,400,897
Expended	282,534	70,668	553,306	906,508
Percent	28%	10%	12%	14%
			Funding Source:	
			General Fund:	0
			Federal Fund:	0
			Special Fund:	906,508
SOUTHWEST PIPELINE				
Allocated	468,291	12,927,500	101,616,741	115,012,532
Expended	174,340	1,813,149	7,494,585	9,482,074
Percent	37%	14%	7%	8%
			Funding Source:	
			General Fund:	0
			Federal Fund:	741,378
			Special Fund:	8,740,696
NORTHWEST AREA WATER SUPPLY				
Allocated	650,021	16,498,500	53,800,540	70,949,061
Expended	146,016	471,588	217,525	835,129
Percent	22%	3%	0%	1%
			Funding Source:	
			General Fund:	0
			Federal Fund:	0
			Special Fund:	835,129
PROGRAM TOTALS				
Allocated	16,830,130	47,868,235	794,347,440	859,045,805
Expended	4,605,669	5,927,772	42,805,576	53,339,016
Percent	27%	12%	5%	6%
FUNDING SOURCE:	ALLOCATION	EXPENDITURES	REVENUE	
GENERAL FUND	0	0	GENERAL FUND:	104,734
FEDERAL FUND	37,310,283	1,204,627	FEDERAL FUND:	1,535,546
SPECIAL FUND	821,735,522	52,134,390	SPECIAL FUND:	49,789,576
TOTAL	859,045,805	53,339,016	TOTAL:	51,429,857

March 17, 2014

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

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

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

PROGRAM OBLIGATION

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

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

PROGRAM OBLIGATION

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

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

GENERAL PROJECT OBLIGATIONS

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

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

GENERAL PROJECT OBLIGATIONS

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

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

COMPLETED GENERAL PROJECTS

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

TOTAL

3,392,058 2,492,213 899,845

**Resources Trust Fund
 Status Statement**

3/14/2014

	2011-13 Actual ¹	2013-15 Appropriated	2013-15 Estimated ²
Beginning Balance	\$155,940,058	\$292,961,846 ³	\$292,961,846 ³
Revenue:			
Repayments and reimbursements	\$6,602,070	\$8,614,000	\$8,992,816
Oil extraction tax collections	390,342,357	564,273,362 ⁴	578,476,423 ⁴
Interest	1,577,361	1,359,000	1,752,938
Total Revenues	\$398,521,788	\$574,246,362	\$589,222,177
Expenditures:			
Water Commission expenditures	(\$251,500,000)	(\$750,606,094)	(\$750,606,094)
Bank of North Dakota	(10,000,000) ⁵		
Transfer to renewable energy development fund		(3,000,000) ⁶	(3,000,000) ⁶
Transfer to energy conservation grant fund		(1,200,000) ⁶	(1,200,000) ⁶
Transfer to infrastructure revolving loan fund		(16,978,011) ⁷	(16,978,011) ⁷
Total Expenditures and Transfers	(\$261,500,000)	(\$771,784,105)	(\$771,784,105)
Ending Balance	\$292,961,846	\$95,424,103	\$110,399,918

¹ Final revenues and expenditures per state accounting system reports.

² The amounts shown reflect actual revenues and expenditures through **February 28, 2014**, plus estimated revenues and expenditures for the remainder of the biennium, based on the May 2013 legislative forecast.

³ Actual July 1, 2013 balance.

⁴ The May 2013 legislative forecast assumes an average price of \$75-\$80 per barrel and production gradually increasing to 850,000 BOPD by the end of the biennium. In January 2014, the actual average price per barrel was \$80.85 and production averaged 933,100 BOPD.

⁵ HB1206, approved by the 2011 Legislative Assembly, appropriated \$10.0 million to the Bank of North Dakota for a 5.0 percent loan to the Western Area Water Supply Authority.

⁶ SB2014, passed by the 2013 legislature, provides that 5.0 percent of oil extraction taxes deposited in the resources trust fund, up to \$3.0 million per biennium, must be transferred quarterly to the Renewable Energy Development Fund. This bill also provides that 0.5 percent of the amount deposited in the Resources Trust Fund, up to \$1.2 million per biennium, must be transferred at least quarterly to the Renewable Energy Conservation Grant Fund.

⁷ SB 2233, passed by the 2013 legislature, establishes an infrastructure revolving loan fund within the resources trust fund. The bill provides that effective January 1, 2015, 10 percent of oil extraction tax revenue deposited in the resources trust fund is to be made available on a continuing basis to provide loans for water supply, flood protection, or other water development and management projects.

Notes:

The Resources Trust Fund was created pursuant to passage of Measure No. 6 in the November 1980 general election. Measure No. 6 established a 6.5 percent oil extraction tax, 10.0 percent of which was distributed to the Resources Trust Fund. Measure No. 2, a constitutional amendment approved in the June 1990 primary election, establishes the Resources Trust Fund as a constitutional trust fund and provides that the principal and income of the fund may be spent pursuant to legislative appropriations for constructing water related projects, including rural water systems, and funding energy conservation programs.

NDCC Section 57-51.1-07 provides that the Resources Trust Fund is available for legislative appropriation to the State Water Commission for planning and constructing water-related projects and to the Industrial Commission for energy conversion and waste products utilization programs and studies. The 1995 Legislative Assembly amended Section 57-51.1-07 to provide that 20.0 percent of oil extraction tax collections will be deposited in the Resources Trust Fund.

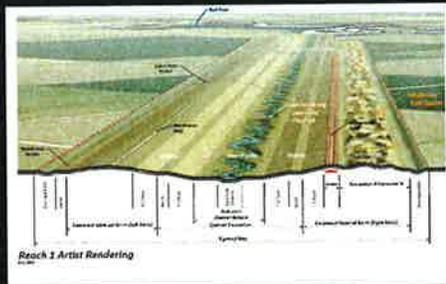
FM Area Diversion Project

FLOOD PROTECTION FOR 1 IN 5 NORTH DAKOTANS



UPDATE TO STATE WATER COMMISSION MARCH 17, 2014

DIVERSION CHANNEL

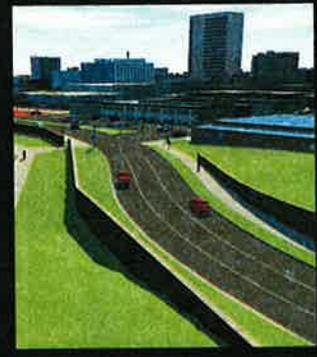


Federally Authorized by
U.S. House and Senate
- \$6.3 Million in Federal
Funds for 2014

95% Designed - 10 Miles of
Diversion Channel

2,000 Acres Purchased from
Willing Sellers

IN-TOWN FLOOD PROTECTION



Diversion-related flood protection
for Downtown Fargo to begin in Fall,
2014

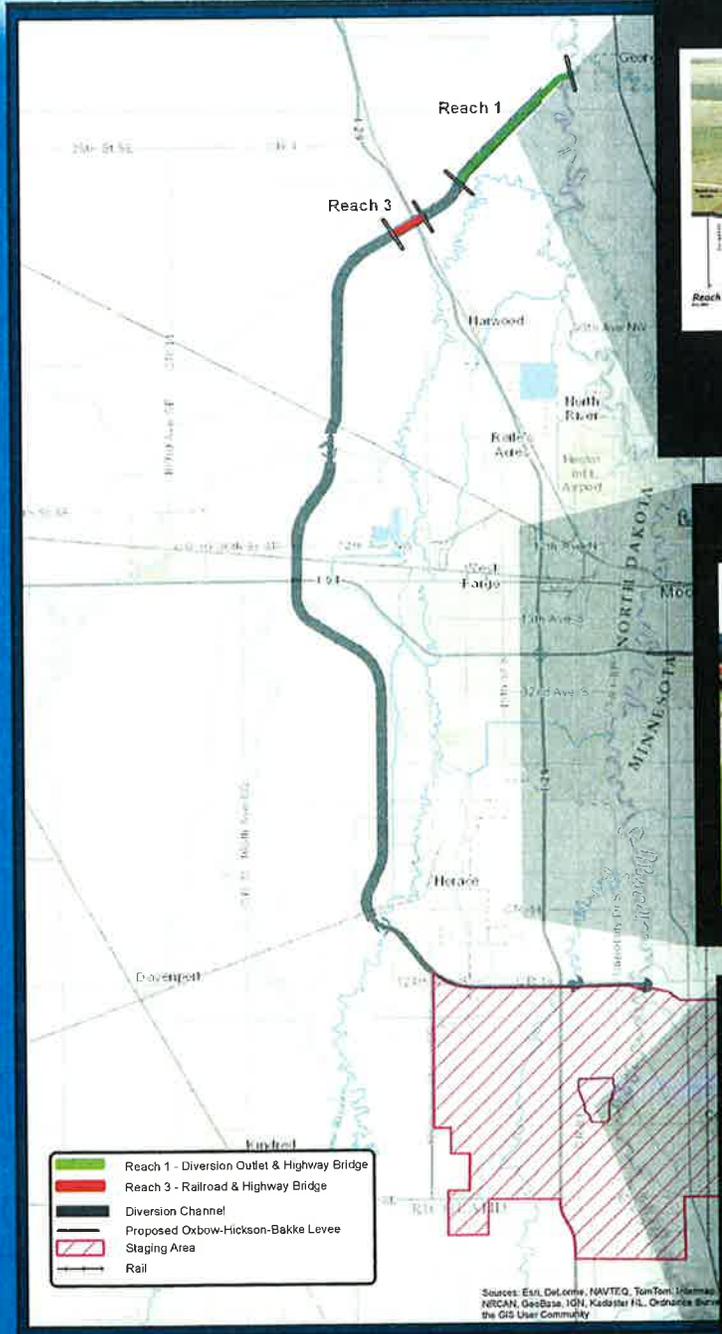
Acquisitions of property are in
progress

OXBOW-HICKSON-BAKKE



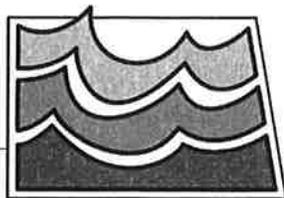
Ring Levee Construction to
begin in June, 2014

Provides ~200 Residences
with 500-year Flood
Protection



- Reach 1 - Diversion Outlet & Highway Bridge
- Reach 3 - Railroad & Highway Bridge
- Diversion Channel
- Proposed Oxbow-Hickson-Bakke Levee
- Staging Area
- Rail

Sources: Esri, DeLorme, NAVTEQ, TomTom, Intermap, iPC, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, the GIS User Community



North Dakota State Water Commission

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

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM:  Todd Sando, P.E., Chief Engineer - Secretary
SUBJECT: MREFP Project Status Update
DATE: March 3, 2014

The Souris River Joint Water Resources Board and the city of Minot have published a Request For Qualifications for design of the Napa Valley, Forrest Road and North 4th Avenue features of the project. A selection committee has been formed and has met to discuss the selection process. Deadline for receipt of proposals is March 14, 2014. Selection committee member rankings of the proposals are due for tabulation March 28, 2014. The schedule for the remainder of the selection process will be made after that date.

The Souris River Joint Board has added a permanent member from the city of Minot. They are currently considering future phases and priorities for a long range project implementation plan.

A number of issues and potential measures for local relief in the downstream reaches of the river have been identified by local interests. Most of these can be screened for feasibility and eligibility for cost share by State Water Commission staff with the tools developed by the consulting team. The effort is currently under way.

TS:TF:WE:ph/1974



North Dakota State Water Commission

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MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM:  Todd S. Sando, P.E., Chief Engineer - Secretary
SUBJECT: SWPP Project Update
DATE: February 24, 2014

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

Zap Service Area (SA) Rural Distribution System 7-9C & 7-9D:

Work on these two contracts is mostly complete. Bartlett & West/AECOM (BW/AECOM) is currently processing the GPS data, which will be used to finalize quantities for the final change order.

Center SA Rural Distribution System 7-9E & 7-9F:

The State Water Commission (SWC) at its October 7, 2013 meeting awarded the contract to Eatherly Constructors Inc. Executed contract documents have been received. This contract consists of 250 miles of 8" -1½" PVC pipe serving 330 rural water customers. This contract has an intermediate completion date of September 15, 2014 for a portion of service area identified in the plans and has a substantial completion date of September 15, 2015 for the entire contract. Nine users were identified as high-cost users after the bid opening, these users have been contacted and all of them or their neighbors have signed up for more units and the lines are now within the feasibility criteria.

Contract 7-9E is the west Center SA rural distribution system. Easement acquisition has begun and we anticipate bidding this contract in Spring 2014.

Contract 2-8E/2-8F Dunn Center SA Main Transmission Line (MTL):

Contract 2-8E is the MTL from the OMND WTP to a combination reservoir and booster station north of Halliday (Dunn Center booster station). This contract was awarded on May 21, 2013 and the contractor started installation on July 24, 2013. This contract involves furnishing and installing approximately 25 miles of pipe, an above grade booster station with concrete reservoir, PRV/Control vault, road crossings and related appurtenances. The contractor has installed roughly 15 miles of pipe. The substantial completion date is July 1, 2014.

Contract 2-8F is the MTL west of Halliday to west of Killdeer. This contract involves furnishing and installing approximately 40 miles of 16"-6" PVC pipe, connection to existing pipelines, 2 prefabricated steel meter vaults, road crossings and related appurtenances. This contract has two intermediate completion dates. The first intermediate completion date is August 15, 2014 for Bid Schedule 1, which is from north of Halliday to Dunn Center Elevated tank. The second intermediate completion date is November 15, 2014 for Bid Schedule 2A which will provide connection to the Cities of Dunn Center and Killdeer. The Bid Schedule 2B and the entire project

is to be substantially complete on or before August 1, 2015 which includes 2 prefabricated below grade booster pump stations and connection of Killdeer Mountain, Grassy Butte and part of Fairfield service area from the OMND Water Treatment Plant (WTP).

The Commission awarded this Contract to Carstensen Contracting Inc., at its February 27, 2014 conference call meeting.

Contract 4-6 Dunn Center SA Pumps inside OMND WTP:

The contractor has completed most of the work under this contract with startup of the pumps, painting and pump motor retrofits remaining.

Contract 5-17 Dunn Center Elevated Reservoir:

This contract includes furnishing and installing a 1,000,000 gallon elevated composite reservoir. The contractor, Caldwell Tanks, Inc., has completed 19 out of the total 23 rings on the pedestal and ceased operation for the winter. The substantial completion date on this contract is August 15, 2014.

Contract 5-15B 2nd Zap Reservoir:

This contract includes furnishing and installing a 1,650,000 gallon ground storage reservoir. Contract documents have been executed and notice to proceed was issued on August 9, 2013. The substantial completion date is August 15, 2014.

Contract 8-3 Killdeer Mountain Elevated Reservoir:

This contract includes furnishing and installing a 250,000-gallon elevated reservoir. This contract was bid on October 18, 2013. The State Water Commission awarded this contract to Maguire Iron, Inc. of Sioux Falls, South Dakota at its December 13, 2013 meeting. Executed contract documents have been received. The substantial completion date is October 1, 2014.

OMND Water Treatment Plant (WTP) Phase II Expansion:

The State Water Commission awarded Contract 3-1H, OMND WTP Phase II expansion to Northern Plains Contracting Inc., and Edling Electric Inc. at its December 13, 2013 meeting. Some of the equipment from Contract 3-1G Membrane Procurement contract and Contract 3-1F, Ozone equipment contract has been delivered to site and the preconstruction conference for Contract 3-1H was held on January 29, 2014. The electrical and general contractors on Contract 3-1H are currently on site. The installation of the ozone equipment has commenced.

Other Contracts

Contract 7-1C/7-8H Hydraulic Improvements in the Davis Buttes, New Hradec and South Fryburg SA:

At the direction of the sole director of Manitou Construction Inc., we are working with their surety company Philadelphia Insurance Companies. The contract is substantially complete. Administrative items and punch list items remain to be completed.

Contract 8-1A New Hradec Reservoir:

This contract involves furnishing and installing a 296,000 gallons fusion powder coated bolted steel reservoir. The contract documents were executed on May 16, 2013 and the Notice to Proceed was issued on June 3, 2013. The tank erection is complete. Pressure testing of the inlet and outlet piping, testing, cleaning and disinfection of the tank remain to be completed.

Contract 4-5 Finished Water Pumping Station (FWPS):

This contract consists of the construction of a 60' by 85' reinforced concrete and precast concrete building and the installation of pumping, piping, mechanical, and electrical and instrumentation systems. We anticipate bidding this contract before the Commission meeting with a bid opening date soon after the Commission meeting. This contract is discussed in detail in a separate memo.

An agreement that defines the cost sharing of the joint FWPS with the City of Dickinson is also discussed in a separate memo.

Contract 1-2A Supplemental Raw Water Intake:

The preconstruction conference for this contract was held on October 17, 2013. The contractor, James W. Fowler Inc., has indicated that they will provide a 72" outside diameter reinforced concrete pipe with an internal diameter of 54". The contract documents specified a 14-foot minimum inside diameter for the caisson. The contractor has indicated that they would be using a 7.5-meter (24.6 feet) inside diameter caisson. Because of the larger caisson size than initially anticipated, it is possible to have bigger pumps in case the future needs exceed the current projection. The possibility of designing the pump station and supporting slab to accommodate larger pumps is being analyzed.

The construction trailer is on site, a temporary fence defining the construction limits is installed, and temporary power for construction is available on site. The contractor will install a dewatering well to discharge any groundwater encountered during the caisson construction this winter. The groundwater will be discharged to the lake by a connection to the SWPP's concentrate discharge line which will be installed this winter. The contractor will mobilize heavy equipment to the site before the load restrictions become effective in spring.

Contract 3-2 Six (6) MGD Water Treatment Plant at Dickinson:

Contract 3-2A Membrane Equipment Procurement – The State Water Commission awarded this contract to Tonka Water from Plymouth, Minnesota at its February 27, 2014 conference call meeting.

Contract 3-2B Softening Equipment Procurement – We anticipate bidding this contract before the Commission meeting with a bid opening date soon after the Commission meeting. This contract is discussed in detail in a separate memo.

Project Update:

July Storm Damage:

The windstorm on July 8, 2013 resulted in damage to the Halliday reservoir and telemetry antenna at the Dodge Pump Station. The tank, built in 1995, is 31 feet in diameter and 47 feet in height. The tank was designed with the possibility to be raised to a future height of 63 feet. Hydraulic analysis as to whether raising the tank was beneficial was performed. Cost estimates from Engineering America Inc., (EAI) the original tank contractor, have been received. The cost to replace the 5 rings of damaged panels is approximately \$157,000. The cost to increase the height of the tank adds an additional \$70,000. BW/AECOM advised that raising the tank to an overflow of 61 feet was not worth the added cost. It appears that vacuum caused by high winds caused the tank wall to collapse. The tank manufacturer suggested increasing the steel thickness of the top panels in order to address the vacuum issue. A cost estimate of around \$40,000 was quoted for increasing the steel thickness in the top 5 rings. The SWA instructed EAI to proceed with the replacing the 5 rings of the tank without increasing the wall thickness. EAI is currently working on the repairs of the tank and anticipates finishing the repairs before the peak water usage season. The majority of the costs for this repair will be reimbursed by insurance.

TSS:SSP:pdh1736-99

SWC Project No:1736

**SOUTHWEST PIPELINE PROJECT AGREEMENT
Regarding the Joint Finished Water Pumping Station,
Existing Dickinson Water Treatment Plant,
and Proposed Water Treatment Plant**

I. PARTIES

This agreement is entered between the City of Dickinson ("City"), the Southwest Water Authority ("SWA"), and the State of North Dakota, acting through the State Water Commission ("Commission").

II. PURPOSE

Pursuant to North Dakota Century Code (N.D.C.C.) chapter 54-40, the purpose of this agreement is to state the terms and conditions upon which the parties shall jointly provide for cost sharing of the engineering, design, and construction of a Finished Water Pumping Station, as well as conveyances of land for the Existing Water Treatment Plant and New Water Treatment Plant.

III. EFFECTIVE DATE

Upon approval of the respective governing bodies of the parties, this agreement shall be effective March 3, 2014.

IV. INTRODUCTION

1. The Commission is developing a water pipeline, water supply, and water distribution project known as the Southwest Pipeline Project ("Project").
2. The Authority, created under N.D.C.C. chapter 61-24.5, provides operation, maintenance, and management of the Project.
3. The Project uses the City's Water Treatment Plant for treating water.
4. In 1991, an agreement between the Commission and the City provided for the Project to use the City's Water Treatment Plant. Under that agreement, the City was treating the water for the Project ("1991 Agreement").
5. In 1995, the Commission entered into an agreement with the Authority transferring to the Authority the completed portions of the Project for operation, maintenance, and management ("1995 Agreement").
6. In 2000, the City, the Commission, and the Authority executed an agreement that assigned the management, operations, and

maintenance responsibilities of the Dickinson Water Treatment Plant from the City to the Authority ("2000 Agreement").

7. In 2012, the City, the Commission, and the Authority executed a Memorandum of Understanding regarding the Finished Water Pumping Station, the Existing Water Treatment Plant, and the New Water Treatment Plant. This agreement amends and supplements the 2012 Memorandum of Understanding.

V. DEFINITIONS

The following definitions apply to this agreement:

1. "Authority" means the Southwest Water Authority, a political subdivision created pursuant to N.D.C.C. § 61-24.5-03.
2. "FWPS" means the Joint Finished Water Pumping Station, which will house the pumps for the City and the Project.
3. "FWPS Project" means the FWPS along with the pumping, piping, sanitary sewer, underdrain, and other modifications to the Existing WTP facilities.
4. "Existing WTP" means the existing water treatment plant, which was built by the City in phases and upgraded by the City and the Commission through the years beginning in 1951; all of Lot 2 and the west 42 feet of Lot 3 of Auditor's Plat Seven of the City of Dickinson; and those facilities described under Exhibit A to the 2000 Agreement, including the chloramination facilities at the Dodge Pump Station, lime sludge ponds located to the south of the existing water treatment plant, and the permanent lime disposal facilities in the S ½ of the SE ¼ of the SW ¼ of Section 16, Township 139 North Range 96 West.
5. "New WTP" means the six MGD water treatment plant that is currently under design to meet the increased needs of the City and the Project.
6. "MGD" means million gallons per day.
7. "6 - MG Reservoir" means the existing six million gallon reservoir that was built by the City located at the Existing WTP site.

VI. COST SHARING OF THE FWPS

The FWPS will be owned by the Commission and will house the pumps for the City and the Project. The City shall have free and perpetual access at all times to the FWPS in order to service and maintain its pumps, to observe operations

of the FWPS, or otherwise to monitor, control, or manage the delivery of water from the FWPS to the City's potable water system. The FWPS will be located on the site of the Existing WTP. Costs of operations and maintenance for the FWPS will be addressed by the Parties in a separate agreement.

1. Engineering Design

a. City's Responsibility:

The engineering design and engineering costs of the City's pumps, electrical switchgear, and finalizing exterior site piping will be the responsibility of the City, and the City will pay its engineering firm directly for such work. The City's engineering firm will further assist with planning, development, and finalizing the design of the joint FWPS, and the City shall be responsible for and shall pay its engineering firm directly for such work.

b. Commission's Responsibility:

Engineering design and engineering costs for all other facilities associated with the FWPS Project will be the responsibility of the Commission, and the Commission will pay its engineer directly for such work.

2. Construction Costs

The Commission will advertise for bids and award the contract or contracts for the construction of the FWPS Project in accordance with N.D.C.C. chapter 48-01.2. The Commission shall submit the contract or contracts for the construction of the joint FWPS to the City for review and approval prior to awarding. The City and the Commission will share in the costs of the FWPS Project based upon the percentages shown in the following table. Each of the items described in the table will as far as practicable be separated in the bid form. If not separated in the bid form, the cost for each line in the following table will be determined using the schedule of values from the contractor.

S. No.	Item	City's Share	Commission's Share
1.	Building (Structural Cost)	50%	50%
2.	Building (Mechanical Cost)	50%	50%
3.	Building (Electrical Cost)	50%	50%
4.	Piping modifications to and from existing WTP and 6 - MG Reservoir, modifications inside Existing WTP	33%	67%
5.	City Pumps and Electrical Switchgear	100%	0%

6.	City High Service Piping inside and outside the facility	100%	0%
7.	SWPP Transfer Pumps and Electrical Switchgear	0%	100%
8.	SWPP Supply Piping inside and outside the facility	0%	100%
9.	Standby Electrical Generator	50%	50%
10.	SCADA Modifications for City	100%	0%
11.	SCADA Modifications for SWPP	0%	100%

Construction costs adjusted by means of change orders will be borne by the City or the Commission depending on the change that resulted in the increased or decreased costs.

3. Construction Engineering

The Commission's engineering consultant will be responsible for construction management. The City is responsible for 50% of the construction engineering costs.

4. Reimbursement from the City

The Commission will initially pay the contractors for the construction cost and the Commission's engineering consultant for the construction management in full upon receiving applications for payment from the contractor and invoices from the engineering firm. The Commission will then determine the City's share and submit a request for reimbursement along with supporting documentation to the City. Upon verification of the costs, the City will reimburse the Commission within forty-five days of the request. The appraised value of the land east of the Existing WTP, which the City will transfer to the Commission (see Section IX), will be credited toward the City's share of the FWPS costs.

VIII. EXISTING WTP AND 6 - MG RESERVOIR

The City owns the Existing WTP and the 6 - MG Reservoir, as stated in the 2000 Agreement. The City will transfer ownership of the Existing WTP and the 6 MG - Reservoir to the Commission by means of a quit claim deed. The City shall retain access to the 6 - MG Reservoir by means of the pumps located inside the FWPS in order to pump and distribute treated water from the reservoir. The City will transfer ownership of the Existing WTP and the 6 - MG Reservoir at no cost to the Commission. The quit claim deed transferring the property shall have a reverter clause, providing that the City shall regain ownership of the property if the Commission and the Authority cease or abandon the use of the property for the Project.

IX. TRANSFER OF LAND EAST OF THE EXISTING WTP

The Commission is currently designing a new 6 MGD WTP to meet the increased water supply needs of the City and the Project. The New WTP will be located at the site east of the Existing WTP. The property is a 4.89 acre lot, described as Parcel A, part of lot 3 of Auditor's plat No. 7, N1/2 Section 9, Township 139 North, Range 96 West. The City will transfer the 4.89 acre lot to the Commission through a quit claim deed. The deed transferring the property will have a reverter clause, providing that the City shall regain ownership of the property if the Commission and the Authority cease or abandon the use of the property for the Project. The City will transfer the 4.89 acre lot to the Commission for \$750,000, as determined by the City's appraisal. The \$750,000 will be credited toward the City's share of the FWPS Project cost.

X. GENERAL PROVISIONS

1. All notices or other communications required under this agreement must be given either in person or by mail at the address shown on the signature page of this agreement, or by electronic mail or facsimile. Notice provided under this provision does not meet the notice requirements for monetary claims against the Commission found at N.D.C.C. § 32-12.2-04.
2. The use of any remedy specified herein to enforce this agreement is not exclusive and does not prohibit or limit the application of any other remedy available by law.
3. Each party shall promptly notify the other parties of all potential claims that arise or result from this agreement. Each party shall also take all reasonable steps to preserve all physical evidence and information that may be relevant to the circumstances surrounding a potential claim, while maintaining public safety. Each party shall have the opportunity to review and inspect such evidence, including the scene of an accident.
4. Any waiver by any party of its rights in connection with this agreement does not waive any other default or matter.
5. If any term of this agreement is declared by a court having jurisdiction to be illegal or unenforceable, the validity of the remaining terms is unaffected, and if possible, the rights and obligations of the parties are to be construed and enforced as if the agreement did not contain that term.

6. The parties may not assign, transfer, or delegate any right or duty without the express written consent of all the parties.
7. This agreement is governed by and construed in accordance with the laws of the state of North Dakota. Any action to enforce this agreement must be brought in the District Court of Burleigh County, North Dakota.
8. Each party understands that all parties are, respectively, governed by the North Dakota open records law and must disclose to the public upon request any records it receives from any other party, to the extent required by North Dakota law. Each party further understands that any records that are obtained or generated by any party under this agreement, except for records that are exempt under N.D.C.C. chapter 44-04, are open to the public upon request under the North Dakota open records law. Each party agrees to contact the other parties immediately upon receiving a request for information under the open records law with respect to the subject matter of this agreement, to coordinate with the Commission regarding the same, and to comply with North Dakota law in responding to the request.

XI. MERGER

Except as to the agreements and memorandum of understanding recited in Section IV, this Agreement constitutes the entire agreement between the parties, and there are no understandings, agreements, or representations, oral or written, not specified within this agreement. This agreement may not be modified, supplemented, or amended in any manner except by written agreement signed by each party.

STATE WATER COMMISSION

900 East Boulevard Avenue
Bismarck, ND 58505

By:



Todd Sando
State Engineer
ND State Water Commission

Date 3/19/14

SOUTHWEST WATER AUTHORITY

4665 2nd Street SW
Dickinson, ND 58601-7231

By:



Larry Bares
Chairman
Board of Directors

Date 3-10-2014

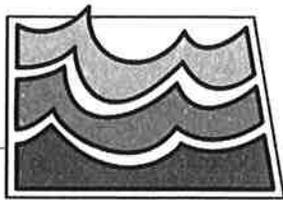
CITY OF DICKINSON
99 2nd Street East,
Dickinson, ND 58601

By:



Dennis W. Johnson, President
Board of City Commissioners

Date 03/04/14



North Dakota State Water Commission

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MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM:  Todd Sando, P.E., Chief Engineer-Secretary
SUBJECT: NAWS – Project Update
DATE: March 3, 2014

Supplemental EIS

Reclamation continues to work on the Supplemental Environmental Impact Statement (SEIS). Comments have been provided to Reclamation by the cooperating agencies on Chapter 1 (Introduction), Chapter 2 (Alternatives), Chapter 3 (Affected Environment), Chapter 4 (Environmental Impacts), various appendices, the Needs Assessment, Transbasin Effects Analysis Technical Report, and Appraisal Level Design Report. We will have an opportunity to review the entire draft SEIS prior to public release, which should be in late spring or early summer. The original schedule anticipated a draft SEIS last summer, but additional time was needed in order to ensure a scientifically sound and procedurally correct NEPA document.

Manitoba & Missouri Lawsuit

The Federal Court issued an order on March 5, 2010, requiring Reclamation to take a hard look at (1) the cumulative impacts of water withdrawal on the water levels of Lake Sakakawea and the Missouri River, and (2) the consequences of biota transfer into the Hudson Bay Basin, including Canada. The order dated October 25, 2010, allowed construction on the improvements in the Minot Water Treatment Plant and pipelines to the Minot Air Force Base and Glenburn to proceed. However, it did not allow design work to continue on the intake. The court ordered a conference call on November 15, 2012. The court expressed concerns about construction taking place under the previously approved and unopposed injunction modifications possibly affecting the outcome of the SEIS. A briefing explaining the additional construction on the northern tier, justifying the need and explaining the independence from supply or biota treatment alternatives was filed December 6, 2012. Missouri and Manitoba filed responses January 6, 2013 and our response was filed January 22, 2013. The Court issued an opinion on March 1, 2013 modifying the injunction to not permit 'new pipeline construction or new pipeline construction contracts'. Our legal counsel and staff are reluctant to approach the court for further modification of the injunction until clear progress can be exhibited on the environmental review.

Current Construction

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

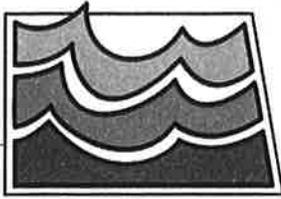
JACK DALRYMPLE, GOVERNOR
CHAIRMAN

TODD SANDO, P.E.
CHIEF ENGINEER AND SECRETARY

Design and Construction Update

Table 1 - NAWS Contracts under Construction				
Contract	Contract Award	Contractor	Contract Amount	Remaining Obligations
2-2D Mohall	7/24/09	American Infrastructure, CO In default – assumed by the surety - EMC	\$5,196,586.13	\$407,919.91
2-3B Upper Souris/Glenburn	1/4/11	S.J. Louis Construction	\$3,869,118.35	\$111,430.96
7-1A Minot WTP Filter Rehab and SCADA	11/30/11	PKG Contracting, Inc. Main Electric, Inc.	\$8,258,678.85	\$681,006.85
Total Remaining Construction Contract Obligations				\$1,210,357.72

TSS:TJF:pdh/237-4



APPENDIX "I"
March 17, 2014

North Dakota State Water Commission

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MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission

FROM: ~~Jack~~ Todd Sando, P.E., Chief Engineer – Secretary

SUBJECT: Devils Lake Hydrologic Update
Devils Lake Outlet Update

DATE: February 28, 2014

The current water surface elevation of Devils Lake is 1452.30 ft-msl and 1452.43 ft-msl for Stump Lake. The table below is the precipitation from September 2013. The average precipitation is from 1991.

Month	Precipitation Measured	Average Precipitation
----	(Inch)	(Inch)
September 2013	2.57	1.86
October 2013	2.09	1.76
November 2013	0.34	1.01
December 2013	0.51	0.77
January 2014	0.44	0.52
Total	5.95	5.92

The National Weather Service Long Range Outlook for Devils Lake forecast elevations, including Stump Lake are shown in the following table. The values of inflows at the elevations and submerged acres are also shown. The values are valid from 2/25/2014 to 9/30/2014. The inflow and submerged acres are based from current values.

Long Range Outlook For The Lakes Rising

Probability	90%	50%	10%
Elevation ft-msl	1452.7	1453.2	1454.3
Inflow ac-ft	73,000	169,000	391,000
Submerged acres	4,300	10,000	23,000

West and East Outlets:

Routine maintenance on outlets has continued to prepare for startup. Standpipe repairs on West End Outlet should begin soon, the project was bid and a notice of award was sent to Industrial Contractors Inc. on February 25, 2014. Completion date for this project is May 15, 2014.

JACK DALRYMPLE, GOVERNOR
CHAIRMAN

TODD SANDO, P.E.
CHIEF ENGINEER AND SECRETARY

Tolna Coulee Control Structure:

The operating plan for the structure requires that prior to a natural overflow the stop log elevation remain between 1' and 2' below the water surface of the lake. The current top elevation of the stop logs is 1451. Two rows of stop logs were added in 2013 with one being removed as the lake receded below elevation 1453.

TS:JK:EC:ph/416-10



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MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM:  Todd Sando, P.E., Chief Engineer/Secretary
SUBJECT: Missouri River Update
DATE: February 28, 2014

System/Reservoir Status

System volume on February 27 in the six mainstem reservoirs was 50.6 million acre-feet (MAF), 5.5 MAF below the base of flood control. This is 2.2 MAF below the average system volume for the end of February, and 2.1 MAF more than last year.

On February 27, Lake Sakakawea was at an elevation of 1831.7 feet msl, 5.8 feet below the base of flood control. This is 4.2 feet higher than a year ago and 0.8 feet above its average end of February elevation. The minimum end of February elevation was 1806.9 feet msl in 2007 and the maximum end of February elevation was 1842.8 feet msl in 1973.

The elevation of Lake Oahe was 1602.6 feet msl on February 27, 4.9 feet below the base of flood control. This is 6.1 feet higher than last year and 2.2 feet higher than the average end of February elevation. The minimum end of February elevation was 1572.3 feet msl in 2007, and the maximum end of February elevation was 1611.1 feet msl in 1996.

The elevation of Fort Peck was 2222.5 feet msl on February 27, 11.5 feet below the base of flood control. This is 0.3 feet higher than a year ago and 4.2 feet lower than the average end of February elevation. The minimum end of February elevation was 2196.3 feet msl in 2007, and the maximum end of February elevation was 2243.5 feet msl in 1976.

The Missouri River basin mountain snowpack normally peaks near April 15. By March 1, normally 79 percent of the peak has accumulated. On February 24, the mountain snowpack water equivalence above Fort Peck was 119 percent of average for that date and 127 percent of average between Fort Peck and Garrison.

Hydrometeorological Conditions

The NWS issued a spring flood outlook for the Missouri River basin on February 20. In general, the risk of spring flooding ranges from below normal to normal for most locations. The flood risks are attributed more to the unusually wet fall than to the existing snowpack water content. High soil moisture in the fall combined with below normal temperatures during the early winter and a minimal snowpack has produced frost depths of 43 inches in Bismarck and 53 inches in Williston.

Missouri River Recovery Implementation Committee (MRRIC)

In Section 5018 of the 2007 Water Resources Development Act (WRDA) Congress authorized the Missouri River Recovery Implementation Committee (MRRIC). The Committee is to make

recommendations and provide guidance on activities resulting from the Missouri River Recovery Program (MRRP). The Committee was established in 2008. MRRIC has nearly 70 members representing local, state, tribal, and federal interests throughout the Missouri River basin.

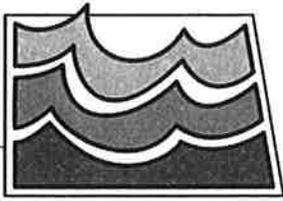
During a meeting in Kansas City, Missouri from February 11 to 13, MRRIC received an update on the Missouri River Recovery Management Plan (MRRMP) and Environmental Impact Statement (EIS). The MRRMP and EIS is a three-year effort that will evaluate the effectiveness of actions taken by the Corps to recover the least tern, piping plover, and pallid sturgeon. The evaluation will determine modifications to current recovery efforts, if necessary, and will result in an adaptive management plan for recovery actions. The MRRMP and EIS are scheduled to be complete in May 2016. For this effort, MRRIC is currently assisting the Corps in developing a set of objectives and performance metrics that would represent the human uses and needs of the Missouri River. These objectives and performance metrics will be used by the Corps to screen the alternatives developed for the recovery of the three species. The Independent Science Advisory Panel provided an update of their review on the scientific information and approaches for recovering the species. MRRIC also began discussing options for developing an Independent Social Economic Technical Review panel that will provide a similar technical review of the approaches being considered for evaluating socioeconomic impacts on the river.

USGS Geomorphology Study

The USGS published a paper in October 2013 titled *Large dams and alluvial rivers in the Anthropocene: The impacts of the Garrison and Oahe Dams on the Upper Missouri River*. (available online at <http://pubs.er.usgs.gov/publication/70057877>) The paper examines the geomorphic changes of the Missouri River between Garrison and Oahe Dams. It suggests that the Oahe reservoir has an effect on the channel shaping process of the river extending to about 12 miles upstream of Bismarck. It is predicted that sediment will continue to accumulate in the Bismarck area, which will have significant implications on the management of infrastructure and flooding risk due to ice jamming.

Surplus Water/Reallocation

A Reallocation Cooperating Agency Team meeting was held on January 31, 2014 in Kansas City, Missouri. The Corps provided an update on their revised Demand Analysis, System Yield Analysis, and Hydrologic Impacts Analysis. Documentation on these revised analyses was not provided to Cooperating Agency Team members prior to the meeting and the Corps has yet to distribute it. The Corps also provided an update on their Preliminary Environmental Analysis, which showed that the impacts of the proposed reallocation are nominal and well within the volatility of the system. A draft report will be issued this summer with a review period from July to October. Report finalization is planned to start this October with study completion scheduled for July 2015. State Water Commission staff will continue working to inform the Corps on this critical issue, including changing the first paragraph of this memo which typically discussed system storage. That has been changed to system volume to recognize the difference between natural flow and stored water.



North Dakota State Water Commission

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MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM:  Todd Sando, P.E., Chief Engineer - Secretary
SUBJECT: 2014 Flood Forecast
DATE: March 3, 2014

Missouri River Basin

The NWS has determined the flood risk due to snowmelt for the Missouri and James River basins in North Dakota to range from below normal to normal. One exception is Apple Creek which has a 59 percent chance of moderate flooding and a 13 percent chance of major flooding. The wet fall has left the Apple Creek and Cannonball River basins at an elevated risk from flooding due to spring rains.

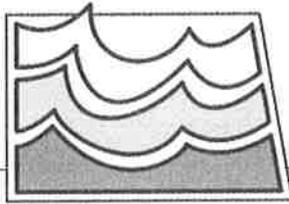
Mouse River Basin

The Mouse River above Minot and the Des Lacs River are generally at normal risk for minor flooding. Downstream of Minot the risk increases slightly along the Mouse River as well as the Wintering River and Willow Creek. The increased risk below Lake Darling is due to the frozen soils that are expected to inhibit infiltration of runoff. This area will also be at risk of flooding from spring rains.

Red River Basin

The NWS has predicted a low to medium risk of major spring flooding due to snowmelt in the Red River basin. There is a better than 60 percent chance of moderate flooding at Fargo and Pembina on the Red River and Abercrombie on the Wild Rice River. Fargo has a 81 percent chance of moderate flooding (25.0 ft). The flood of record at Fargo is 40.8 ft. Pembina has a 67 percent of moderate flooding (44.0 ft). The flood of record at Pembina is 54.94 ft. Abercrombie has a 83 percent chance of moderate flooding (12.0 ft). The flood of record at Abercrombie is 27.78 ft.

TS:TF:WE:ph/1431



North Dakota State Water Commission

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MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM:  Todd Sando, Chief Engineer and Secretary
SUBJECT: Administrative Rules Changes
DATE: March 3, 2014

On February 19, proposed administrative rules changes were sent to Legislative Council. A public hearing on the changes will be held at the Water Commission on March 27, with comments being accepted until April 7.

The sections for proposed change are:

- 89-03 – Water Appropriations
- 89-06 – Funding From the Resources Trust Fund
- 89-07 – Atmospheric Resource Board
- 89-10 – Sovereign Lands
- 89-11 – Drought Disaster Livestock Water Supply Project Assistance Program

Attached is a chart summarizing the proposed changes, and all of the changes can be viewed on the SWC and Legislative Council websites. The vast majority of the changes are grammar and language clarifications. Some of the more substantive highlights to note:

§ 89-03-01-01.5 – Added language that excess water may not be sold for uses other than allowed by the water appropriations permit. This should limit the ability of the water systems to sell excess water to the oil industry unless such uses were already contemplated by the permit when it was granted.

§ 89-03-01-10.2 – Adding fees for temporary water permit applications. This implements an audit recommendation. A survey of the western states indicates that every state except South Dakota and Nebraska charges an application fee for temporary water permits. The fees range from as little as \$5 to over \$2,000.

In calendar year 2013, there were 599 temporary water permit applications, which would have resulted in \$94,050 in state revenue.

Volume Requested	Number of Permits Requested	Proposed Application Fee	Projected Total
Less than 1 acre-foot	131 permits requested	\$75	\$9,825
1-10 acre-feet	125 permits requested	\$125	\$15,625
More than 10 acre-feet	343 permits requested	\$200	\$68,600
Total Projected Revenue			\$94,050

§ 89-03-01-13.1 – Assesses a \$250 fine for not properly or timely submitting the annual water use form by the March 31 deadline. The fine is reduced to \$50 if the form is submitted before June 1. This implements an audit recommendation.

§ 89-06-01-02 – SB 2048 stated that the RTF “rules must consider project revenues, local cost sharing, and ability to pay.” While the rules were already being met, some clarifying language was added to specifically ask about project revenues (before asked about project benefits generally). Changes also removed the requirement that applications must be submitted 30 days before the meeting, though this will still be a requirement of policy.

§ 89-10-01-03 – Added some definitions (livestock, snagging and clearing, structure, watercraft) and removed the partial list of navigable waters because the list changes as additional water bodies are studied or additional evidence of navigation is discovered. The list will now just be informally maintained by the State Engineer.

§ 89-10-01-10 – Added language to clarify that snagging and clearing projects by federal or state entities or political subdivisions do not require a sovereign lands permit.

§ 89-10-01-13 – Narrowed the vehicular use exception for adjacent owners on sovereign land to livestock and agricultural related purposes to eliminate problem of people riding and driving motorized vehicles on the sandbars.

JV
Attachment

**NOTICE OF INTENT TO
ADOPT, AMEND, OR REPEAL ADMINISTRATIVE RULES**

TAKE NOTICE that the North Dakota State Engineer and North Dakota State Water Commission will hold a public hearing to address proposed amendments to North Dakota Administrative Code Articles 89-03 (Water Appropriations), 89-06 (Funding from the Resources Trust Fund), 89-07 (Atmospheric Resource Board), 89-10 (Sovereign Lands), and 89-11 (Drought Disaster Livestock Water Supply Project Assistance Program), at **9:00 A.M., Thursday, March 27, 2014**, in the basement conference room at the State Office Building, 900 East Boulevard Ave., Bismarck, ND. The proposed rules changes are expected to have an impact on the regulated community in excess of \$50,000.

The purpose and an explanation of the proposed rules changes are outlined on the attached chart.

The proposed rules may be reviewed at the North Dakota State Water Commission's office, 900 East Boulevard Ave., Bismarck, ND 58505 or on the Commission's website at www.swc.nd.gov. A copy of the proposed rules may be requested by writing the above address, calling 701-328-4941, or e-mailing rpedersen@nd.gov. Written or oral comments on the proposed rules sent to the above mailing or e-mail address, or telephone number and received by **April 7, 2014**, will be fully considered.

If you plan to attend the public hearing and will need special facilities or assistance relating to a disability, please contact the State Water Commission at the above address or phone number at least seven days before the public hearing.

Dated February 19, 2014.



Todd Sando, P.E.
State Engineer

Section	Housekeeping	Substantive	Comments
Article 89-03 – Water Appropriations			
Chapter 89-03-01 – Water Permits			
TOC	Updating titles to reflect changes		
89-03-01-01	Language clarifications		
89-03-01-01.1	Language clarifications		
89-03-01-01.2	Language clarifications		
89-03-01-01.3	Language clarifications		
89-03-01-01.4	Language clarifications		
89-03-01-01.5	Language clarifications	Excess water may not be sold for uses other than allowed by the permit.	Limiting ability of municipalities/rural water systems to sell excess water to oil industry unless such uses were already contemplated by the permit.
89-03-01-02	Language clarifications		
89-03-01-03	Language clarifications		
89-03-01-03.1	Language clarifications		
89-03-01-03.2	Language clarifications		
89-03-01-03.3	Language clarifications		
89-03-01-04	Language clarifications	Repeal majority of subsections 2 and 3.	Repetitive of N.D.C.C. § 61-04-05.
89-03-01-05	Language clarifications	Repeal subsections 1, 2, and 4.	Repetitive of N.D.C.C. § 61-04-05.
89-03-01-06.2		Repealed.	Once a hearing is requested, governed according to N.D.C.C. ch 28-32 and N.D. Rules of Civil Procedure.
89-03-01-06.3	Language clarifications		Distinguishing between records maintained by the state engineer and the State Water Commission.
89-03-01-07	Language clarifications		
89-03-01-08	Language clarifications		
89-03-01-09	Language clarifications		
89-03-01-10	Language clarifications		
89-03-01-10.2		Requires temporary permit applicants to pay an application fee based on volume requested. Exception for emergency uses and irrigation transfers.	Implementing audit recommendation.
89-03-01-12	Language clarifications		
89-03-01-13	Language clarifications		
89-03-01-13.1		Assesses a \$250 fine for not properly submitting yearly water use form by March 31 deadline. Reduces fine to \$50 if submitted before June 1.	Implementing audit recommendation.
89-03-01-14	Language clarifications		
Chapter 89-03-02 – Modification of a Water Permit			
TOC	Updating titles to reflect changes		
89-03-02-01	Language clarifications		
89-03-02-02	Language clarifications		
89-03-02-03	Language clarifications		
89-03-02-05	Language clarifications		
89-03-02-06	Language clarifications		
89-03-02-08	Language clarifications		

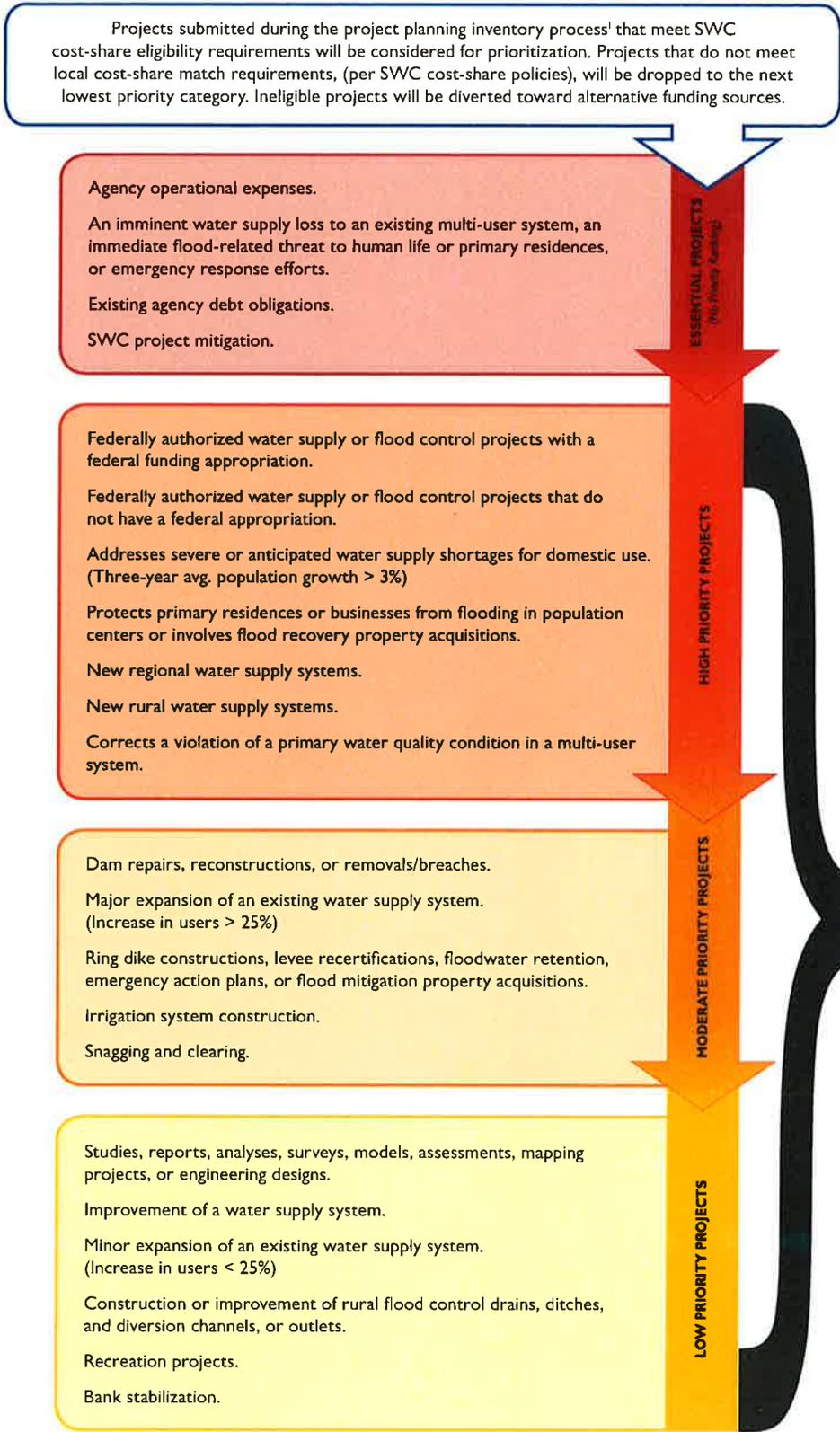
Section	Housekeeping	Substantive	Comments
89-03-02-09	Language clarifications		
89-03-02-10	Language clarifications		
89-03-02-11	Language clarifications		
89-03-02-12	Language clarifications	An increase in acreage cannot be more than 10% of the originally approved acreage.	Implementing staff practice.
Chapter 89-03-03 – Definitions			
TOC	Updating titles to reflect changes		
89-03-03-01	Language clarifications Alphabetizing Moved definitions from other sections to this section.	Added definition for “measuring device.”	Implementing audit recommendation.
89-03-03-02	Moved to § 89-03-03-01.		
89-03-03-03		Repealed.	Never used in N.D.A.C. or N.D.C.C.
89-03-03-04	Moved to § 89-03-03-01.		
89-03-03-05	Moved to § 89-03-03-01.		
Article 89-06 – Funding From the Resources Trust Fund			
Title	Shortening Chapter Title		
Chapter 89-06-01 – Funding From the Resources Trust Fund (Proposed Title)			
TOC	Updating titles to reflect changes		
89-06-01-01	Language clarifications Alphabetizing Delete “resources trust fund” definition		“Resources trust fund” already defined by N.D.C.C. § 57-51-07.1
89-06-01-02	Language clarifications	Removed requirement that applications be submitted 30 days before meeting. Revised subsection 4 to reflect actual practice.	Added clarifying language (1)(f) in response to SB 2048, which stated. “RTF - rules must consider project revenues, local cost sharing, and ability to pay. May provide for repayment of a portion of funds, allocated from the RTF.” The requirements of SB 2048 were already being met. Policy will still require applications be submitted at least 30 days before meeting, but more flexibility necessary, especially for emergency situations.
89-06-01-03		Repealed.	Combined with N.D.A.C. § 89-06-01-02 (added studies.)
Article 89-07 – Atmospheric Resource Board			
Chapter 89-07-02 – Weather Modification Operations			
TOC	Updating titles to reflect changes		
89-07-02-01	Language clarifications		
89-07-02-02	Language clarifications Alphabetizing		

Section	Housekeeping	Substantive	Comments
89-07-02-03	Language clarifications		
89-07-02-04	Language clarifications		
89-07-02-05	Language clarifications		
89-07-02-06	Language clarifications		
89-07-02-07	Language clarifications		
89-07-02-08	Language clarifications		
89-07-02-09	Language clarifications		
89-07-02-10	Language clarifications		
89-07-02-11	Language clarifications		
89-07-02-12	Language clarifications		
89-07-02-13	Language clarifications		
89-07-02-14	Language clarifications		
89-07-02-15	Language clarifications		
89-07-02-16	Language clarifications		
89-07-02-17	Language clarifications	Removed Operations Manual for Hail Decrease and Precipitation Increase as permit condition. Added requirements that permittee must submit for permit.	Clarified the information required in an operations plan rather than naming a specific document.
89-07-02-18	Language clarifications		
89-07-02-19	Language clarifications		
89-07-02-20	Language clarifications		
89-07-02-21	Language clarifications		
89-07-02-22	Language clarifications		
89-07-02-23	Language clarifications		
89-07-02-24	Language clarifications	Eliminated monthly reporting requirements. Changed final reporting from 30 days to 60 days.	Monthly reports duplicative with the capability of consolidating digital data. Allows completion of a more comprehensive final report.
89-07-02-25		Repeated.	State bidding and procurement laws still applicable.
89-07-02-26	Language clarifications	Eliminated point scoring system for bids. Eliminated preference to ND bidders.	State bidding and procurement laws still applicable. Bidding preference already in N.D.C.C. § 44-08-01.
Article 89-10 – Sovereign Lands			
Chapter 89-10-01 – Sovereign Lands			
TOC	Updating titles to reflect changes		
89-10-01-01	Language clarifications		
89-10-01-02	Language clarifications		
89-10-01-03	Language clarifications	Added definition for “livestock.” Removed partial list of navigable waters from definition. Added definition for “snagging and clearing.” Added equipment to definition for “structure.” Added definition for “watercraft.”	The list of navigable waters changes as additional water bodies are studied or additional evidence of navigation at statehood is discovered. While the rule indicates the list is only a partial list, confusion has resulted. The State Engineer will now just informally maintain the list.

Section	Housekeeping	Substantive	Comments
89-10-01-04	Language clarifications		
89-10-01-05	Language clarifications		
89-10-01-06	Language clarifications	Eliminated requirement to provide decision by certified mail.	
89-10-01-06.1		Added new section to automatically include various items as part of the sovereign land permit record unless otherwise specifically excluded.	The intent is to automatically include certain publications, photographs, maps, etc. in the official record for use by both parties in permit application review or legal proceedings.
89-10-01-07	Language clarifications		
89-10-01-08	Language clarifications		
89-10-01-09		Repealed	A permit for sand/gravel mining is necessary under N.D.A.C. § 89-10-01-26. These conditions can be attached to the permit, as applicable.
89-10-01-10	Language clarifications	Added snagging and clearing performed by a federal or state entity or political subdivision as a project that does not require a permit.	Clarifying that snagging and clearing projects do not require a sovereign lands permit.
89-10-01-10.1		Clarified that fee for illegal docks is a per day fee. Also docks will be subject to removal at owner's expense.	
89-10-01-10.2	Language clarifications	Clarified that fee for non-registered docks not requiring a permit is per occurrence.	
89-10-01-11	Language clarifications		
89-10-01-13	Language clarifications	Narrowed vehicular use exception to adjacent riparian owners for livestock and agricultural purposes. Clarified that fee for vehicular access violations is per occurrence.	Trying to eliminate problem of people riding and driving motorized vehicles on sandbars and claiming they are adjacent owners.
89-10-01-14	Language clarifications	Added language that new applications submitted by those who are named in active enforcement actions may be held in abeyance under the enforcement actions are resolved.	
89-10-01-15	Language clarifications		
89-10-01-16	Language clarifications		
89-10-01-18	Language clarifications		
89-10-01-19	Language clarifications		
89-10-01-20	Language clarifications		
89-10-01-21	Language clarifications	Clarified that fee for organized group activity violations is per occurrence.	
89-10-01-22	Language clarifications	Clarified that fee for pet violations is per occurrence.	
89-10-01-23	Language clarifications	Clarified that fee for camping violations is per occurrence.	
89-10-01-24	Language clarifications	Clarified that fee for hunting, fishing, and trapping violations is per occurrence.	
89-10-01-25	Language clarifications	Eliminating ability for riparian owners to leave unattended watercraft below the OHWM unless moored to an authorized dock or to	

Section	Housekeeping	Substantive	Comments
		property above the OHWM. Clarified that fee for unattended watercraft violations is per day.	
89-10-01-26	Language clarifications	Clarified that fee for removal of public property violations is per occurrence.	
89-10-01-27	Language clarifications		
89-10-01-28	Language clarifications	Clarified that fee for disposal of waste violations is per occurrence.	
89-10-01-29	Language clarifications	Clarified that fee for glass containers violations is per occurrence.	
89-10-01-31	Language clarifications	Clarified that fee for firearms violations is per occurrence.	
89-10-01-32	Language clarifications	Clarified that fee for tree stand violations is per tree stand.	
89-10-01-33	Language clarifications	Clarified that fee for baiting violations is per occurrence.	
89-10-01-34	Language clarifications	Adds language allowing a violator 20 days to take corrective action unless an emergency exists.	Allowing 20 days to correct a violation is consistent with other N.D.C.C. and N.D.A.C. sections.
Article 89-11 – Drought Disaster Livestock Water Supply Project Assistance Program			
Chapter 89-11-01 - Drought Disaster Livestock Water Supply Project Assistance Program			
89-11-01-01	Language clarifications		
89-11-01-02	Language clarifications		
89-11-01-04	Language clarifications	Clarified there is a limit of three projects on land owned by an applicant.	Eliminates confusion about whether an applicant is an individual, corporation, etc. by tying to land ownership. This is consistent with federal rules.
89-11-01-05	Language clarifications		
89-11-01-06	Language clarifications		

DRAFT SWC WATER PROJECT PRIORITIZATION GUIDANCE CONCEPT



Footnotes

1. Unless determined to be an emergency, projects that are not submitted to the SWC during the project planning inventory process will be considered low priority, and will not be eligible for funding until the last quarter of the funding cycle.



North Dakota State Water Commission

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701-328-2750 • TDD 701-328-2750 • FAX 701-328-3696 • INTERNET: <http://swc.nd.gov>

Agenda A

MEMORANDUM

TO: Governor Jack Dalrymple
North Dakota Water Commission Members
FROM: *TSD* Todd Sando P.E., Chief Engineer-Secretary
SUBJECT: Financial Updates
DATE: May 21, 2014

1. Agency Program Budget Expenditures

Attached is an expenditure spreadsheet for the biennium through April 30, 2014. With only two special line items, Administrative and Support Services and Water and Atmospheric Resources Expenditures our legislatively approved budget does not contain specific amounts for Salaries, Operations, and Grants and Contracts. In order to manage the Division's budgets we have allocated dollar amounts to each of these categories, however, division managers have the ability to shift dollars from one category to another (see page 2.)

The Contract Fund spreadsheet summarizes information on the committed and uncommitted funds from the Resources Trust Fund and the Water Development Trust Fund (see page 3.) A detailed breakdown of the individual projects follows on pages 4 through 8. The current Contract Fund spreadsheet shows approved projects totaling \$426,945,166 leaving a balance of \$278,948,926 available to commit to projects in the 2013-2015 biennium.

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

Oil extraction tax deposits into the Resources Trust Fund total \$248,099,213 through May 2014 and are currently \$28,809,113 or 13.1 percent above budgeted revenues.

Deposits into the Water Development Trust Fund total \$10,240,371 through May 2014 and are currently \$1,240,371 or 13.8 percent above budgeted revenues.

- 1 -

**STATE WATER COMMISSION
 ALLOCATED PROGRAM EXPENDITURES
 FOR THE PERIOD ENDED APRIL 30, 2014
 BIENNIUM COMPLETE: 42%**

PROGRAM	SALARIES/ BENEFITS	OPERATING EXPENSES	GRANTS & CONTRACTS	20-May-14 PROGRAM TOTALS
ADMINISTRATION				
Allocated	2,492,011	2,323,966		4,815,977
Expended	1,007,240	829,120		1,836,360
Percent	40%	36%		38%
			Funding Source:	
			General Fund:	0
			Federal Fund:	20,807
			Special Fund:	1,815,552
PLANNING AND EDUCATION				
Allocated	1,334,304	301,110	107,000	1,742,414
Expended	484,677	61,276	21,322	567,276
Percent	36%	20%	20%	33%
			Funding Source:	
			General Fund:	0
			Federal Fund:	65,630
			Special Fund:	501,646
WATER APPROPRIATION				
Allocated	4,632,809	548,947	1,215,267	6,397,023
Expended	1,850,276	202,479	337,873	2,390,628
Percent	40%	37%	28%	37%
			Funding Source:	
			General Fund:	0
			Federal Fund:	0
			Special Fund:	2,390,627
WATER DEVELOPMENT				
Allocated	6,258,796	14,555,905	3,313,200	24,127,901
Expended	2,384,127	3,349,871	104,920	5,838,919
Percent	38%	23%	3%	24%
			Funding Source:	
			General Fund:	0
			Federal Fund:	627,362
			Special Fund:	5,211,557
STATEWIDE WATER PROJECTS				
Allocated			629,600,000	629,600,000
Expended			40,888,908	40,888,908
Percent			6%	6%
			Funding Source:	
			General Fund:	0
			Federal Fund:	0
			Special Fund:	40,888,908
ATMOSPHERIC RESOURCE				
Allocated	993,898	712,307	4,694,692	6,400,897
Expended	377,178	146,815	562,265	1,086,259
Percent	38%	21%	12%	17%
			Funding Source:	
			General Fund:	0
			Federal Fund:	0
			Special Fund:	1,086,259
SOUTHWEST PIPELINE				
Allocated	468,291	12,927,500	101,616,741	115,012,532
Expended	246,280	2,524,113	9,866,854	12,637,246
Percent	53%	20%	10%	11%
			Funding Source:	
			General Fund:	0
			Federal Fund:	741,378
			Special Fund:	11,895,868
NORTHWEST AREA WATER SUPPLY				
Allocated	650,021	16,498,500	53,800,540	70,949,061
Expended	211,654	748,368	553,935	1,513,956
Percent	33%	5%	1%	2%
			Funding Source:	
			General Fund:	0
			Federal Fund:	0
			Special Fund:	1,513,956
PROGRAM TOTALS				
Allocated	16,830,130	47,868,235	794,347,440	859,045,805
Expended	6,561,432	7,862,042	52,336,078	66,759,551
Percent	39%	16%	7%	8%
FUNDING SOURCE:	ALLOCATION	EXPENDITURES	REVENUE	
GENERAL FUND	0	0	GENERAL FUND:	111,197
FEDERAL FUND	37,310,283	1,455,177	FEDERAL FUND:	1,599,272
SPECIAL FUND	821,735,522	65,304,374	SPECIAL FUND:	72,623,107
TOTAL	859,045,805	66,759,551	TOTAL:	74,333,576

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

Apr-14

	BUDGET	SWC/SE APPROVED	OBLIGATIONS EXPENDITURES	REMAINING UNOBLIGATED	REMAINING UNPAID
FLOOD CONTROL					
FARGO	136,740,340	36,740,340	7,472,309	100,000,000	29,268,031
GRAFTON	7,175,000	7,175,000	0	0	7,175,000
MINOT	4,057,260	4,057,260	26,050	0	4,031,209
BURLEIGH COUNTY	1,282,400	1,282,400	0	0	1,282,400
VALLEY CITY	350,625	350,625	0	0	350,625
LISBON	700,650	700,650	0	0	700,650
FORT RANSOM	225,000	225,000	0	0	225,000
RICE LAKE RECREATION DISTRICT	2,842,200	2,842,200	0	0	2,842,200
RENWICK DAM	1,281,376	1,281,376	0	0	1,281,376
MOUSE RIVER FLOOD CONTROL	32,561,600			32,561,600	
SHEYENNE RIVER FLOOD CONTROL	22,141,705			22,141,705	
FLOODWAY PROPERTY ACQUISITIONS					
MINOT	33,684,329	33,684,329	1,835,448	0	31,848,881
WARD COUNTY	9,698,169	9,698,169	1,965,864	0	7,732,305
VALLEY CITY	1,822,598	1,822,598	124,572	0	1,698,026
BURLEIGH COUNTY	442,304	442,304	0	0	442,304
SAWYER	184,260	184,260	0	0	184,260
LISBON	888,750	888,750	529,722	0	359,028
WATER SUPPLY					
REGIONAL & LOCAL WATER SYSTEMS	100,526,227	93,914,309	10,296,584	6,611,918	83,617,724
FARGO WATER TREATMENT PLANT	27,864,069	27,864,069	1,149,061	0	26,715,008
SOUTHWEST PIPELINE PROJECT	85,972,021	85,972,021	11,895,868	0	74,076,152
NORTHWEST AREA WATER SUPPLY	21,241,433	7,241,433	792,677	14,000,000	6,448,755
COMMUNITY WATER LOAN FUND - BND	15,000,000	15,000,000	5,000,000	0	10,000,000
WESTERN AREA WATER SUPPLY	79,000,000	40,000,000	0	39,000,000	40,000,000
RED RIVER VALLEY WATER SUPPLY	11,000,000	375,000		10,625,000	375,000
IRRIGATION DEVELOPMENT					
	5,493,548	949,869	45,000	4,543,679	904,869
GENERAL WATER MANAGEMENT					
OBLIGATED	29,502,884	29,502,884	4,213,755	0	25,289,130
UNOBLIGATED	39,465,023			39,465,023	0
DEVILS LAKE					
BASIN DEVELOPMENT	68,085	68,085	7,107	0	60,978
OUTLET	872,403	872,403	1,601	0	870,802
OUTLET OPERATIONS	15,140,805	5,140,805	2,864,203	10,000,000	2,276,603
DL TOLNA COULEE DIVIDE	102,975	102,975	0	0	102,975
DL EAST END OUTLET	2,774,011	2,774,011	0	0	2,774,011
DL GRAVITY OUTFLOW CHANNEL	13,686,839	13,686,839	0	0	13,686,839
DL STANDPIPE REPAIR	1,300,000	1,300,000	139,269	0	1,160,731
WEATHER MODIFICATIONS					
	805,202	805,202	136,256	0	668,946
TOTALS	705,894,092	426,945,166	48,495,346	278,948,926	378,449,819

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

PROGRAM OBLIGATION

Approved SWC By	No	Dept	Sponsor	Project	Initial Approved Date	Total Approved	Total Payments	Apr-14 Balance
Flood Control:								
SB 2020	1928	5000	City of Fargo	Fargo Flood Control Project	6/23/2009	36,740,340	7,472,309	29,268,031
SWC	1771	5000	City of Grafton	Grafton Flood Control Project	3/11/2010	7,175,000	0	7,175,000
SB 2371	1974-06	5000	Souris River Joint WRD	Mouse River Enhanced Flood - pd to SRJWRB	12/9/2011	16,257	16,257	0
	1974-06	5000	Souris River Joint WRD	Mouse River Enhanced Flood - pd to SRJWRB	3/17/2014	200,000	0	200,000
SB 2371	1974-08	5000	Souris River Joint WRD	Mouse River Reconnaissance Study to Meet Fed Guide	2/15/2013	10,603	9,793	809
	1974-09	5000	Souris River Joint WRD	4th Ave NE & Napa Valley/Forest Rd Flood Improvement	10/7/2013	3,830,400	0	3,830,400
SB 2371	1992-01	5000	Burleigh Co. WRD	Burleigh County's Tavis Road Storm Water Pump Station	6/13/2012	1,282,400	0	1,282,400
SB 2371	1344	5000	Valley City	Sheyenne River Valley Flood Control Project	6/19/2013	350,625	0	350,625
SB 2371	1344	5000	Lisbon	Sheyenne River Valley Flood Control Project	6/19/2013	700,650	0	700,650
SB 2371	1344	5000	Fort Ransom	Sheyenne River Valley Flood Control Project	6/19/2013	225,000	0	225,000
	1997	5000	Rice Lake Recreation D	Renwick Dam Rehabilitation	6/13/2012	2,842,200	0	2,842,200
SWC	849	5000	Pembina Co. WRD	Renwick Dam Rehabilitation	5/17/2010	1,281,376	0	1,281,376
Subtotal Flood Control						54,654,851	7,498,360	47,156,491
Floodway Property Acquisitions:								
SB 2371	1993-05	5000	City of Minot	Minot Phase 1 - Floodway Acquisitions	1/27/2012	9,276,071	1,835,448	7,440,623
	1993-05	5000	City of Minot	Minot Phase 2 - Floodway Acquisitions	10/7/2013	24,408,258	0	24,408,258
SB 2371	1523-05	5000	Ward County	Ward County Phase 1, 2 & 3 - Floodway Acquisitions	1/27/2012	9,525,664	1,793,359	7,732,305
SB 2371	1523-02	5000	Ward County	Chaparelle Highwater Berm Project	2/27/2013	172,505	172,505	0
SB 2371	1504-05	5000	Valley City	Valley City Phase 1 - Floodway Acquisitions	12/9/2011	656,768	124,572	532,196
	1504-05	5000	Valley City	Valley City Phase 2 - Floodway Acquisitions	7/23/2013	1,165,830	0	1,165,830
SB 2371	1992-05	5000	Burleigh Co. WRD	Burleigh Co. Phase 1 - Floodway Acquisitions	3/7/2012	442,304	0	442,304
SB 2371	2000-05	5000	City of Sawyer	Sawyer Phase 1 - Floodway Acquisitions	6/13/2012	184,260	0	184,260
	1991-05	5000	City of Lisbon	Lisbon - Floodway Acquisition	9/27/2013	888,750	529,722	359,028
Subtotal Floodway Property Acquisitions						46,720,410	4,455,606	42,264,804
MRI Water Supply Advances:								
SWC	2373-24	5000	Garrison Diversion	Trails Regional Rural Water (Phase III)	8/18/2009	1,368,000	331,387	1,036,613
MRI Water Supply Grants:								
	2373-32	5000	North Central Rural Water	NCRW (Berthold-Carpio)	6/21/2011	2,807,902	2,807,902	0
	2373-33	5000	Stutsman Rural WRD	Stutsman Rural Water System - Phase II	3/17/2014	3,795,692	2,395,692	1,400,000
	2373-35	5000	Grand Forks - Traill WR	Grand Forks - Traill County WRD	6/13/2012	2,725,415	1,088,173	1,637,242
	2373-36	5000	Stutsman Rural WRD	Stutsman Rural Water System - Phase IIB, III	2/27/2013	10,000,000	2,892,269	7,107,731
	2373-37	5000	North Central Rural Water	NCRW (Plaza)	2/27/2013	299,300	265,959	33,341
	1782-01	5000	McLean-Sheridan WRD	Blue & Brush Lakes Expansion Project	2/27/2013	100,000	0	100,000
	2373-38	5000	Stutsman Rural WRD	Kidder Co & Carrington Area Expansion	7/23/2013	1,207,000	0	1,207,000
	2373-39	5000	North Central Rural Water	Carpio Berthold Phase 2	7/23/2013	1,950,000	35,225	1,914,775
	2373-40	5000	South Central Regional	Kidder County Expansion	7/23/2013	196,500	0	196,500
	2373-41	5000	North Central Rural Water	Granville-Deering Area	7/23/2013	180,000	15,000	165,000
Subtotal MRI Water Supply						24,629,809	9,831,606	14,798,202
Water Supply Grants:								
	2050-01	5000	Missouri West Water Sy	South Mandan	3/17/2014	522,000	0	522,000
	2050-02	5000	Grand Forks Traill WRC	Improvements	10/7/2013	3,390,000	73,935	3,316,065
	2050-03	5000	Northeast Regional WD	Langdon RWD - ABM Pipeline Phase 1	10/7/2013	1,040,000	9,500	1,030,500
	2050-04	5000	Northeast Regional WD	Langdon RWD - North Valley Nekoma	10/7/2013	800,000	23,938	776,063
	2050-05	5000	Northeast Regional WD	North Valley WD - ABM Pipeline Phase 1	10/7/2013	565,000	107,688	457,313
	2050-06	5000	Northeast Regional WD	North Valley WD - 93 Street	10/7/2013	1,290,000	35,500	1,254,500
	2050-07	5000	Northeast Regional WD	North Valley WD - Rural Expansion	10/7/2013	862,500	40,125	822,375
	2050-08	5000	Walsh RWD	Ground Storage	10/7/2013	684,000	0	684,000
	2050-09	5000	City of Park River	Water Tower	10/7/2013	1,350,000	0	1,350,000
	2050-10	5000	City of Surrey	Water Supply Improvements	10/7/2013	1,500,000	56,463	1,443,538
	2050-11	5000	Cass RWD	Phase 2 Plant Improvements	10/7/2013	2,600,000	0	2,600,000
	2050-12	5000	Central Plains WD	Improvements	10/7/2013	1,450,000	0	1,450,000
	2050-13	5000	City of Mandan	New Raw Water Intake	10/7/2013	1,270,000	0	1,270,000
	2050-14	5000	City of Mandan	Water Treatment Plant Improvements	10/7/2013	726,000	0	726,000
	2050-15	5000	City of Washburn	New Raw Water Intake	10/7/2013	1,795,000	0	1,795,000
	2050-16	5000	Tri-County WRD	Improvements	10/7/2013	650,000	0	650,000
	2050-17	5000	Barnes Rural WRD	Improvements	10/7/2013	4,600,000	0	4,600,000
	2050-18	5000	City of Grafton	Water Treatment Plant Phase 3	10/7/2013	2,600,000	0	2,600,000
	2050-19	5000	City of Grand Forks	Water Treatment Plant Improvements	10/7/2013	4,990,000	117,831	4,872,169
	2050-20	5000	City of Dickinson	Capital Infrastructure	2/27/2014	18,400,000	0	18,400,000
	2050-21	5000	Watford City	Capital Infrastructure	2/27/2014	6,700,000	0	6,700,000
	2050-22	5000	City of Williston	Capital Infrastructure	2/27/2014	7,000,000	0	7,000,000
	2050-23	5000	Greater Ramsey WRD	SW Nelson County Expansion	3/17/2014	4,500,000	0	4,500,000
Subtotal State Water Supply						69,284,500	464,978	68,819,522
	1984-02	5000	City of Fargo	Fargo Water Treatment Plant	3/17/2014	27,864,069	1,149,061	26,715,008
	1736-05	8000	SWPP	Southwest Pipeline Project	7/1/2013	85,972,021	11,895,868	74,076,152
	2374	9000	NAWS	Northwest Area Water Supply	7/1/2013	7,241,433	792,677	6,448,755
	2044-01	5000	Bank of North Dakota	Community Water Facility Fund	10/7/2013	15,000,000	5,000,000	10,000,000
	1973-02	5000	Bank of North Dakota	Western Area Water Supply - Loan	10/7/2013	40,000,000	0	40,000,000
	325-01	5000	RRVWSP	Red River Valley Water Supply Project	2/27/2014	375,000	0	375,000
Subtotal Water Supply						176,452,522	18,837,607	157,614,915

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Approved SWC By	No	Dept	Sponsor	Project	Initial Approved Date	Total Approved	Total Payments	Apr-14 Balance
Irrigation Development:								
SWC	222	5000	Buford Trenton Irrigatio	Buford Trenton Irrigation Transmission Line Reroute	7/23/2013	350,000	0	350,000
SWC	1389	5000	Bank of ND	BND AgPace Program	10/23/2001	25,966	20,000	5,966
SWC	1389	5000	Bank of ND	BND AgPace Program	12/13/2013	200,000	0	200,000
SWC	ACC/IRA	5000	ND Irrigation Assoc	ND Irrigation Association	7/1/2013	100,000	25,000	75,000
SWC	1968	5000	Garrison Diversion	2009-11 McClusky Canal Mile Marker 7.5 Irrigation Pr	6/1/2010	17,582	0	17,582
SWC	1968	5000	Garrison Diversion	McClusky Canal Mile Marker 10 & 49 Irrigation Project	3/17/2014	256,321	0	256,321
Subtotal Irrigation Development						949,869	45,000	904,869
General Water Management Hydrologic Investigations:								
						900,000		
SWC	1400/13	3000	Houston Engineering	Houston Engineering Water Permit Application Review	11/7/2011	1,975	1,975	0
SWC	1400/14	3000	Houston Engineering	Houston Engineering Water Permit Application Review	11/29/2012	10,910	3,991	6,919
SWC	1400	3000	Gordon Sturgeon	Consultant Services	3/23/2013	39,200	39,200	0
SWC	1400	3000	Gordon Sturgeon	Consultant Services	4/16/2014	24,000	0	24,000
SE	XXX	3000	Manikowski Well Drillin	Manikowski Well Drilling Inc.	3/20/2014	12,850	12,850	0
	862/859	3000	Arietta Herman	Arietta Herman- Well Monitor	3/13/2014	1,120	1,120	0
	862	3000	Lori Bjorgen	Lori Bjorgen - Well Monitor	3/13/2014	224	224	0
	967	3000	Holly Messmer - McDai	Holly Messmer - McDaniel - Well Monitor	4/19/2012	0	0	0
	1690	3000	Holly Messmer - McDai	Holly Messmer - McDaniel - Well Monitor	4/19/2012	936	936	0
	1703	3000	Thor Brown	Thor Brown- Well Monitor	3/27/2012	1,463	1,463	0
	1707	3000	Thor Brown	Thor Brown- Well Monitor	4/26/2011	1,499	1,498	0
	1761	3000	Gloria Roth	Gloria Roth - Well Monitor	4/19/2013	462	461	0
	1761	3000	Fran Dobits	Fran Dobits - Well Monitor	6/1/2011	769	769	0
	2041	3000	U. S. Geological Surve	Conversion of 17 groundwater recorder wells to real-ti	7/16/2013	34,000	34,000	0
	1395	3000	U. S. Geological Surve	Investigations of Water Resources in North Dakota	9/25/2013	491,275	239,386	251,889
	1395D	3000	U. S. Geological Surve	Eaton Irrigation Project on the Souris River	7/13/2012	15,300	0	15,300
Hydrologic Investigations Obligations Subtotal						635,982	337,873	298,109
Remaining Hydrologic Investigations Authority						264,018		
Hydrologic Investigations Authority Less Payments								
General Projects Obligated						25,421,605	694,602	24,727,003
General Projects Completed						3,181,280	3,181,280	0
Subtotal General Water Management						29,502,884	4,213,755	25,289,130
Devils Lake Basin Development:								
SWC	416-01	5000	DLJWRB	DL Joint WRB Manager	7/1/2013	60,000	0	60,000
SWC	416-05	2000	Joe Belford	DL Downstream Acceptance	7/1/2013	8,085	7,107	978
SWC	416-07	5000	Multiple	Devils Lake Outlet	7/1/2013	872,403	1,601	870,802
SWC	416-10	4700	Operations	Devils Lake Outlet Operations	7/1/2013	5,140,805	2,864,203	2,276,603
SWC	416-13	5000	Multiple	DL Tolna Coulee Divide	7/1/2013	102,975	0	102,975
SWC	416-15	5000	Multiple	DL East End Outlet	7/1/2013	2,774,011	0	2,774,011
SWC	416-17	5000	Multiple	DL Emergency Gravity Outflow Channel	9/21/2013	13,686,839	0	13,686,839
SWC	416-19	5000	Multiple	DL Standpipe Repairs	12/13/2013	1,300,000	139,269	1,160,731
Devils Lake Subtotal						23,945,119	3,012,179	20,932,939
SWC		7600		Weather Modification	7/1/2011	805,202	136,256	668,946
TOTAL						426,945,166	48,495,346	378,449,819

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GENERAL PROJECT OBLIGATIONS

Approved SWC By	No	Dept	Approved Biennium	Sponsor	Project	Initial Approved Date	Total Approved	Total Payments	Apr-14 Balance
HB 1009	1986	5000	2013-15	USDA-APHIS,ND Dept Agricu	USDA Wildlife	8/20/2013	250,000	52,703	197,297
HB 1020	1932	5000	2005-07	Nelson Co. WRD	Michigan Spillway Rural Flood Assessment Drain	8/30/2005	500,000	0	500,000
HB 2305	1963	5000	2009-11	Emmons County WRD	Beaver Bay Embankment Feasibility Study	8/10/2009	53,644	26,318	27,326
SB 2020	1131	5000	2009-11	Nelson Co. WRD	Flood Related Water Projects	6/1/2011	55,455	0	55,455
SE	1967	5000	2009-11	Grand Forks Co. WRD	Grand Forks County Legal Drain No. 55 2010 Contruc	11/30/2010	9,652	0	9,652
SE	1301	5000	2009-11	City of Lidgerwood	City of Lidgerwood Engineering & Feasibility Study for	2/4/2011	15,850	0	15,850
SE	1607	5000	2011-13	Ward Co. WRD	Flood Inundation Mapping of Areas Along Souris & De	6/15/2011	13,011	0	13,011
SE	1301	5000	2011-13	City of Wahpeton	City of Wahpeton Water Reuse Feasibility Study/Richl	9/8/2011	2,500	0	2,500
SE	391	5000	2011-13	Sargent Co WRD	Sargent Co WRD, Silver Lake Dam Emergency Repai	10/12/2011	2,800	0	2,800
SE	1312	5000	2011-13	Walsh Co. WRD	Skyrud Dam 2011 EAP	12/15/2011	10,000	0	10,000
SE	1312	5000	2011-13	Walsh Co. WRD	Union Dam 2011 EAP	12/15/2011	10,000	0	10,000
SE	1577	5000	2011-13	Burleigh Co. WRD	Fox Island 2012 Flood Hazard Mitigation Evaluation St	5/22/2012	23,900	0	23,900
SE	1998	5000	2011-13	Grand Forks Co. WRD	Upper Turtle River Dam #1 2012 EAP	6/28/2012	10,000	0	10,000
SE	1303	5000	2011-13	Sargent Co WRD	Shortfoot Creek Preliminary Soils Analysis & Hydraulic	6/29/2012	24,861	0	24,861
SE	2002	5000	2011-13	Grand Forks Co. WRD	Turtle River Dam #4 2012 EAP	6/29/2012	10,000	0	10,000
SE	2005	5000	2011-13	Grand Forks Co. WRD	Turtle River Dam #3 2012 EAP	6/29/2012	10,000	0	10,000
SE	2008	5000	2011-13	City of Mapleton	Mapleton Flood Control Levee Project	6/29/2012	24,410	0	24,410
SE	1681	5000	2011-13	U.S. Geological Survey	Repair & stabilization of the Missouri River bank adjac	9/6/2012	28,000	0	28,000
SE	AOC/RRBC	5000	2011-13	Red River Basin Commission	Stream Gaging & Precipitation Network Study in the R	9/14/2012	20,000	0	20,000
SE	1991	5000	2011-13	City of Lisbon	Sheyenne River Snagging & Clearing Project	2/12/2013	5,000	0	5,000
SE	1461	5000	2011-13	Pembina Co. WRD	O'Hara Bridge Bank Stabilization	4/26/2013	24,633	0	24,633
SE	1289	5000	2011-13	McKenzie Co. Weed Control E	Control of Noxious Weeds on Sovereign Lands	6/11/2013	24,810	0	24,810
SE	1174	5000	2013-15	Richland Co. WRD	Drain No. 31 Reconstruction Project	8/30/2013	32,393	0	32,393
SE	1640	5000	2013-15	U.S. Geological Survey	Maintenance of gaging station on Missouri River below	9/25/2013	8,710	0	8,710
SE	1296	5000	2016-15	Pembina Co. WRD	Bathgate-Hamilton & Carlisle Watershed Study	10/17/2013	38,500	0	38,500
SE	1814	5000	2013-15	Richland Co. WRD	Wild Rice River Snagging & Clearing - Reach 2	10/17/2013	49,500	0	49,500
SE	1987	5000	2013-15	City of Burlington	Interim Levee Project	11/22/2013	49,000	0	49,000
SE	1291	5000	2013-15	Mercer County WRD	Antelope Creek Snagging & Clearing Project	3/27/2014	21,714	0	21,714
SE	867-01	5000	2013-15	NDSU	NDSU - Water sampling Dr. Xinhua Jia Dept of Ag	4/22/2014	5,000	0	5,000
SE	1667	5000	2013-15	Trails Co. WRD	Goose River Snagging & Clearing Project	4/23/2014	46,750	0	46,750
SWC	1932	5000	2005-07	Nelson Co. WRD	Michigan Spillway Rural Flood Assessment	8/30/2005	2,263,925	0	2,263,925
SWC	620	5000	2007-09	Lower Heart WRD	Mandan Flood Control Protective Works (Levee)	9/29/2008	125,396	0	125,396
SWC	1921	5000	2007-09	Morton Co. WRD	Square Butte Dam No. 6/(Harmon Lake) Recreation F	3/23/2009	821,058	0	821,058
SWC	1638	5000	2009-11	Multiple	Red River Basin Non-NRCS Rural/Farmstead Ring Di	6/23/2009	226,364	0	226,364
SWC	1069	5000	2009-11	North Cass Co. WRD	Cass County Drain No. 13 Improvement Reconstructi	8/18/2009	122,224	0	122,224
SWC	1088	5000	2009-11	Maple River WRD	Cass County Drain No. 37 Improvement Recon	8/18/2009	92,668	0	92,668
SWC	1960	5000	2009-11	Ward Co. WRD	Puppy Dog Coulee Flood Control Diversion Ditch Cons	8/18/2009	796,976	0	796,976
SWC	1792	5000	2009-11	Southeast Cass WRD	SE Cass Wild Rice River Dam Study Phase II	12/11/2009	130,000	0	130,000
SWC	322	5000	2009-11	ND Water Education Foundati	ND Water: A Century of Challenge	2/22/2010	36,800	0	36,800
SWC	1244	5000	2009-11	Trails Co. WRD	Trails Co. Drain No. 27 (Moen) Reconstruction & Exter	3/11/2010	336,491	0	336,491
SWC	1577	5000	2009-11	Mercer Co. WRD & City of Ha	Hazen Flood Control Levee (1517) & FEMA Accredita	3/11/2010	184,984	0	184,984
SWC	281	5000	2009-11	Three Affiliated Tribes	Three Affiliated Tribes/Fort Berthold Irrigation Study	10/26/2010	37,500	0	37,500
SWC	646	5000	2009-11	City of Fargo	Christine Dam Recreation Retrofit Project	10/26/2010	184,950	0	184,950
SWC	646	5000	2009-11	City of Fargo	Hickson Dam Recreation Retrofit Project	10/26/2010	44,280	0	44,280
SWC	347	5000	2009-11	City of Velva	City of Velva's Flood Control Levee System Certificati	3/28/2011	102,000	0	102,000
SWC	1161	5000	2009-11	Pembina Co. WRD	Drain 55 Improvement Reconstruction	3/28/2011	13,846	0	13,846
SWC	1245	5000	2009-11	Trails Co. WRD	Trails Co. Drain No. 28 Extension & Improvement Proj	3/28/2011	336,007	0	336,007
SWC	1969	5000	2009-11	Walsh Co. WRD	Walsh Co. Construction of Legal Assessment Drain #	3/28/2011	38,154	0	38,154
SWC	1970	5000	2009-11	Walsh Co. WRD	Walsh Co. Construction of Legal Assessment Drain #	3/28/2011	39,115	0	39,115
SWC	1101	5000	2011-13	Dickey Co. WRD	Yorktown-Maple Drainage Improvement Dist No. 3	9/21/2011	354,500	0	354,500
SWC	1101	5000	2011-13	Dickey-Sargent Co WRD	Riverdale Township Improvement District #2 - Dickey	9/21/2011	500,000	0	500,000
SWC	1219	5000	2011-13	Sargent Co WRD	City of Forman Floodwater Outlet	9/21/2011	31,472	0	31,472
SWC	1252	5000	2011-13	Walsh Co. WRD	Walsh Co. Reconstruction Drain No. 97	9/21/2011	24,933	0	24,933
SWC	1705	5000	2011-13	Red River Joint Water Resour	Red River Joint WRD Watershed Feasibility Study - Pl	9/21/2011	60,000	0	60,000
SWC	1975	5000	2011-13	Walsh Co. WRD	Walsh Co. Drain No. 31 Reconstruction Project	9/21/2011	37,742	0	37,742
SWC	1977	5000	2011-13	Dickey-Sargent Co WRD	Jackson Township Improvement Dist. #1	9/21/2011	500,000	0	500,000
SWC	829	5000	2011-13	Rush River WRD	Rush River WRD Berlin's Township Improvement Dist	10/19/2011	163,695	54,440	109,255
SWC	1224	5000	2011-13	Trails Co. WRD	Preston Floodway Reconstruction Project	10/19/2011	208,570	0	208,570
SWC	1978	5000	2011-13	Richland & Sargent Joint WRI	Richland & Sargent WRD RS Legal Drain No. 1 Exten	10/19/2011	245,250	0	245,250
SWC	1918	5000	2001-13	Maple River WRD	Normanna Township Improvement District No. 71	12/9/2011	287,900	0	287,900
SWC	1983	5000	2011-13	City of Harwood	City of Harwood Engineering Feasibility Study	12/9/2011	62,500	0	62,500
SWC	1138	5000	2011-13	Pembina Co. WRD	Drain No. 8 Reconstruction Project	3/7/2012	12,215	0	12,215
SWC	1227	5000	2011-13	Trails Co. WRD	Mergenthal Drain No. 5 Reconstruction	3/7/2012	84,670	0	84,670
SWC	1396	5000	2011-13	U.S. Geological Survey	(USGS) Missouri River Geomorphic Assessment	3/7/2012	90,000	30,000	60,000
SWC	1989	5000	2011-13	Barnes Co WRD	Hobart Lake Outlet Project	3/7/2012	266,100	0	266,100
SWC	1990	5000	2011-13	Mercer Co. WRD	Lake Shore Estates High Flow Diversion Project	3/7/2012	43,821	0	43,821
SWC	227	5000	2011-13	Eaton Flood Irrigation District	District's Mouse River Riverbank Stabilization Project	6/13/2012	120,615	0	120,615
SWC	1063	5000	2011-13	Rush River WRD	Amenia Township Improvement District Drain No. 74 f	6/13/2012	459,350	0	459,350
SWC	1344	5000	2009-11	Southeast Cass WRD	Sheyenne Diversion Exterior Pump Station	6/13/2012	3,751	0	3,751
SWC	2007	5000	2011-13	Maple River WRD	Pontiac Township Improvement District No. 73 Project	6/13/2012	500,000	0	500,000
SWC	2010	5000	2011-13	Barnes Co WRD	Meadow Lake Outlet	6/13/2012	500,000	0	500,000
SWC	1878-02	5000	2011-13	Maple River WRD	Upper Maple River Dam Environmental Assessment -	6/13/2012	112,500	0	112,500
SWC	1992	5000	2011-13	Burleigh Co. WRD	Bismarck Flood Control Channel Project	9/17/2012	187,500	0	187,500
SWC	1996	5000	2011-13	Trails Co. WRD	Drain #62 - Wold Drain Project	9/17/2012	112,400	108,717	3,683
SWC	2009-02	5000	2011-13	Southeast Cass WRD	Recertification of the Horace to West Fargo Diversion	9/17/2012	72,600	42,835	29,765
SWC	2012	5000	2011-13	Southeast Cass WRD	Lower Sheyenne River Watershed Retention Plan	9/17/2012	80,000	0	80,000
SWC	2013	5000	2011-13	Richland-Cass Joint WRD	Wild Rice River Watershed Retention Plan	9/17/2012	90,000	0	90,000
SWC	1069	5000	2011-13	North Cass - Rush River JW	Drain #13 Channel Improvements	9/27/2012	217,000	171,381	45,619
SWC	1401	5000	2009-11	Pembina Co. WRD	International Boundary Roadway Dike Pembina	9/27/2012	331,799	70,767	261,032
SWC	240	5000	2011-13	Eddy County WRD	Warwick Dam Repair Project	12/7/2012	110,150	0	110,150
SWC	1705	5000	2011-13	Red River Joint Water Resour	Red River Basin Distributed Plan Study	12/7/2012	560,000	0	560,000
SWC	2019	5000	2011-13	Valley City	Sheyenne River Snagging & Clearing Project	12/7/2012	75,000	0	75,000
SWC	2020	5000	2011-13	Minot Park District	Souris Valley Golf Course Bank Stabilization	12/7/2012	335,937	0	335,937

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GENERAL PROJECT OBLIGATIONS

Approved SWC By	No	Dept	Approved Biennium	Sponsor	Project	Initial Approved Date	Total Approved	Total Payments	Apr-14 Balance
SWC	346	5000	2011-13	Williams County WRD	Epping Dam Evaluation Project	2/27/2013	66,200	0	66,200
SWC	1135	5000	2011-13	Pembina Co. WRD	Drain #4 Reconstruction Project	6/19/2013	221,628	0	221,628
SWC	1207	5000	2011-13	Richland Co. WRD	Drain #65 Extension Project	6/19/2013	123,200	0	123,200
SWC	1312	5000	2011-13	Walsh Co. WRD	Forest River Flood Control Feasibility Study	6/19/2013	79,956	0	79,956
SWC	1438	5000	2011-13	Cavalier County WRD	Mulberry Creek Phase IV Reconstruction Project	6/19/2013	324,010	0	324,010
SWC	1992	5000	2011-13	Burleigh Co. WRD	Burnt Creek Flood Restoration Project	6/19/2013	87,805	0	87,805
SWC	2022	5000	2011-13	Pembina Co. WRD	Drain #73 Project	6/19/2013	350,400	0	350,400
SWC	AOC/RRBC	5000	2013-15	Red River Basin Commission	Red River Basin Commission Contractor	7/1/2013	200,000	50,000	150,000
SWC	PS/WRD/MRJ	5000	2013-15	Missouri River Joint WRB	Missouri River Joint Water Board (MRRIC) T. FLECK	7/1/2013	40,000	9,776	30,224
SWC	PS/WRD/MRJ	5000	2013-15	Missouri River Joint WRB	Missouri River Joint Water Board, (MRJWB) Start up	7/1/2013	20,000	0	20,000
SWC	AOC/WEF	5000	2013-15	ND Water Education Foundati	ND Water Magazine	7/1/2013	36,000	9,000	27,000
SWC	PS/WRD/USRJV	5000	2013-15	Upper Sheyenne River Joint V	Upper Sheyenne River WRB Administration (USRJWF)	7/1/2013	12,000	2,876	9,124
SWC	1753	5000	2013-15	Ward Co. Hwy Dept	County Road 18 Flood Control Project	7/23/2013	133,268	0	133,268
SWC	1859	5000	2013-15	ND Dept of Health	NonPoint Source Pollution, Section 319	8/20/2013	200,000	0	200,000
SWC	1270	5000	2013-15	Burleigh Co. WRD	Apple Creek Industrial Park Levee Feasibility Study	10/7/2013	65,180	0	65,180
SWC	2004	5000	2013-15	Grand Forks Co. WRD	Drain No. 57 Project	10/7/2013	413,576	0	413,576
SWC	2040	5000	2013-15	Walsh Co. WRD	Drain #74 Project	10/7/2013	317,852	0	317,852
SWC	PS/WRD/MRJ	5000	2013-15	Missouri River Joint WRB	Missouri River Coordinator	10/7/2013	175,000	0	175,000
SWC	1056	5000	2013-15	Bottineau Co. WRD	Scandia/Scotia Drain Project	12/13/2013	140,634	0	140,634
SWC	1242	5000	2013-15	Traill Co. WRD	Rust Drain No. 24 Project	12/13/2013	187,736	0	187,736
SWC	1523	5000	2013-15	Ward Co. WRD	Mouse River Snagging & Clearing Project	12/13/2013	347,466	0	347,466
SWC	1554/2046?	5000	2013-15	McLean Co. WRD	City of Underwood Floodwater Outlet Project	12/13/2013	1,100,727	0	1,100,727
SWC	1625	5000	2013-15	Houston Engineering	(OHWM) Ordinary High Water Mark Delineations	12/13/2013	95,618	9,766	85,852
SWC	1758	5000	2013-15	USGS	Stochastic Model for the Mouse River Basin	12/13/2013	200,000	40,000	160,000
SWC	2043	5000	2013-15	Pembina Co. WRD	District's Drain 78 Outlet Extension Project	12/13/2013	287,778	0	287,778
SWC	2046	5000	2013-15	Walsch Co. WRD	North Branch Park River Comprehensive Flood Dama	12/13/2013	134,400	0	134,400
SWC	1878-02	5000	2011-13	Maple-Steele WRD	Upper Maple River Dam Construction Phase	12/13/2013	3,991,500	0	3,991,500
SWC	CON/WIL/CARL	5000	2013-15	Garrison Diversion Conservan	Will and Carlson Consulting Contract	12/13/2013	70,000	16,023	53,977
SWC	1523	5000	2011-13	Ward Co. WRD	Countryside Villas/Whispering Meadows Drainage Imp	2/21/2014	157,211	0	157,211
SWC	568	5000	2013-15	Southeast Cass WRD	Sheyenne River Snagging & Clearing Project Reaches	3/13/2014	165,000	0	165,000
SWC	1082	5000	2013-15	Rush River WRD	Cass Co. Drain No. 30 Channel Improvement Project	3/17/2014	142,818	0	142,818
SWC	1444	5000	2013-15	City of Pembina	2014 Flood Protection System Modification Project	3/17/2014	660,900	0	660,900
SWC	2008	5000	2013-15	City of Mapleton	Recertification of Flood Control Levee System Project	3/17/2014	718,941	0	718,941
TOTAL							25,421,605	694,602	24,727,003

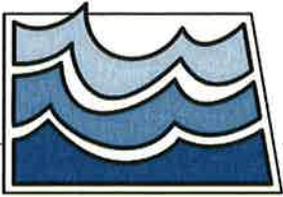
**STATE WATER COMMISSION
PROJECTS/GRANTS/CONTRACT FUND
2013-2015 Biennium
Resources Trust Fund**

COMPLETED GENERAL PROJECTS

Approver	SWC	Dept	Approved	Sponsor	Project	Initial	Total	Total	Apr-14
By	No		Biennium			Approved	Approved	Payments	Balance
						Date			
SE	2003	5000	2011-13	Southeast Cass WRD	Re-Certification of the Horace to West Fargo Diversion	6/29/2012	42,835	42,775	60
SE	1732	5000	2011-13	City of Beulah	Beulah Dam Emergency Action Plan	7/26/2012	20,440	10,440	10,000
SE	2003	5000	2011-13	Southeast Cass WRD	Re-Certification of the West Fargo Diversion Levee Sy:	7/26/2012	45,879	45,879	0
SE	1993	5000	2011-13	Houston Engineering	Minot 100-yr Floodplain Map and Profiles	10/9/2012	10,000	0	10,000
SE	2001	5000	2011-13	Trail Co. WRD	Elm River Diversion Project	10/31/2012	10,423	6,076	4,347
SE	1992	5000	2011-13	Burleigh Co. WRD	Burleigh Co Flood Control Alternatives Assessment	1/30/2013	25,175	16,168	9,007
SE	871	5000	2011-13	Pembina Co. WRD	Pembina Snagging & Clearing Project	6/14/2013	7,500	7,500	0
SE	1395	5000	2013-15	U.S. Geological Survey	Operation & maintenance of seven water level monitori	7/16/2013	17,500	17,500	0
SE	2045	5000	2013-15	CRS & Corps St. Louis Di	Joint LiDAR Collection	9/12/2013	40,000	40,000	0
SE	1289	5000	2013-15	enzie Co. Weed Control E	Control of Noxious Weeds on Sovereign Lands	9/20/2013	10,496	9,779	717
SE	1244	5000	2013-15	Trail Co. WRD	Trail Co. Drain No. 27 (Moen) Lateral Channel Improve	9/27/2013	29,914	23,723	6,191
SE	1814	5000	2013-15	Richland Co. WRD	Wild Rice River Snagging & Clearing - Reach 3	10/17/2013	49,500	48,493	1,007
SE	1814	5000	2013-15	Richland Co. WRD	Wild Rice River Snagging & Clearing - Reach 4	12/13/2013	20,000	20,000	0
SE	BSC	5000	2013-15	Bismarck State College	2014 ND Water Quality Monitoring Conference	2/24/2014	1,000	1,000	0
SE	AOC/WEF	5000	2013-15	Water Education Founda	2014 Summer Water Tours Sponsorshi	3/5/2014	2,500	2,500	0
SE	1403	5000	2013-15	Water Resources Institi	Institute Fellowship Program 2014-15	3/20/2014	13,850	13,850	0
SE	NDAWN	5000	2013-15	NDSU	ND Agricultural Weather Network	4/15/214	1,550	1,550	0
SWC	928/988/1508	5000	2011-13	SE Cass WRD	Wild Rice, Bois de Sioux, Antelope Creek Retention St	7/21/2008	60,000	30,415	29,585
SWC	1966	5000	2009-11	City of Oxbow	City of Oxbow Emergency Flood Fighting Barrier Syste	6/1/2010	188,400	188,400	0
SWC	416-18	5000	2011-13	ND Game & Fish	DL Johnson Farms Water Storage Site	6/10/2011	125,000	4,316	120,685
SWC	1344	5000	2011-13	Southeast Cass WRD	Southeast Cass Sheyenne River Diversion Low-Flow C	6/14/2011	716,609	33,535	683,074
SWC	980	5000	2011-13	Maple River WRD	Maple River Watershed Food Water Retention Study/ I	9/21/2011	0	0	0
SWC	1219	5000	2011-13	Sargent Co WRD	District Drain No. 4 Reconstruction Project	9/21/2011	125,500	86,723	38,777
SWC	CON/WILL-CA	5000	2011-13	Garrison Diversion	Will/Carlson Consultant	10/17/2011	26,174	0	26,174
SWC	PS/WRD/JAM	5000	2011-13	James River Joint WRD	James River Engineering Feasibility Study Phase 1	3/7/2012	29,570	29,490	80
SWC	829	5000	2011-13	Rush River WRD	Rush River Watershed Retention Plan	6/13/2012	0	0	0
SWC	1344	5000	2011-13	Southeast Cass WRD	Sheyenne Diversion Phase VI - Weir Improvements	6/13/2012	225,050	224,192	858
SWC	1344	5000	2009-11	Southeast Cass WRD	Horace Diversion Channel Site A (Section 7 - Phase V,	6/13/2012	1,812,822	1,810,744	2,078
SWC	1806-02	5000	2011-13	City of Argusville	Re-Certification of the City of Argusville Flood Control L	6/13/2012	84,164	20,101	64,063
SWC	228	5000	2011-13	U.S. Geological Survey	Additional USGS gage Missouri River- ANNUAL	9/17/2012	8,500	8,500	0
SWC	2014	5000	2011-13	Trail Co. WRD	Elm River Watershed Retention Plan	9/17/2012	75,000	62,371	12,629
SWC	2003-02	5000	2011-13	Southeast Cass WRD	Re-Certification of the West Fargo Diversion Levee Sy:	9/17/2012	91,400	91,400	0
SWC	1303	5000	2011-13	Sargent Co WRD	Frenier Dam Improvement Project	12/7/2012	158,373	112,027	46,346
SWC	1523	5000	2011-13	Ward Co. WRD	Souris River Minot to Burlington Snagging & Clearing	12/7/2012	109,000	109,000	0
SWC	1444	5000	2011-13	City of Pembina	US Army Corps of Eng Section 408 Review City Flood	9/19/2013	73,200	62,833	10,367

TOTAL

4,257,324 3,181,280 1,076,044



North Dakota State Water Commission

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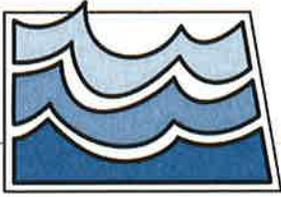
Agenda E

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *T.S.* Todd S. Sando, P.E., Chief Engineer - Secretary
SUBJECT: Red River Valley Water Supply Value Engineering Update
DATE: May 21, 2014

Enclosed with this packet is a copy of the draft report "Red River Valley Water Supply Project Alternative Route Engineering Study", prepared by CH2MHill and Trout, Raley, Montano, Witwer and Freeman. Bruce Spiller from CH2MHill will provide a summary of the report at the commission meeting on May 29, 2014.

TS:BE:ph



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Agenda F1)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM:  Todd Sando, P.E., Chief Engineer-Secretary
SUBJECT: Draft Cost-Share Policy Update
DATE: May 21, 2014

Water Supply Expansions

The staff was asked to review the water supply section of the draft cost-share policy and offer language making expansion projects into new service areas eligible for a higher level of cost-share. The attached proposed language is provided for discussion. The changes from the March 31, 2014, draft are shown in red. The proposed language distinguishes how new water users are served by project expansions or improvements.

Summary of Policy Changes

A second attachment summarizes the current cost-share policy compared to the March 31, 2014 draft. This summary was presented at the Water Topics Overview Committee meeting on April 10, 2014, and has been helpful in discussion of the cost-share policy.

TS:BE:ph
Attachments

1 Water Supply Project. The State Water Commission supports water supply efforts and will use a grant and loan program. The local sponsor may apply for water supply funding, and the application will be reviewed to determine project priority. Projects will be prioritized within categories (1) thru (5) below. Projects within category (1) **may be considered for grant funding up to 60 percent cost share or in special cases up to 75%** and **projects in category (2)** may be considered for grant funding of up to 60 percent cost-share. Grant funding within category (3) will be on a case-by-case basis. Projects within categories (1) through (5) may be considered for loan funding. After cost-share for grant funding has been determined, the local sponsor may be considered for loan funding in addition to the grant funding. The combination of grant and loan funding will not exceed 80 percent from the State Water Commission.

(1) **Addresses upgrades to meet primary drinking water standards or expansion into new service areas. If the expansion into a new service area requires at least ten miles of new transmission pipeline, grant funding of up to 75% may be considered. Factors considered for water system expansions are:**

(a) **Connection of communities to the regional system as part of this expansion as determined by the chief engineer.**

(b) **Willingness of water users at far reaches of the system to pay additional costs for water service as an indicator of greater need for access to water and local commitment in the project as determined by the chief engineer.**

(c) **Affordable and sustainable water rate as determined by the chief engineer.**

(2) **Supports improvements and connection of new customers within the existing service area of a water system** that has a 3-year average population growth in excess of 3% per year, as determined by the Chief Engineer

(3) **Water treatment improvements that address impacts from other State Water Commission projects. Grant funding to be determined based on level of impact by State Water Commission project.**

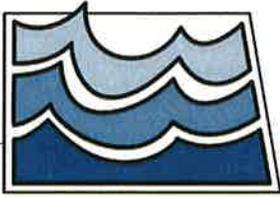
(4) **Assists with improvements in service areas where the anticipated cost per user each year (based on 5,000 gallons per month) divided by the average annual median income per user is in the top quartile or other ranking as determined by the Commission of its peer group (large city, small city, and regional) water systems that submitted planning information forms for the biennium. The Chief Engineer will rank the projects.**

(5) **Addresses extraordinary repairs or replacement needs of a water supply system due to damages from a recent natural disaster.**

Cost-Share Policy Outline	Description of Changes	Current Policy (2/26/2013)				Proposed (as of 3/31/2014)			
		Planning/ Feasibility	Design Eng	Const Eng	Const	Prelim Eng	Design Eng	Const Eng	Const
C. Flood Control Projects									
1. Flood Recovery Property Acquisition Grant Program	Flood damage has occurred and property needed for construction of flood protection. Established after 2011 floods.	up to 75%				up to 75%			
	Flood damage has occurred and property needed for conveyance. Established after 2011 floods.	up to 60%				up to 60%			
2. Flood Protection Program	Provide long term flood reduction benefits. (Needed for preventing future damage) Proposed policy allows SWC to lend portion of local share based on demonstrated financial need.	up to 50%	0%	up to 60%	up to 35%		up to 60%		
	Provide long term flood reduction benefits. (Needed for preventing future damage - Federal participation.) Proposed policy allows SWC to lend portion of local share based on demonstrated financial need.	up to 50%	0%	up to 50%	up to 35%		up to 50%		
3. FEMA Levee System Accreditation Program	Analysis is required for FEMA to accredit the levee system for flood insurance mapping purpose.	up to 60%			N/A	up to 60%		N/A	
4. Dam Safety and Emergency Action Plans	Addresses dam safety issues. Proposed policy allows SWC to lend portion of local share based on demonstrated financial need.	up to 50%	0%	up to 65%	up to 35%		up to 75%		
	Addresses dam safety issues and involved federal funding. Proposed policy allows SWC to lend portion of local share based on demonstrated financial need.	up to 50%	0%	up to 50%	up to 35%		up to 75%		
	Emergency Action Plans for high or medium/significant hazard dam. Dam break model only on high hazard.	Up to 80%			Up to 80%				
		\$25,000 cap			cap removed				
5. Water Retention Projects	No Federal participation.	up to 50%	0%	Up to 65%	up to 35%		up to 60%, expanded to include property		
	Federal participation.	up to 50%	0%	Up to 65%	up to 35%		up to 50%, expanded to include property		
6. Snagging and Clearing Projects	Snagging and clearing on watercourses.	up to 50%	0%	Up to 50%	up to 35%		up to 50%		
D. Rural Flood Control Projects									
1. Drains, Channels, or Diversion Projects	Cost-share for drains, channels, or diversion projects.	up to 50%	0%	up to 45%	up to 35%		up to 45%		
		\$500,000 per biennium cap			biennium cap removed				
2. Individual Ring Dike Program	Cost-share up to \$40,000 per individual ring dike, NRCS and SWC funding capped at 80% of total project costs.	up to 50%	0%	up to 60%	up to 35%		up to 60%		
E. Recreation	Water based recreation, typically associated with dams.	up to 50%	0%	up to 40%	up to 35%		up to 40%		
F. Irrigation	Costs associated with principal supply works.	up to 50%	0%	up to 50%	up to 35%		up to 50%		
G. Bank Stabilization	Protects public infrastructure or facilities.	up to 50%	0%	up to 60%	up to 35%		up to 50%		

North Dakota State Water Commission Cost Share

Cost-Share Policy Outline	Description of Changes	Current Policy (2/26/2013)				Proposed (as of 3/31/2014)			
		Planning/ Feasibility	Design Eng	Const Eng	Const	Prelim Eng	Design Eng	Const Eng	Const
I. Definitions and Eligibility	Cost-Share defined as a grant or a loan. Engineer services defined relating to pre-construction and construction. Programs defined as typically associated with federal initiatives.					Provides overall guidance and consistency with cost-share			
II. Cost-Share Application and Approval Procedures	Increased Chief Engineer's authority to approve cost-share and overruns.	Up to \$50,000				Up to \$75,000			
	Cost-share exceeding \$100M, additional information requested by the State Water Commission will be used to determine cost-share.					\$100,000,000			
III. Cost-Share Categories									
A. Pre-Construction Expenses	Development of feasibility studies, mapping, and engineering designs.	up to 50%	0%	NA		up to 35%	NA		
B. Water Supply Projects									
1. Water Supply Project (state funding- adds loan funding for all categories, allows combination of grant and loan up to 80%)	Addresses a lack of water supply for domestic use or upgrades a water supply to Primary Safe Drinking Water Act standards.	Used MR&I policy				up to 35%	up to 60% grant or up to 80% grant and loan		
	Provides special consideration for improvements and expansions of a water supply system serving an area that has a 3-year average population growth in excess of 3% per year, as determined by the Chief Engineer.	No mention in policy				up to 35%	up to 60% grant or up to 80% grant and loan		
	Provides for water treatment improvements that address impacts from other State Water Commission projects. Grant funding to be determined based on level of impact by the State Water Commission project.	Primarily Devils Lake Impacts				Primarily Devils Lake Impacts			
	Provides special consideration for improvements in service areas where the anticipated cost per user each year (based on 5,000 gallons per month) divided by the average annual median income per user is in the top quartile of its peer group water systems (large city, small city, and regional) as determined by the Chief Engineer.	No mention in policy				Top 25% qualify for up to 80% loans			
	Addresses extraordinary repairs or replacement needs of a water supply system due to damages from a recent natural disaster.	Partially addressed for Missouri River intakes				up to 80% loans			
2. Municipal, Rural And Industrial Water Supply Program	Federal Funding - no changes	0%	up to 75%		0%	up to 75%			
3. Drought Disaster Livestock Water Supply Project Assist.	Program uses state funding in support of a federal initiative, program is defined in Administrative Code.	Implemented during droughts				Program mentioned in policy to be implemented during droughts			



North Dakota State Water Commission

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Agenda F2)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *TSD* Todd S. Sando, P.E., Chief Engineer - Secretary
SUBJECT: Loan Program
DATE: May 21, 2014

Section 11 of Senate Bill 2233, attached, (NDCC-61-02-78) created an infrastructure revolving loan fund to be established on January 1, 2015. However, since Valley City has requested a loan for the local cost share for their flood control project and we are recommending a loan for Lisbon's flood protection project, it is appropriate to discuss the loan program prior to consideration of those recommendations.

Senate Bill 2233 requires that beginning on January 1, 2015, ten percent of oil extraction moneys deposited in the resources trust fund are made available for loans. The law requires the commission to approve the project and loan, and the Bank of North Dakota to manage and administer the loans. The interest rate is set at one and one-half percent and the Bank of North Dakota may deduct one-half percent of this for administering the loan.

The bill also states that projects not eligible for the state revolving loan fund administered by the Health Department will be given priority for these funds. Water supply projects are the only projects eligible for State Water Commission cost share that are eligible for the state revolving loan program.

State Water Commission staff estimates that ten percent of the deposit between January 1, 2015 and the end of the biennium would result in \$16.4 million being available for this loan program.

Any loans approved before January 1, 2015, would not fall under this law. Since the commission is tasked with adopting policies for the review and approval of loans under this section of the law, it is appropriate to consider this law and interest rates for loans that do not fall under this law prior to considering loans for Valley City and Lisbon.

BE:ph
Attachment

SECTION 10.

Fargo-Moorhead flood control project

1. The sixty-third legislative assembly declares its intent to provide state funding not to exceed four hundred fifty million dollars for one-half of the nonfederal or local cost of constructing a federally authorized Fargo-Moorhead flood control project.
2. Notwithstanding any other law, any funds appropriated for the construction of the Fargo-Moorhead flood control project may be carried over to future bienniums.
3. State funding for the Fargo-Moorhead flood control project may be appropriated at the time and in the manner determined by the legislative assembly, either concurrently or separately from federal and local funding for the Fargo-Moorhead flood control project.

SECTION 11. A new section to chapter 61-02 of the North Dakota Century Code is created and enacted as follows:

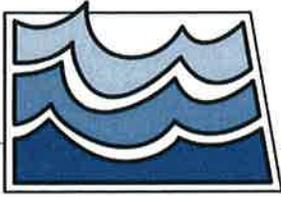
Infrastructure revolving loan fund - Continuing appropriation - Rules.

1. An infrastructure revolving loan fund is established on January 1, 2015, within the resources trust fund to provide loans for water supply, flood protection, or other water development and water management projects. Ten percent of oil extraction moneys deposited in the resources trust fund are made available on a continuing basis for making loans in accordance with this section. Accounts may be established in the resources trust fund as necessary for its management and administration.
2. The commission shall consider the following information when evaluating projects:
 - a. A description of the nature and purposes of the proposed infrastructure project, including an explanation of the need for the project, the reasons why it is in the public interest, and the overall economic impact of the project.
 - b. The estimated cost of the project and the amount of the loan sought and other proposed sources of funding.
 - c. The extent to which completion of the project will provide a benefit to the state or regions within the state.
3. The commission shall approve projects and loans from the infrastructure loan fund, and the Bank of North Dakota shall manage and administer loans from the infrastructure loan fund and individual accounts in the fund. The commission may adopt policies for the review and approval of loans under this section. Loans made under this section must be made at an interest rate of one and one-half percent.
4. Annually the Bank of North Dakota may deduct a service fee of one-half of one percent for administering the infrastructure loan fund.
5. Projects not eligible for the state revolving fund will be given priority for these funds.

SECTION 12. AMENDMENT. Section 61-24.7-01 of the North Dakota Century Code is amended and reenacted as follows:

61-24.7-01. Legislative findings and Intent - Authority to issue bonds.

4. The legislative assembly finds that the provision of water of sufficient quantity and quality to supply homes, businesses, industries, wildlife, and recreation in the Red River valley within this state is necessary for the protection of health, property, and enterprises and for the promotion of prosperity and the general welfare of the people of the Red River valley and that construction of the Red River valley



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Agenda #1

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *TSD* Todd Sando, PE, Chief Engineer/Secretary
SUBJECT: NDSWC Cost-Share Participation Request – City of Bisbee’s Big Coulee Dam Feasibility Study Project
DATE: May 19, 2014

In their correspondence dated April 8, 2014, the City of Bisbee requested state cost-share participation for their Big Coulee Dam Feasibility Study Project.

Big Coulee Dam is located in Section 36, Township 160 North, Range 68 West. The City of Bisbee, Towner County Water Resource District and Towner County Commission will jointly sponsor the study. The City of Bisbee is the owner of the dam.

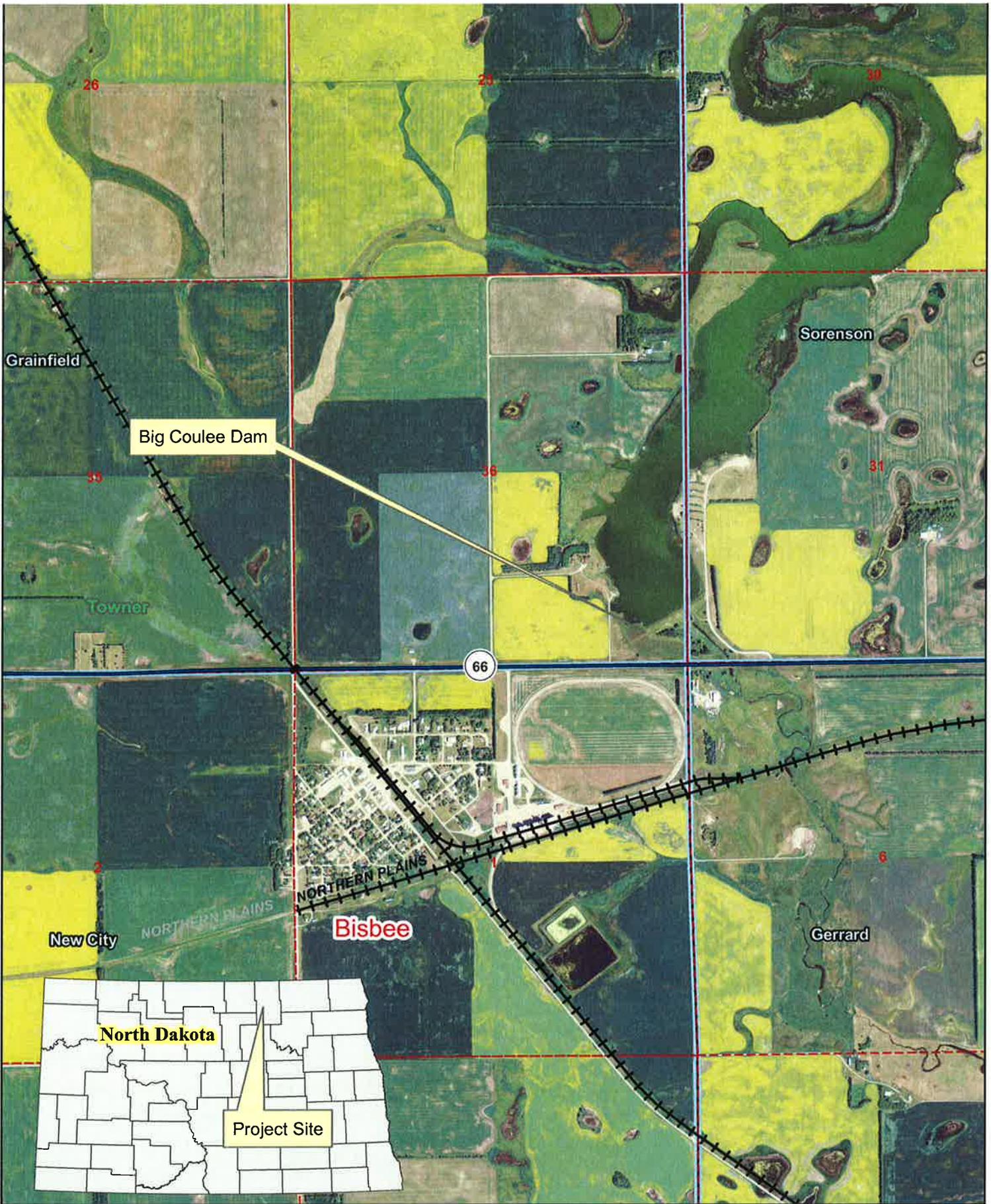
There have been principal spillway and foundation issues at Big Coulee Dam over the past decade. Due to the deteriorating of the spillway and the drainage system being only partially functional, the dam is reaching a threshold where the safety of the dam may be a concern. The State Water Commission recently did a dam safety inspection and recommended the City conduct a study to determine alternative fixes to the dam.

The City expects to have the study completed in 2014 with design and repair efforts to begin in 2015.

The study is estimated to cost \$130,000, of which all is eligible for 50% cost share assistance, for an amount not to exceed \$65,000 in state funds.

I recommend that the State Water Commission approve this request by the City of Bisbee for state cost participation in the City's Big Coulee Dam Feasibility Study, at an amount not to exceed \$65,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium. This approval is subject to the entire contents of the recommendation contained herein and availability of funds.

TS:MMB/1418



**City of Bisbee, Towner County WRD,
Towner County Commission**
Big Coulee Dam Feasibility Study Project



City of Bisbee

PO Box 188

Bisbee, ND 58317

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

RE: Cost-Share Request – Feasibility Study of Big Coulee Dam

Dear Melissa,

Principal spillway and foundation issues at Big Coulee Dam have been developing over the past decade and are reaching a threshold where the safety of the dam may soon come into question. The most recent dam safety inspection by the North Dakota State Water Commission recommended the City of Bisbee conduct a study to determine alternative fixes to the dam. This letter addresses that recommendation.

Attached is the SWC Cost Share Request Form to conduct a feasibility study of the issues at the dam and develop alternatives to repair the deficiencies. The City of Bisbee, the Towner County Water Resource District, and the Towner County Commission will jointly sponsor the study. The City of Bisbee is the owner of the dam. We understand the North Dakota State Water Commission will cost share feasibility studies at 50 percent under current policy.

Due to the serious nature of dam safety and the condition of Big Coulee Dam, we ask you consider this request at your earliest convenience. We hope to have the study complete by the end of 2014 in order to quickly pursue repair options in 2015.

Thank you for your consideration of this important matter. Please do not hesitate to contact me with any questions.



Kelly Bursinger
Mayor, City of Bisbee

Enclosure

CC: *Kent Vesterso, Chairman, Towner County WRD*
Randy Benson, Towner County WRD
Mike Weisz, Towner County Commission
Dennis Reep, HDR Engineering



ND STATE WATER COMMISSION

Project Information and Cost-Share Request Form

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

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

1. **Project, program, or study name:** Big Coulee Dam Feasibility Study
2. **Sponsor(s):** City of Bisbee, Towner Co. WRD, Towner Co. Commission (Big Coulee Dam Com
3. **Location (county, city, township, etc.):** Towner County, Sect 36, T160N, R68W
4. **Description of request:** New Update (previously submitted)
5. **Specific needs addressed by the project, program, or study:**
 - a. **If study, what type:**
 Water Supply Hydrologic Floodplain Mgmt Feasibility
 Other
 - b. **If project/program:**
 Flood Control Snagging & Clearing Water Quality
 Recreation Bank Stabilization Rural Flood Control
 Channel Imp. Irrigation Other
 Multi-Purpose Water Supply
6. **Jurisdictions/Stakeholders involved:** City of Bisbee and Towner County
7. **Description of problem or need and how project addresses that problem or need:**

The principal spillway at Big Coulee Dam is deteriorating and the drainage system is only partially functional. This feasibility study will gather information, investigate alternatives, and make a recommendation to address dam safety issues.
8. **Has a feasibility study been completed?:** Yes No Ongoing Not Applicable
9. **Has engineering design been completed?:** Yes No Ongoing Not Applicable
10. **Have land or easements been acquired?:** Yes No Ongoing Not Applicable

1 . Have you applied for any state permits?: Yes No Not Applicable

a. If yes, please explain:

1 . Have you been approved for any state permits?: Yes No Not Applicable

a. If yes, please explain:

13. Have you applied for any local permits?: Yes No Not Applicable

a. If yes, please explain:

1 . Have you been approved for any local permits?: Yes No Not Applicable

a. If yes, please explain:

1 . Briefly explain the level of review the project or program has undergone:

This is in response to dam safety reports generated by the NDSWC

1 . Do you expect any obstacles to implementation (i.e., problems with land acquisition, permits, funding, local opposition, environmental concerns, etc.)?

Implementation funding will be an issue.

1 . Estimated project or program total implementation costs: \$ 130,000

<i>Source</i>	<i>Cash</i>	<i>In-kind</i>
Federal	\$	\$
State	\$ 65,000	\$
Local	\$ 65,000	\$
Total	\$ 130,000	\$ 0

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

Source	2011-2013 7/1/11-6/30/13	2013-2015 7/1/13-6/30/15	2015-2017 7/1/15-6/30/17	2017-2019 7/1/17-6/30/19	Beyond 6/30/19
Federal	\$	\$	\$	\$	\$
State	\$	\$ 65,000	\$	\$	\$
Local	\$	\$ 65,000	\$	\$	\$
Total	\$ 0	\$ 130,000	\$ 0	\$ 0	\$ 0

Please explain implementation timelines, considering all phases and their current

status: Due to the tenuous situation at Big Coulee Dam, we expect the feasibility study to be completed in 2014, and the design and installation to begin in 2015.

2 . Have assessment districts been formed?: Yes No Ongoing Not Applicable

Submitted by: City of Bisbee, Kelly Bursinger, Mayor

Date: April 8, 2014

Address and telephone: P.O. Box 188, Bisbee ND 58317 - (701) 477-3175 (w), (701)-228-8115 (c)

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



North Dakota State Water Commission

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Agenda 92

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *TSD* Todd Sando, PE, Chief Engineer/Secretary
SUBJECT: NDSWC Cost-Share Participation Request – City of Killdeer and Dunn County
Floodplain Mapping Project
DATE: May 19, 2014

In their correspondence dated April 29, 2014, the City of Killdeer and Dunn County requested state cost-share participation for their Floodplain Mapping Project.

The City of Killdeer and Dunn County are experiencing significant impacts due to energy development in the region. The most significant impact is in growth. The current estimates indicate that the City has nearly doubled in size since the 2010 Census from 735 to nearly 1,400 residents. The City estimates near-term population will grow to 4,000 people due to the continued energy development activity in the region.

The floodplain mapping associated with the currently effective Flood Insurance Study (FIS) and Flood Insurance Rate Map (FIRM) has not been updated since 1989. New and expanding businesses and residential properties are proposing to be located along the major growth corridors near Highways 200 and 22. As a result, development is encroaching upon the floodplains of Spring Creek and Gumbo Creek. While the existing FIS is a detailed study, it does not identify floodway and flood fringe, making it difficult for the City and County to effectively implement floodplain-zoning requirements. Rather, individual projects are navigating the LOMR process, which is unlikely to result in effective floodplain management or the protection of property and public safety.

The State Water Commission has recognized the need to update the City and surrounding region's floodplain mapping, ranking the area highly in this year's funding request to FEMA. Unfortunately, FEMA has delayed release of information in regards to which the state's project will be awarded funding. Additionally, should the study be included in FEMA funding, the process will likely not result in an updated analysis or mapping for at least 2 years.

The proposed project will supply the City and County with the necessary tools to provide effective floodplain management through proper administration of floodplain zoning requirements. Additionally, this project will allow for informed development, reducing the likelihood of constructing new structures in areas at risk from flooding.

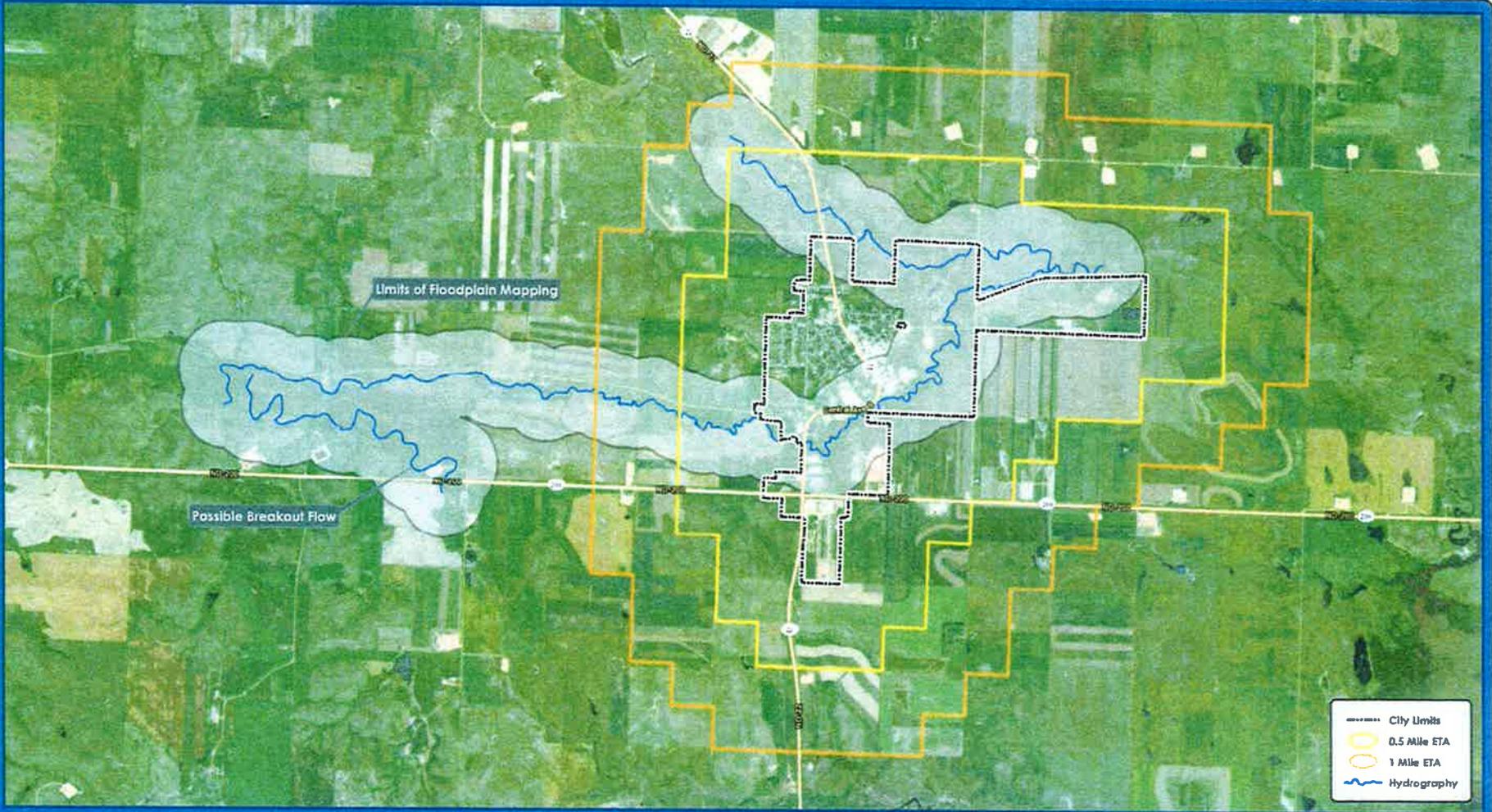
The project is estimated to cost \$110,000, of which all is eligible for 50% cost share assistance, for an amount not to exceed \$55,000 in state funds.

I recommend that the State Water Commission approve this request by the City of Killdeer and Dunn County for state cost participation in the Floodplain Mapping Project, at an amount not to exceed \$55,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium. This approval is subject to a the entire contents of the recommendation contained herein and availability of funds.

TS:MMB/1577

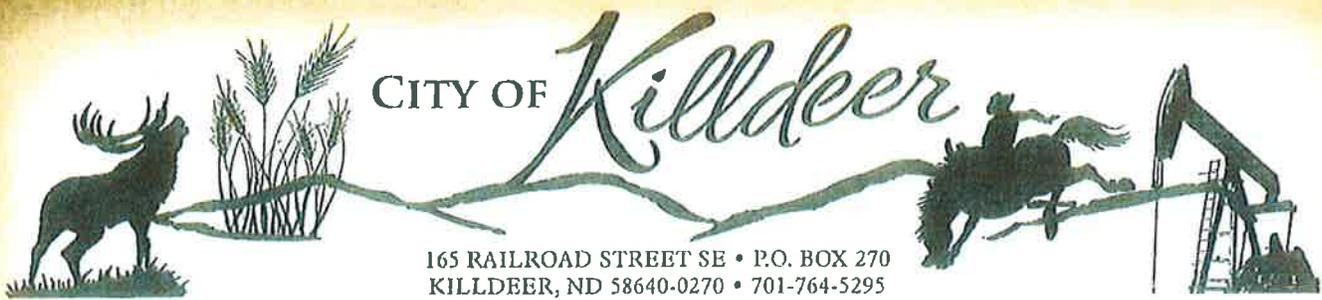
JACK DALRYMPLE, GOVERNOR
CHAIRMAN

TODD SANDO, P.E.
CHIEF ENGINEER AND SECRETARY



Limits of Mapping Study
 City of Kildeer | Dunn County, ND





April 29, 2014

Todd Sando, State Engineer
State Water Commission
900 East Boulevard Avenue
Bismarck, ND 58505-0850

Re: Killdeer and Dunn County Floodplain Mapping Funding

Dear Mr. Sando:

The City of Killdeer (City) and Dunn County (County) are experiencing significant impacts due to energy development in the region. The most significant impact is in the growth resulting from this energy development. For example, current estimates indicate that the City has nearly doubled in size since the 2010 Census, from a population of 735 to nearly 1,400. The City estimates near-term population will grow to 4,000 people due to continued energy development activity in the region with the County seeing a corresponding and similar increase in population throughout.

The City and County are addressing the challenges of this growth in many ways, including development of a Land Use and Growth Management Plan, implementation of new stormwater management standards, development of a Capital Improvement Plan, and construction of critical infrastructure. However, each of these items does not address an additional challenge, the outdated floodplain mapping associated with the currently effective Flood Insurance Study (FIS) and Flood Insurance Rate Map (FIRM) which have not been updated since 1989.

New and expanding businesses and residential properties are proposing to be located along the major growth corridors along Highways 200 and 22. As a result, development is encroaching upon the floodplains of the Spring Creek and Gumbo Creek. While the existing FIS is a detailed study, it did not identify floodway and floodfringe, making it difficult for the City and County to effectively and intelligently implement floodplain zoning requirements. Rather, individual projects are navigating the

Todd Sando, State Engineer
Re: Killdeer and Dunn County Floodplain Mapping Funding
April 29, 2014
Page 2 of 3

LOMR process, resulting in a “piecemeal” approach that is unlikely to result in effective floodplain management or the protection of property and public safety.

The State Water Commission (SWC) has recognized the need to update the City and surrounding region’s floodplain mapping, ranking the area highly in this year’s funding request to FEMA. Unfortunately, FEMA has delayed release of information in regards to which state’s project will be awarded funding. Additionally, should the study be included in FEMA funding, the process will likely not result in an updated analysis or mapping for at least 2 years. In light of this, the City and County, in consultation with SWC staff, have identified SWC Cost-Share funding as the best avenue to use in order to complete a floodplain mapping and re-study in a timely fashion.

The City and County are proposing a 50/50 cost-share funding approach (of eligible costs) with the SWC. The proposed project will be completed in accordance with the technical specifications of both the SWC and FEMA, ensuring the longevity and usefulness of the study. This project will provide the needed information the City and County to balance effective floodplain management with development to provide the services and facilities needed for the energy sector.

Technical Details

The proposed mapping and re-study effort on Gumbo Creek will extend from the 1-mile extraterritorial boundary to the confluence with Spring Creek. The analysis and mapping effort for Spring Creek will extend upstream of 106th Avenue to an area that appears to include break-out flow that has the potential to leave the Spring Creek watershed and flow to a tributary of the Murphy Creek watershed. The proposed study will include the following:

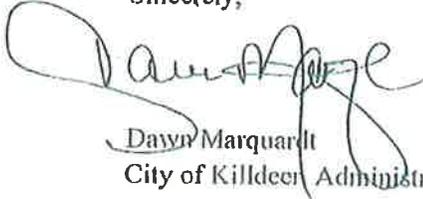
- LiDAR and/or photogrammetric topographic data collection throughout the study area;
- Field survey data collection for in-channel geometry and for all structure crossings;
- Updated hydrologic analysis for Spring Creek;
- Hydrologic Analysis for Gumbo Creek;
- HEC-GeoRAS Hydraulic Model of the entire study area;
- Floodway encroachment analysis;
- 100-yr event floodplain mapping including floodfringe and floodway delineation.

Benefits of Project

The proposed project will supply the City and County with the correct tools to provide effective floodplain management through the proper administration of floodplain zoning requirements. Additionally, this project will allow for informed development, reducing the likelihood of constructing new structures in areas at risk from flooding.

Todd Sando, State Engineer
Re: Killdeer and Dunn County Floodplain Mapping Funding
April 29, 2014
Page 3 of 3

Sincerely,


Dawn Marquardt
City of Killdeer Administrator


Sandy Rohde
Dunn County, Planning and Zoning Administrator

Enc. State Water Commission Project Information and Cost-Share Requests



ND STATE WATER COMMISSION

Project Information and Cost-Share Request Form

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

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

1. Project, program, or study name: City of Killdeer and Dunn County Floodplain Mapping

2. Sponsor(s): City of Killdeer, Dunn County

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

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

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

a. If study, what type:

- Water Supply Hydrologic Floodplain Mgmt Feasibility
 Other

b. If project/program:

- | | | |
|--|--|--|
| <input type="checkbox"/> Flood Control | <input type="checkbox"/> Snagging & Clearing | <input type="checkbox"/> Water Quality |
| <input type="checkbox"/> Recreation | <input type="checkbox"/> Bank Stabilization | <input type="checkbox"/> Rural Flood Control |
| <input type="checkbox"/> Channel Imp. | <input type="checkbox"/> Irrigation | <input type="checkbox"/> Other |
| <input type="checkbox"/> Multi-Purpose | <input type="checkbox"/> Water Supply | |

6. Jurisdictions/Stakeholders involved: City of Killdeer, Dunn County

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

Gumbo and Spring Creeks are in need of an updated regulatory floodplain determination. This is listed as a high priority for the State. This project will map the floodplain to allow for new determinations.

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

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

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

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

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

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

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

15. Briefly explain the level of review the project or program has undergone:
 Reviewed at the local and state level, determined a high priority

16. Do you expect any obstacles to implementation (i.e., problems with land acquisition, permits, funding, local opposition, environmental concerns, etc.)?
 Funding

17. Estimated project or program total implementation costs: \$ 110,000

<i>Source</i>	<i>Cash</i>	<i>In-kind</i>
Federal	\$	\$
State	\$ 50,000	\$
Local	\$ 60,000	\$
Total	\$ 110,000	\$ 0

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

Source	2011-2013 7/1/11-6/30/13	2013-2015 7/1/13-6/30/15	2015-2017 7/1/15-6/30/17	2017-2019 7/1/17-6/30/19	Beyond 6/30/19
Federal	\$	\$	\$	\$	\$
State	\$	\$ 50,000	\$	\$	\$
Local	\$	\$ 60,000	\$	\$	\$
Total	\$ 0	\$ 110,000	\$ 0	\$ 0	\$ 0

19. Please explain implementation timelines, considering all phases and their current status: This project can begin once funding is secured.

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

Submitted by: Dawn Marquardt - City Auditor, Sandy Rohde - County Administrator

Date: 4-29-14

Address and telephone: PO Box 270, Killdeer ND 58640

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



North Dakota State Water Commission

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Agenda #3

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *TS* Todd Sando, PE, Chief Engineer/Secretary
SUBJECT: NDSWC Cost-Share Participation Request – Mercer County Water Resource District's LiDAR Collection Project
DATE: May 19, 2014

In their correspondence dated April 29, 2014, the Mercer County Water Resource District requested state cost-share participation for their LiDAR Collection Project.

The Mercer County Water Resource District is currently proceeding with a Section 22 Study with the US Army Corps of Engineers and the State Water Commission. The LiDAR data would assist in finding solutions to the persistent Knife River flooding. It would leverage the hydrology and hydraulic studies already completed by the State Water Commission.

In March, 2014 the Mercer County Water Resource District approached the State Water Commission about participating in an ongoing Federal/State LiDAR Collection to take place in Divide, Burke, Mountrail, MClean, and northern portions of Burleigh and Kidder Counties. This collection is scheduled to take place in the Spring and Fall of 2014 and is identified in yellow as shown on the attached map.

The Federal/State LiDAR coalition funding this collection is made up of the US Army Corps of Engineers, NRCS, USGS, and the State Water Commission, of which all are ND Silver Jacket Flood Risk Management Team Charter Members. This informal coalition also includes the USFWS and FEMA Region VIII, although they do not have any funding in this current project.

The LiDAR collection for Mercer County would be identical to the plans and specs for the rest of the Federal/State LiDAR Collection and allow for a contiguous collection, especially important for the northern border of Mercer County and Lake Sakakawea shoreline, which is being collected by the US Army Corps of Engineers Omaha District. Additionally, "quality assurance / quality checks" for the project would be conducted by the USGS at no additional cost to Mercer County, which is a requirement for FEMA Mapping and the USGS National Elevation Data base.

Additionally, funding would allow the Mercer County Water Resource to enter into a contract agreement with the US Army Corps of Engineers St Louis District (Federal Center of Expertise for GIS / LiDAR), which acts as the contracting agency for the Federal/State Coalition and the project as previously identified.

The project is estimated to cost \$234,000, of which all is eligible for 50% cost share assistance, for an amount not to exceed \$117,000 in state funds.

I recommend that the State Water Commission approve this request by the Mercer County Water Resource District for state cost participation in the District's LiDAR Collection Project, at an amount not to exceed \$117,000 from the funds appropriated to the State Water Commission in the 2013-2015 biennium. This approval is subject to the entire contents of the recommendation contained herein and availability of funds.

TS:MMB/2045

JACK DALRYMPLE, GOVERNOR
CHAIRMAN

TODD SANDO, P.E.
CHIEF ENGINEER AND SECRETARY

Mercer County Water Resource District



Ph. 701-748-2206

Fax 701-748-6200

*P.O. Box 488
Hazen, ND 58545*

April 29, 2014

Todd Sando, State Engineer
ND State Water Commission
900 E Boulevard Ave, Dept 770
Bismarck, ND 58505-0850

Re: Cost-Share Request for Mercer County LiDAR Collection

I enclose with this letter a Cost-Share Request for Collection of LiDAR Data in Mercer County. The cost figures used in this Request are based on a quote from Fugro Horizons under their contract with the Corps of Engineers. The collection will meet LiDAR specifications for FEMA/USGS mapping requirements. This collection will be targeted for the fall of 2014, and will be added to the State and Federal LiDAR Collection Project currently ongoing for Divide, Burke, Mountrail, McLean, and southern Burleigh and Kidder Counties. We understand and are informed that the various state and federal agencies that are part of this collection have approved us for addition to the project – subject to approval by the State Water Commission of this request for a Cost-Share.

While I have not indicated this in the Cost-Share form, it is my understanding that USGS will be providing the third party QA/QC as “work in kind” for this collection. Since we are working with the same contractor, we expect that our collection will match the plans and specifications of the rest of the Federal/State collection that is on-going.

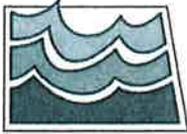
Sincerely,



Gregory L. Lange
Enc.
Cc: Michael Hall

GLLII





ND STATE WATER COMMISSION

Project Information and Cost-Share Request Form

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

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

1. **Project, program, or study name:** Mercer County LiDAR Collection

2. **Sponsor(s):** Mercer County Water Resource Board

3. **Location (county, city, township, etc.):** All of Mercer County

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

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

a. **If study, what type:**

- Water Supply Hydrologic Floodplain Mgmt Feasibility
 Other

b. **If project/program:**

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

6. **Jurisdictions/Stakeholders involved:** The sponsor, Mercer County Commission and several cities *and local energy companies support this request.*

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

Mercer County is in the middle of a Section 22 study with the COE and State Water Commission, and the LiDAR data would assist us in finding solutions to persistent Knife River Flooding. It would leverage the hydrology and hydraulics studies already completed by the State Water Commission.

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

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

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

11. Have you applied for any state permits?: Yes No Not Applicable

a. If yes, please explain:

12. Have you been approved for any state permits?: Yes No Not Applicable

a. If yes, please explain:

13. Have you applied for any local permits?: Yes No Not Applicable

a. If yes, please explain:

14. Have you been approved for any local permits?: Yes No Not Applicable

a. If yes, please explain:

15. Briefly explain the level of review the project or program has undergone:

We have discussed this with the stakeholders mentioned and they support this effort.

16. Do you expect any obstacles to implementation (i.e., problems with land acquisition, permits, funding, local opposition, environmental concerns, etc.)?

Funding the local share is the challenge and we are confident we can raise those funds.

17. Estimated project or program total implementation costs: \$

<i>Source</i>	<i>Cash</i>	<i>In-kind</i>
Federal	\$	\$
State	\$117,000	\$
Local	\$117,000	\$
Total	\$234,000	\$0

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

Source	2011-2013 7/1/11-6/30/13	2013-2015 7/1/13-6/30/15	2015-2017 7/1/15-6/30/17	2017-2019 7/1/17-6/30/19	Beyond 6/30/19
Federal	\$	\$	\$	\$	\$
State	\$	\$117,000	\$	\$	\$
Local	\$	\$117,000	\$	\$	\$
Total	\$0	\$234,000	\$0	\$0	\$0

19. Please explain implementation timelines, considering all phases and their current status: We are proposing this for a fall 2014 collection.

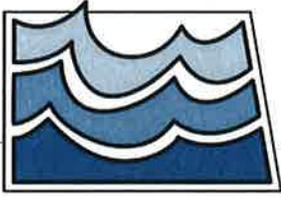
20. Have assessment districts been formed?: Yes No Ongoing Not Applicable

Submitted by: Gregory L. Lange

Date: April 29, 2014

Address and telephone: PO Box 488 Hazen ND 58545 701.748.2206

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



North Dakota State Water Commission

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Agenda 94)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *Todd* Todd Sando, PE, Chief Engineer/Secretary
SUBJECT: NDSWC Cost-Share Participation Request – City of Marion Flood Mitigation Project
DATE: May 19, 2014

In their correspondence dated April 29, 2014, the City of Marion requested state cost-share participation for their Flood Mitigation Project.

The City made a cost share request in the fall of 2013 that was denied due to the project being an urban drainage issue, therefore making the project ineligible under the cost share program. LaMoure County has scheduled a reconstruction project for the summer of 2014 which will re-establish all drainage along the highway, including the area noted as eastern slough, which will create a rural drainage issue which meets cost share requirements.

In recent years the City of Marion has been fighting the rising waters of Boom Lake to the west and a slough on the eastern side of town. Boom Lake is a closed basin and was recently studied by the State Water Commission (March 2012). The slough on the east is divided by LaMoure County Highway No. 61. The culverts under the highway were plugged by the city in the 1990's to reduce the impact of the slough to the community. The soils in this area are highly permeable, so the slough slowly seeps from east to west, but the rate is manageable due to the plugged culverts.

The City has plugged the gravity drain from the north end of town into Boom Lake and has manually pumped the drainage ditch for the last 3 years. Flooding of the slough located on the eastern side of town has endangered multiple homes, a church and a sewage lift station. This area is pumped yearly by the local fire department. LaMoure County is planning to reconstruct Highway No. 61 in the summer of 2014. With that project all highway drainage will be reestablished, which will reconnect the slough creating a 1.5 square mile watershed that outlets to the eastern side of Marion.

The proposed project will involve constructing a permanent pumping station in the existing drainage ditch and diverting runoff from the slough on the eastern side of town via a new storm sewer. This will prevent flooding of the eastern side of town. The City is requesting cost share on the drainage pipe and pump station required to convey those flows. The project will include items not eligible for cost share in regards to internal drainage issues that the city will also address.

The project is estimated to cost \$521,480, of which \$341,242 is eligible for 60% cost share assistance as a rural flood control project. However, because 8% of the drainage area was determined to be from an urban source, it is not considered eligible for cost share assistance. The cost share amount will be determined by multiplying the eligible costs by 92% to account

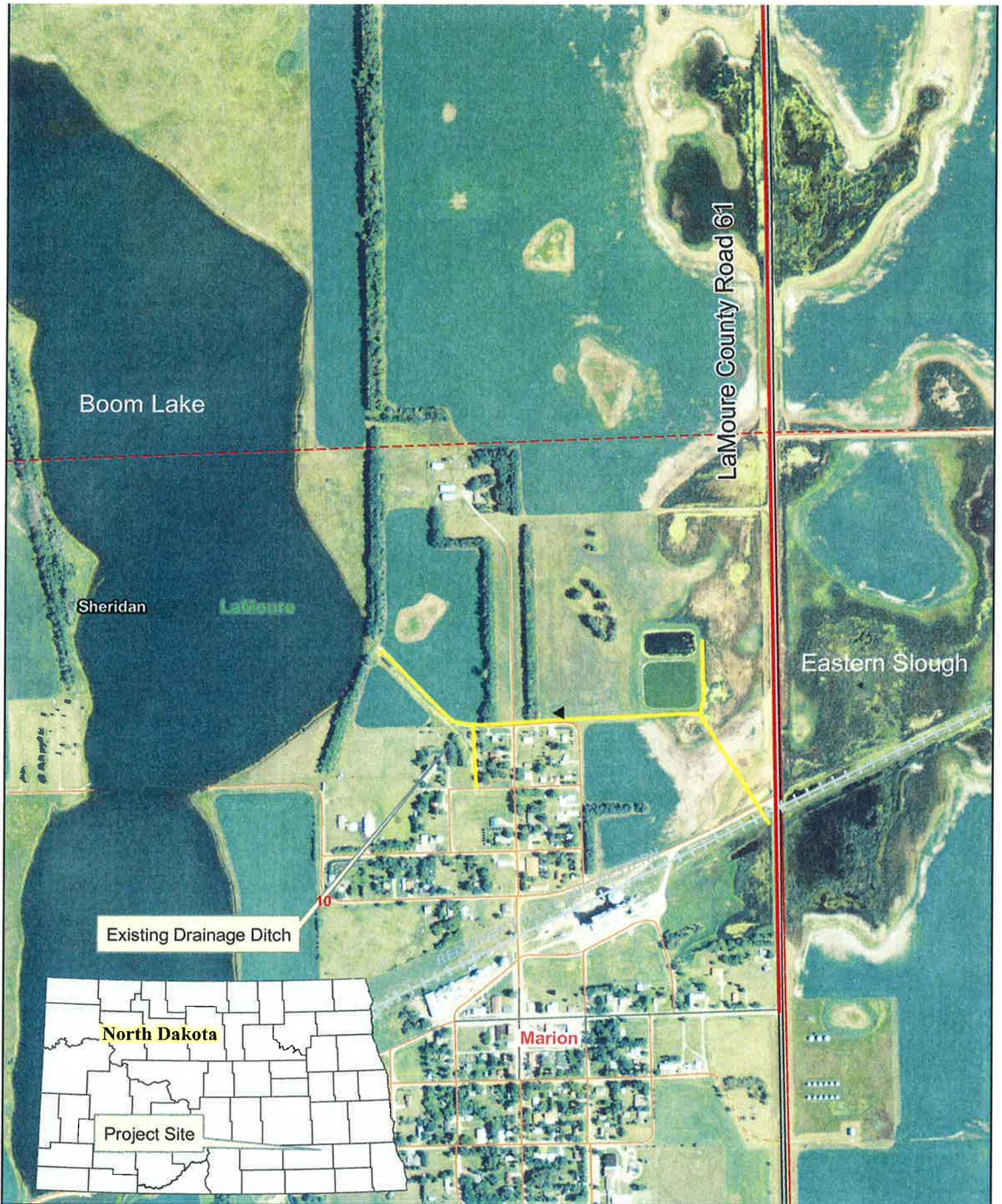
JACK DALRYMPLE, GOVERNOR
CHAIRMAN

TODD SANDO, P.E.
CHIEF ENGINEER AND SECRETARY

for the portion of the drainage area that is urban in nature, then multiplying that amount by 60%. The amount recommend for cost share is not to exceed \$188,366 in state funds.

I recommend that the State Water Commission approve this request by the City of Marion for state cost participation in the Marion Flood Mitigation and Lagoon Drainage Project, at an amount not to exceed \$188,366 from the funds appropriated to the State Water Commission in the 2013-2015 biennium. This approval is subject to the entire contents of the recommendation contained herein and availability of funds.

TS:MW/2048



City of Marion
Flood Mitigation, Lagoon Drainage Improvements



◇ April 29, 2014

Melissa Ward
North Dakota State Water Commission
900 E. Boulevard Ave
Department 770
Bismarck, ND 58505-0850



Re: City of Marion
Updated Cost Share Request

Dear Ms Ward:

On behalf of the City of Marion, please find attached the Cost-Share Request Form. The city is requesting assistance with floodwaters and other drainage issues.

The City made an initial request in the fall of 2013 which was rejected. At the time, the rejection was based on the information that the culverts under LaMoure County Highway 61 were plugged, therefore the drainage issue the city was experiencing was an Urban drainage issue. LaMoure County has scheduled a reconstruction project for the summer of 2014 which will re-establish all drainage along the highway, including the area noted below as the eastern slough, which will create a Rural drainage issue which meets the Cost Share Requirements. The City needs to install these improvements so drainage can be accommodated when the culverts are installed by the County.

In recent years the city has been fighting the rising waters of Boom Lake and a slough on the eastern side of town. Boom Lake is a closed basin and was recently studied by the State Water Commission (Mitchell Weier prepared the report). The city plugged the gravity drain from the north end of town and has manually pumped the drainage ditch for the last 2 years. Flooding of the slough located on the eastern side of town has endangered multiple homes, a church and a sewage lift station. This area is pumped yearly by the local fire department.

The proposed project will provide a permanent pumping station in the existing drainage ditch and reroute water from the slough on the eastern side of town.

The City of Marion is a community of 133 people. Their only sources of revenue are property taxes, sales taxes, garbage fees, and sewage fees. The City will pay for their local share by obtaining a Clean Water SRF loan from the North Dakota Department of Health. The City is requesting that the State Water Commission consider the City's ability to pay in this request. At this time it is unsure if this project would fall under flood



protection or drainage, so both cost share amounts are represented in the cost estimate, but the City is requesting that the flood protection rate be utilized.

The City is requesting Cost Share on the drainage pipe and pump station to convey those flows. The project will include items not eligible for cost share in regards to internal drainage issues. Attached to this letter please find the Cost Share Application, detailed Cost Estimate, Preliminary Construction Plans, and Highway 61 Construction Plans. If you have any questions or concerns please contact me at 701-845-9439.

Sincerely,

KLJ

A handwritten signature in blue ink, appearing to read 'Erik Gilbertson', written over a large, light blue oval shape.

Erik Gilbertson, PE
Project Manager

Project #: 5412100

**NATIONAL PERSPECTIVE
REGIONAL EXPERTISE
TRUSTED ADVISOR**



ND STATE WATER COMMISSION

Project Information and Cost-Share Request Form

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

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

1. **Project, program, or study name:** Marion Flood Mitigation & Lagoon Drainage
2. **Sponsor(s):** City of Marion
3. **Location (county, city, township, etc.):** City of Marion
4. **Description of request:** New Update (previously submitted)
5. **Specific needs addressed by the project, program, or study:**
 - a. **If study, what type:**
 Water Supply Hydrologic Floodplain Mgmt Feasibility
 Other
 - b. **If project/program:**
 Flood Control Snagging & Clearing Water Quality
 Recreation Bank Stabilization Rural Flood Control
 Channel Imp. Irrigation Other
 Multi-Purpose Water Supply
6. **Jurisdictions/Stakeholders involved:** City of Marion, LaMoure County Water Resource District
7. **Description of problem or need and how project addresses that problem or need:**
Provide piping, permanent pumping system for flood protection and lagoon drainage.
8. **Has a feasibility study been completed?:** Yes No Ongoing Not Applicable
9. **Has engineering design been completed?:** Yes No Ongoing Not Applicable
10. **Have land or easements been acquired?:** Yes No Ongoing Not Applicable

11. Have you applied for any state permits?: Yes No Not Applicable
 a. If yes, please explain: included with request (if needed)
12. Have you been approved for any state permits?: Yes No Not Applicable
 a. If yes, please explain:
13. Have you applied for any local permits?: Yes No Not Applicable
 a. If yes, please explain: Met with LaMoure County Water Resource District
14. Have you been approved for any local permits?: Yes No Not Applicable
 a. If yes, please explain:

15. Briefly explain the level of review the project or program has undergone:
 Environmental Solicitations were sent out and responses received.

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

17. Estimated project or program total implementation costs: \$ 511,865

<i>Source</i>	<i>Cash</i>	<i>In-kind</i>
Federal	\$201,652	\$
State	\$162,459	\$
Local	\$157,359	\$
Total	\$521,470	\$0

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

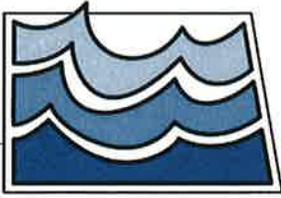
Source	2011-2013 7/1/11-6/30/13	2013-2015 7/1/13-6/30/15	2015-2017 7/1/15-6/30/17	2017-2019 7/1/17-6/30/19	Beyond 6/30/19
Federal	\$	\$201,652	\$	\$	\$
State	\$	\$162,459	\$	\$	\$
Local	\$	\$157,359	\$	\$	\$
Total	\$0	\$521,470	\$0	\$0	\$0

19. Please explain implementation timelines, considering all phases and their current status: Start project immediately following approval of funds, complete within 90 days of approval, pending weather and crops.

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

Submitted by: Gene Rode, Mayor
Date: 8/20/2013
Address and telephone: 701-669-2330

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



North Dakota State Water Commission

900 EAST BOULEVARD AVENUE, DEPT 770 • BISMARCK, NORTH DAKOTA 58505-0850
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Agenda 95

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *(Signature)* Todd Sando, PE, Chief Engineer/Secretary
SUBJECT: NDSWC Cost-Share Participation Request – City of Pembina 2014 Flood Protection System Modifications Project – Cost Overrun
DATE: May 19, 2014

The City of Pembina (City) received approval for state cost-share participation for their US Army Corps of Engineers Section 408 Review on the City's Flood Control Levee Certification Project in the amount of \$181,200. The City also received approval for state cost-share participation for the construction of the Flood Protection System Modifications Project on March 17, 2014 in the amount of \$660,900.

In May 2011, the City submitted a proposal to the US Army Corps of Engineers (Corps) to raise the floodwall and levee as part of the certification process. Because the City's flood protection system was built by the Corps, any modification to it requires Corps approval. The City has received the final Section 408 Major Modification approval from the Corps.

The project is located in the W ½ of Section 4, E ½ of Section 5, NE ¼ of Section 8 and NW ¼ NW ¼ of Section 9, Township 163 North, Range 51 West.

In order to meet the certification criteria outlined in 44 CFR 65.10, the levee must be raised and the floodwall must be rehabilitated and raised along with other related improvements. The project is intended to address these requirements and ensure the levee system continues to be shown as providing protection from the 1% chance flood.

The earthen levee portion of the protection system will be raised an average of .3 feet and the concrete floodwall will be raised an average of .7 feet. The dike will have a top width of 10 feet with interior and exterior side slopes of 3:1. The dike will also be vegetated with developer sod to prevent erosion.

The City opened bids for the project on May 12, 2014. The bids were divided into two components. First component is for the floodwall (\$1,382,260) and the other for the embankment and miscellaneous infrastructure (\$678,120) for a total of \$2,060,380.

The primary reason for the higher earthwork prices are a combination of factors including heavy local/regional workload, a late start to the construction season, and the influence of the work in western North Dakota. Contractors are at or near capacity in the region. Completion of the project in 2015 will not affect the USACE Major Mod or FEMA certification processes.

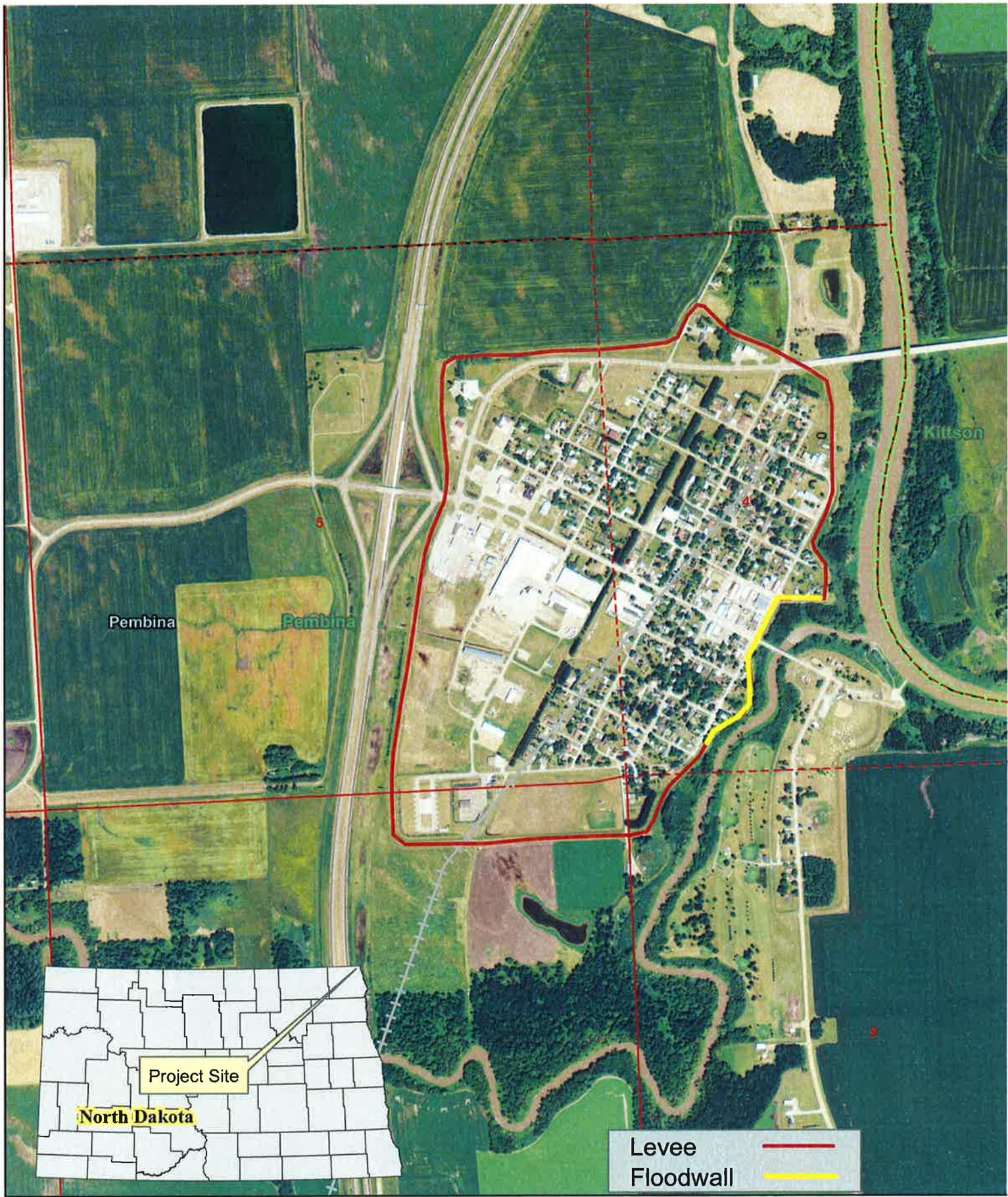
The project is now estimated to cost \$2,060,380, of which \$1,719,969 is eligible for 60% cost share assistance as a flood control project, for an amount not to exceed \$1,031,981 in state funds. With the previously approved \$660,900 and additional \$371,081 is requested.

I recommend the State Water Commission approve this request by the City of Pembina for state cost participation cost overrun in the City's 2014 Flood Protection System Modifications Project, at an amount not to exceed \$371,081 from the 2013-2015 appropriated funds. This approval is subject to the entire contents of the recommendation contained herein and the availability of funds.

TS:MMB/1444

JACK DALRYMPLE, GOVERNOR
CHAIRMAN

TODD SANDO, P.E.
CHIEF ENGINEER AND SECRETARY



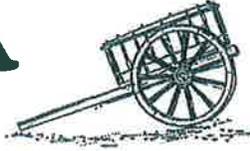
City of Pembina Levee Improvements
Parts of Sections 4,5,8&9, T163N, R51W

Pembina Co.
Permit No.2409



CITY OF PEMBINA

152 W. ROLETTE STREET
PEMBINA, NORTH DAKOTA 58271



Phone (701) 825-6819
Fax (701) 825-6718

email: pcityofc@invisimax.com
Web: <http://cityofpembina.org>

April 24, 2014

Mr. Todd Sando, P.E.
State Engineer
North Dakota State Water Commission
900 East Boulevard Avenue, Dept. 770
Bismarck, ND 58505-0850



Re: Pembina Flood Protection System Modifications Project (Project)

Mr. Sando:

The City opened bids for the Project on April 14, 2014. Only 2 bids were received from 23 registered plan holders. The Engineers estimate at the bid opening was \$1.35M and the bids received were approximately \$2.2M and \$2.4M. Given the excessive nature of the bids received, the City rejected all bids and is pursuing a Project re-bid to be opened May 12, 2014.

In talking with Contractors, it is apparent that regional overall workload is good, with work in western North Dakota also heavily influencing prices and system capacity. That said, we still see a distinct opportunity to rebid the Project in 2 concurrent phases.

- 1. Floodwall
- 2. Embankment

Discussions with floodwall contractors indicate re-bid prices at or near the Engineer's original estimate, with the re-bid embankment work appealing to additional mid-size earthwork contractors in the region that did not bid the first time. By breaking the Project into these two components, we see floodwall (concrete) contractors willing to Prime that phase at a reasonable price, with both larger and mid-size earthwork contractors able to bid the relatively modest embankment and miscellaneous work at a reasonable price without the liability and complexity of the floodwall work. We feel the opportunity is reasonable for better prices that are much closer to the Engineer's estimate.

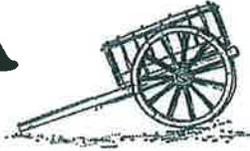
As you know, the State Water Commission (SWC) approved cost share for the Project based upon an approximate \$1M construction estimated cost submitted in February 2014. Most of the reason for the difference between the \$1M approved and \$1.35M actual estimate included:

- The original estimate was prepared prior to final engineering primarily due to timing and advance notice needed to be considered by the SWC. The final details and costs of the Project were further developed after the February 2014 SWC cost-share request.
- Contingency was not considered with the February estimate.

"Oldest Settlement in the Dakotas"

CITY OF
PEMBINA

152 W. ROLETTE STREET
PEMBINA, NORTH DAKOTA 58271



Phone (701) 825-6819
Fax (701) 825-6718

email: pcityofc@invisimax.com
Web: <http://cityofpembina.org>

Given the fluctuating nature of construction industry costs, please consider this request for additional cost-share with construction now estimated at \$1.35M plus 10% contingency for a total of \$1.49M. This request and the phased approach does not change the actual permitted Project in any way. With the bid opening May 12, we will be able to provide the actual numbers to SWC staff well in advance of the May 29 meeting in Bismarck.

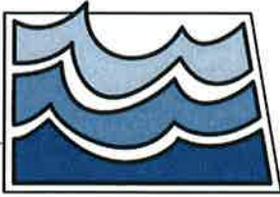
The Project has evolved to the point where construction is imminent. It is critical that we move forward on this important Project prior to another Spring flood event. The SWC has been exemplary and we could not ask for a more supportive partner. We just ask for your continued support and understanding, with hopes that you recognize our diligence in obtaining flood protection in the best fiscal interest of both the citizens of Pembina and North Dakota.

We look forward to your consideration of our request at the upcoming SWC meeting.

Sincerely,

Kyle Dorion
Mayor of Pembina

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North Dakota State Water Commission

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Agenda 96)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *TSD* Todd Sando, PE, Chief Engineer/Secretary
SUBJECT: NDSWC Cost-Share Participation Request –Pembina County Water Resource District's Drain 11 Outlet Extension Project
DATE: May 19, 2014

In their correspondence dated April 15, 2014, the Pembina County Water Resource District requested state cost-share participation for their Drain 11 Outlet Extension Project.

Landowners in Pembina Township have experienced crop loss and flooding in the past few years. The outlet of Drain 11 was reconstructed several years ago, however, the design is insufficient due to sediment issues from the Pembina River.

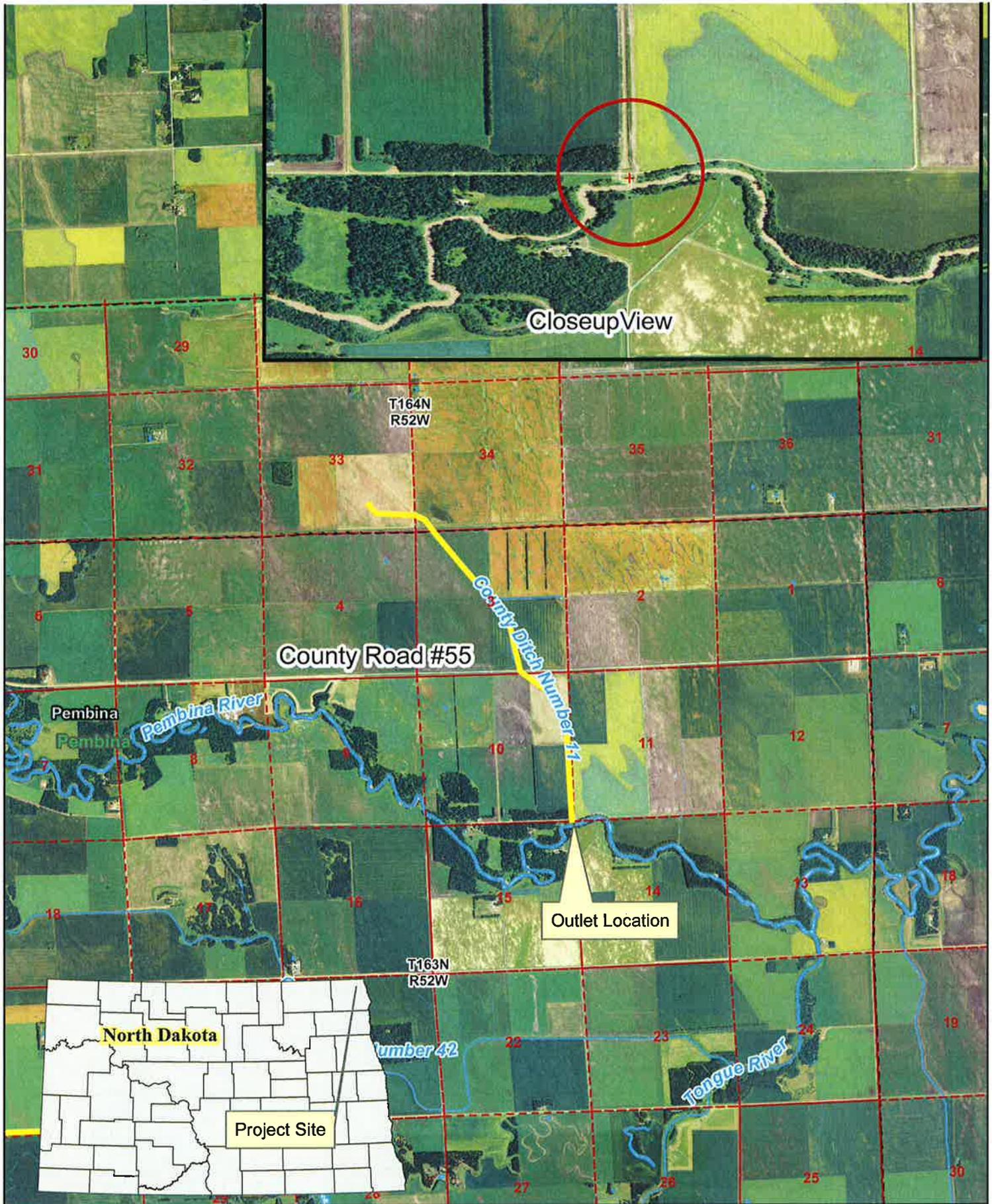
The Pembina River flows into a u-shaped area between the drain outlet and the river and deposits sediment in front of the culverts blocking all flow. The blocked culverts hold water on Pembina County Highway 55, which is a main artery for east and west traffic.

The project is located in Section 15, Township 163 North, Range 52 West. The project will extend the current outlet and culvert structure to the river, which will alleviate the sediment issue. All of the current outlet structure will remain in place with modifications to the headwall and culverts to allow for the extension of the outlet.

The project is estimated to cost \$322,717, of which \$279,467 is eligible for 45% cost share assistance, for an amount not to exceed \$125,760 in state funds.

I recommend that the State Water Commission approve this request by the Pembina County Water Resource District for state cost participation in the District's Drain 11 Outlet Extension Project, at an amount not to exceed \$125,760 from the funds appropriated to the State Water Commission in the 2013-2015 biennium. This approval is subject to a signed drain permit and the entire contents of the recommendation contained herein and availability of funds.

TS:MMB/1140



Pembina County Water Resource District
 Drain Number 11 Outlet Extension



PEMBINA COUNTY
WATER RESOURCE DISTRICT

308 Courthouse Drive #5
Cavalier, North Dakota 58220

Phone: 701-265-4511
Fax: 701-265-4165

April 15, 2014

Todd Sando, State Engineer
State Water Commission
900 East Boulevard
Bismarck, ND 58505

Re: Request for cost-share assistance

Dear Mr. Sando:

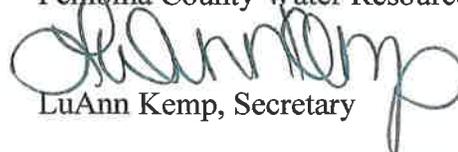
Landowners in Pembina township have suffered tremendous crop loss and flooding in a number of the past years. The outlet of Drain 11 was reconstructed several years ago; however, the design has proven to be insufficient due to sediment issues from the Pembina River. The board designated Jeff Daley with Kadrmas, Lee and Jackson to help in the planning process for a solution to remedy the problem. A proposal to extend the current outlet and culvert structure to the river was designed and will alleviate the sediment issue. All of the current structure will remain in place with modifications to the headwall and culverts to allow for the extension of the outlet. The landowner support of the project was overwhelming with over 90% of the ballots returned voting for the project.

The Pembina County Water Resource District Board of Managers is hereby requesting cost-share assistance for the above described project. I am enclosing a copy of the Engineer's Estimate and a copy of the plans showing the line and design of the proposed drain.

If you have any questions, please feel free to contact our office.

Sincerely,

Pembina County Water Resource District


LuAnn Kemp, Secretary

Board Members

Ronald Falk, Charles Thacker, Joshua Heuchert, & Gerald Juhl



PEMBINA COUNTY LEGAL DRAIN 11
Extend 60" CSP Outlet Pipes & Install Headwall & Wingwall

ITEM #	ITEM	QUANTITY	UNIT	UNIT PRICE	AMOUNT
1	CONTRACT BOND	1	L SUM	\$ 7,500.00	\$ 7,500.00 <i>NE</i>
2	REMOVE & REINSTALL 60" CSP FLAP GATES	4	EA	\$ 1,000.00	\$ 4,000.00
3	COMMON EXCAVATION-TYPE B	243	CY	\$ 15.00	\$ 3,645.00
4	MUCK EXCAVATION	348	CY	\$ 20.00	\$ 6,960.00
5	BORROW	2209	CY	\$ 7.50	\$ 16,567.50
6	TOPSOIL-IMPORTED	181	CY	\$ 16.00	\$ 2,896.00
7	FOUNDATION PREPARATION	1	EA	\$ 10,000.00	\$ 10,000.00
8	FOUNDATION FILL	575	CY	\$ 40.00	\$ 23,000.00
9	AGGREGATE BASE COURSE CL 5	673	TON	\$ 26.00	\$ 17,498.00
10	CLASS AE-3 CONCRETE	28.2	CY	\$ 1,000.00	\$ 28,200.00
11	MOBILIZATION	1	L SUM	\$ 9,500.00	\$ 9,500.00
12	TRAFFIC CONTROL	1	L SUM	\$ 1,500.00	\$ 1,500.00
13	RIPRAP - LOOSE ROCK	178	CY	\$ 70.00	\$ 12,460.00
14	FLOTATION SILT CURTAIN	150	LF	\$ 20.00	\$ 3,000.00
15	FIBER ROLLS 12IN	100	LF	\$ 10.00	\$ 1,000.00
16	SEEDING-HYDRO MULCH	0.27	ACRE	\$ 15,000.00	\$ 4,050.00
17	GEOGRID	417	SY	\$ 8.00	\$ 3,336.00
18	GEOTEXTILE FABRIC TYPE RR	178	SY	\$ 4.00	\$ 712.00
19	GEOTEXTILE FABRIC TYPE R1	650	SY	\$ 4.00	\$ 2,600.00
20	PIPE CORR STEEL .138IN 60IN	300	LF	\$ 100.00	\$ 30,000.00
21	CSP HEADWALL/WINGWALL/CUTOFF WALL	95	LF	\$ 100.00	\$ 9,500.00

Estimated Total Construction Cost = \$ 197,924.50 *- 7500 = 190,424.50*
Construction Contingency (10%) = \$ 19,792.45 *= 19,042.50*
Estimated Engineering, Surveying, Legal & ROW Fees = \$ 35,000.00 *NE*
Material Cost for Culverts = \$ 70,000.00
Total Project Cost = \$ 322,716.95

TOTAL PROJECT COST ELIGIBLE FOR 45% SWC FUNDS = \$ 295,424.50 *= 279,467*
 (SWC Eligible Funds = Total Project Cost minus Engineering, Survey, Legal, ROW, Utilities & Contract Bond)

SWC Funding @ 45% = \$ 132,941.03 *= 125,760*
Local Share = \$ 189,775.93

Based on DA of 6,391.41 Acres

Total Project Cost without SWC Funds (\$322,716.95 / 6,391.41) = \$50.50/ACRE
 Total Project Cost with 45% SWC Funds (\$189,775.93/ 6,391.41) = \$29.70/ACRE



ND STATE WATER COMMISSION

Project Information and Cost-Share Request Form

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

1. **Project, program, or study name:** Drain 11 Outlet Extension

2. **Sponsor(s):** Pembina County Water Resource

3. **Location (county, city, township, etc.):** Pembina County

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

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

a. **If study, what type:**

- Water Supply Hydrologic Floodplain Mgmt Feasibility
 Other

b. **If project/program:**

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

6. **Jurisdictions/Stakeholders involved:** Pembina County Water Resource District

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

Pembina County Drain 11 had a reconstructed outlet constructed several years ago. During flood years, the Pembina River flows into the u-shaped area between the drain outlet and the river and deposits sediment in front of the culverts blocking all flow. The blocked culverts hold water on Pembina County Highway 55 which is a main artery for east west traffic. The outlet is being extended to the river to prevent the sedimentation from blocking the culverts and allow proper functioning of the outlet.

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

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

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



North Dakota State Water Commission

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Agenda #7)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *TS* Todd Sando, PE, Chief Engineer/Secretary
SUBJECT: NDSWC Cost-Share Participation Request –Pembina County Water Resource District's Bourbanis/Olson Dam Safety Project
DATE: May 19, 2014

In their correspondence dated March 26, 2014, the Pembina County Water Resource District requested state cost-share participation for their Bourbanis/Olson Dam Project.

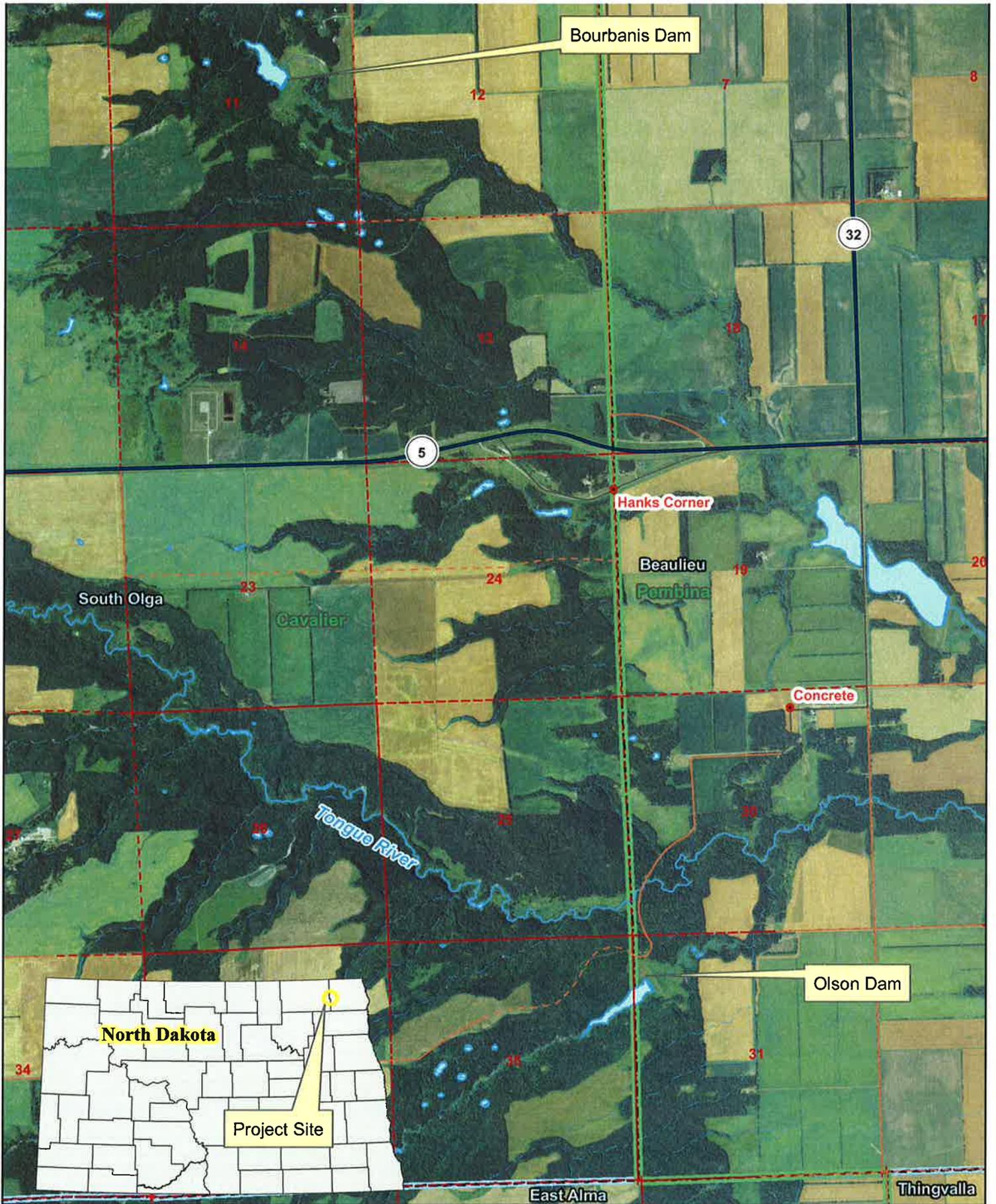
During the spring 2013 flooding event, both Bourbanis and Olson dams received substantial damages. Bourbanis Dam experienced a significant amount of erosion on the emergency spillway while Olson Dam experienced a slough within one of its emergency spillways.

NRCS was on-site during the event monitoring the damage and to assess the repair costs. Both dams have been approved for NRCS cost share for flood damages at 75%. Plans are nearly complete and will be going out for bid soon. The construction must be finished prior to the end of the NRCS 2013-2014 fiscal year, which ends September 30, 2014.

The project is estimated to cost \$1,061,435, of which \$265,360 (\$796,075 paid by NRCS) is eligible for 50% cost share assistance of the non-federal costs, for an amount not to exceed \$132,680 in state funds.

I recommend that the State Water Commission approve this request by the Pembina County Water Resource District for state cost participation in the District's Bourbanis/Olson Dam Safety Project, at an amount not to exceed \$132,680 from the funds appropriated to the State Water Commission in the 2013-2015 biennium. This approval is subject to the entire contents of the recommendation contained herein and availability of funds.

TS:MMB/1296



Pembina County Water Resource District
 Bourbanis Dam - Cavalier County
 Olson Dam - Pembina County



PEMBINA COUNTY
WATER RESOURCE DISTRICT

308 Courthouse Drive #5
Cavalier, North Dakota 58220
Phone: 701-265-4511
Fax: 701-265-4165

March 26, 2014

APR - 2014

ND State Water Commission
900 E Boulevard Ave. Dept. 770
Bismarck, ND 58505-0850

Dear Members:

During the spring 2013 flooding event, both Bourbanis and Olson dams received substantial damages. Bourbanis Dam experience a fairly significant amount of erosion on the emergency spillway while Olson Dam experienced a slough within one of its emergency spillways. NRCS state engineers were on-site during the event monitoring the damage and to assess the repair costs. Both dams have been approved for NRCS cost-share for flood damages at the 75% level. Plans are nearly complete and will be bid soon. The construction must be finished prior to the end of the 2013-2014 fiscal year for NRCS which ends September 30, 2014; therefore, time is of the essence to begin the repairs.

The construction estimate for the repairs (including a 20% contingency) is \$1,061,435, of which the NRCS will cost-share 75% in the amount of \$796,075.

The Pembina County Water Resource Board hereby requests cost-share assistance for 50% of the remaining local cost (\$265,360) from the North Dakota State Water Commission in the amount of \$132,680.

If you have any questions, please don't hesitate to call our office.

Sincerely,

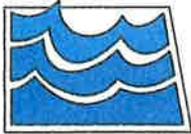


LuAnn Kemp, Secretary

Enc

Board Members

Ronald Faltz, Joshua Heuchert, Charles Thacker, & Gerald Juhl



ND STATE WATER COMMISSION

Project Information and Cost-Share Request Form

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

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

1. Project, program, or study name: 2013 Dam Safety repairs -Bourbanis/Olson Dams

2. Sponsor(s): Pembina County Water Resource

3. Location (county, city, township, etc.): Pembina County/Cavalier County

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

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

a. If study, what type:

- Water Supply Hydrologic Floodplain Mgmt Feasibility
 Other

b. If project/program:

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

6. Jurisdictions/Stakeholders involved: Pembina County WRD/NRCS/Cavalier County WRD

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

High flow events during the spring 2013 caused substantial damages on Bourbanis and Olson Dams that need to be repaired to bring the dams back to safe operating conditions. NRCS engineers have spent much of the past year designing repairs and in some cases modifications to ensure safe operations of the dams for years to come.

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

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

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

11. Have you applied for any state permits?: Yes No Not Applicable

a. If yes, please explain: Permits are in process with NRCS engineers

12. Have you been approved for any state permits?: Yes No Not Applicable

a. If yes, please explain:

13. Have you applied for any local permits?: Yes No Not Applicable

a. If yes, please explain:

14. Have you been approved for any local permits?: Yes No Not Applicable

a. If yes, please explain:

15. Briefly explain the level of review the project or program has undergone:

Community is in full support of the repairs -

16. Do you expect any obstacles to implementation (i.e., problems with land acquisition, permits, funding, local opposition, environmental concerns, etc.)?

No

17. Estimated project or program total implementation costs: \$ 121,652

<i>Source</i>	<i>Cash</i>	<i>In-kind</i>
Federal	\$ 796,075	\$
State	\$ 132,680	\$
Local	\$ 132,680	\$
Total	\$ 1,061,435	\$ 0

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

Source	2011-2013 7/1/11-6/30/13	2013-2015 7/1/13-6/30/15	2015-2017 7/1/15-6/30/17	2017-2019 7/1/17-6/30/19	Beyond 6/30/19
Federal	\$	\$ 796,075	\$	\$	\$
State	\$	\$ 132,680	\$	\$	\$
Local	\$	\$ 132,680	\$	\$	\$
Total	\$ 0	\$ 1,061,435	\$ 0	\$ 0	\$ 0

19. Please explain implementation timelines, considering all phases and their current

status: Plans are nearly complete - federal funding mandates that the project be complete by Fall 2014.

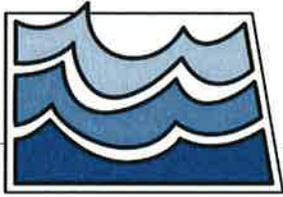
20. Have assessment districts been formed?: Yes No Ongoing Not Applicable

Submitted by: Pembina County Water Resource District

Date: 3/26/2014

Address and telephone: 308 Courthouse Drive #5 Cavalier, ND 58220

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



North Dakota State Water Commission

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Agenda (8)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *TSD* Todd Sando, PE, Chief Engineer/Secretary
SUBJECT: NDSWC Cost-Share Participation Request Ward County Flood Control County
Road 18 Cost Overrun Project
DATE: May 19, 2014

In their submitted correspondence dated April 29, 2014, Ward County requested additional funding for their Flood Control County Road 18 Project. At the July 23, 2013 State Water Commission meeting, the Commission approved the Ward County Flood Control County Road 18 Project in the amount of \$136,268.

The project was to lower water levels in a series of wetland complexes. The project will provide multiple flood control benefits, protect farmsteads and agricultural lands while also reducing the degree of grade raise required for locally important transportation route. The project is located in Sections 4,5,8 and 9 in Torning Township, Ward County.

The wetlands have exceeded their normal water levels and are inundating previously productive farmland, threatening farmsteads and inundating County and Township roadways including County Road 18. An evaluation for a grade raise on County Road 18 resulted in landowners requesting an examination of a means of removing the excess water as an alternative to raising the road. In response, the Ward County Highway Department is planning to construct overflow channels between several wetland complexes with an ultimate discharge to an unmanned tributary to Second Larson Coulee.

Last year, Ward County and its consultant were ready for construction of the drainage project, but had a few easements that still needed to be obtained in order to have a successful project. Due to landowners needing more time to review the plans and comment, the project was unable to be constructed as planned.

Ward County has met with all the landowners and has incorporated their suggestions for the project. The revised set of plans still meets the intent of the project and protects the wetlands that are present throughout the project.

As the project developed, the landowners have required Ward County to give additional assurances that no additional damage would happen to their property. The three items that had the greatest impact on the cost increase of the project were; the additional water that has come into the basin, the additional control structures, and avoiding one land owner that refused to sign an easement.

Since Ward County's original application, there has been additional water that has come into the basin, which will require additional work to construct the project. The original project looked at placing on culvert with a sluice gate to control the water. After working with two of the

JACK DALRYMPLE, GOVERNOR
CHAIRMAN

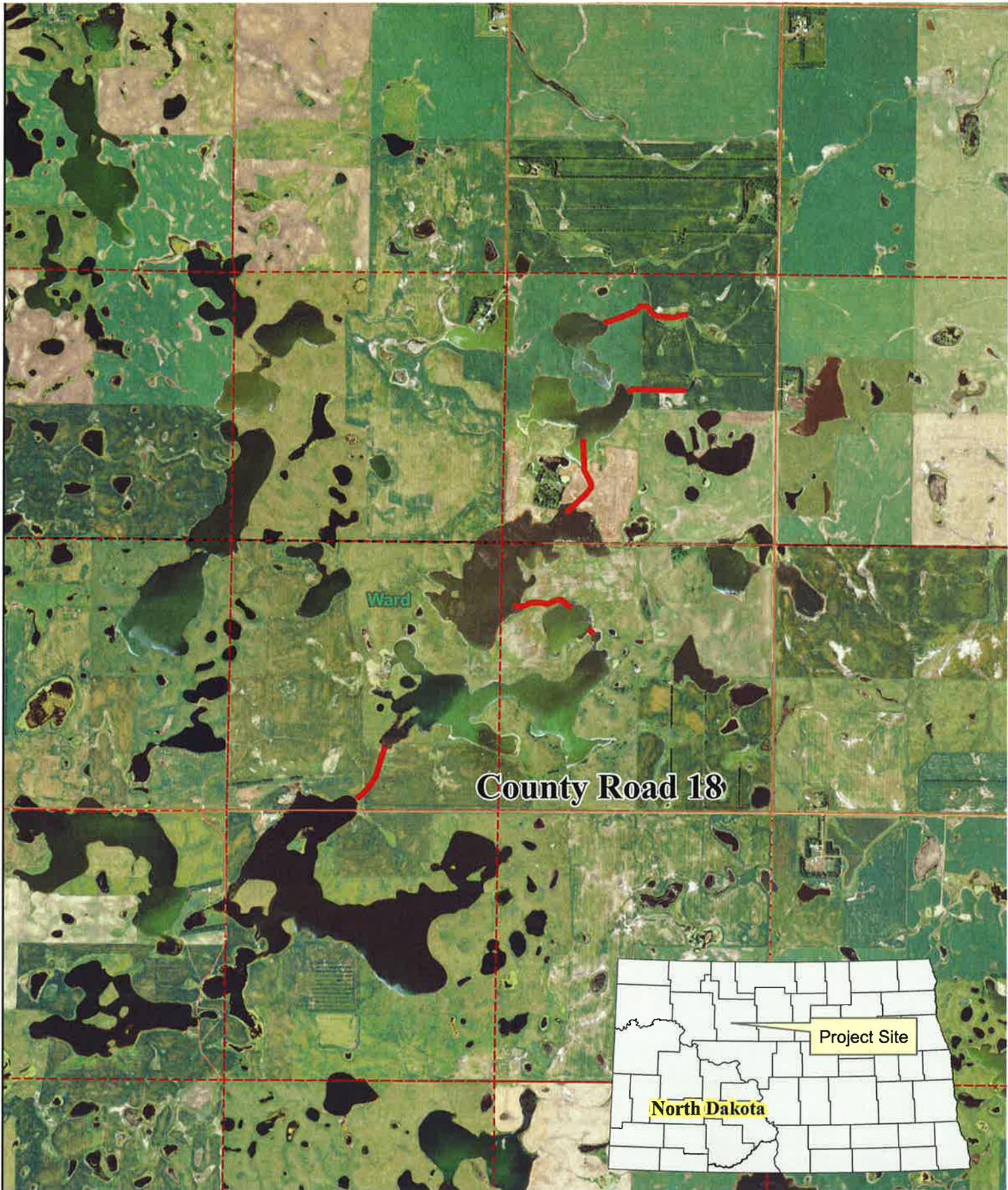
TODD SANDO, P.E.
CHIEF ENGINEER AND SECRETARY

landowners, they wanted assurance that once the project was constructed, if a major event happened again that the water could be controlled. The landowners would not sign a drainage easement unless the County added two more control structures and made them a permanent part of the project. The County also needed to find an alternate route in one section of the project as a result of a personal conflict between one landowner and the other landowners. The alternate route required the addition of a significant cut section. These items were the primary influential factors in the increased cost to the project.

The total cost of the Project now is \$845,585, of which \$722,684 is eligible for state cost-share assistance at 45%, for an amount not to exceed \$325,208 in state funds. With the previously approved \$133,268 and additional \$191,940 is requested.

I recommend the State Water Commission approve this cost overrun request by Ward County for state cost participation in the County's Flood Control County Road 18 Project, at an amount not to exceed \$191,940 from the 2013-2015 appropriated funds. This approval is subject to the entire contents of the recommendation contained herein, all applicable permits and the availability of funds.

TS:MMB/1523



Ward County Highway Department

County Road 18 Drainway Improvements





Ward County Highway Department

900 13th St. SE • P.O. Box 5005 • Minot, ND 58702-5005 • (701) 838-2810 • Fax (701) 838-3801

April 29, 2014

Mr. Todd Sando, P.E.
ND State Water Commission
900 East Boulevard
Bismarck, ND 58505

Dear Mr. Sando:

At a previous State Water Commission Meeting, the Ward County Highway Department presented for a drain/flood control project to lower water levels in a series of inundated areas. This was approved in the July 23rd, 2013 State Water Commission meeting for a 50 percent cost share contribution.

Last year, Ward County and its consultant were ready for construction of the drainage project, but had a few easements that still needed to be obtained in order to have a successful project. Due to landowners needing more time to review the plans and comment, the project was unable to be constructed as planned.

We have met with all the landowners and have incorporated their suggestions for the project. Enclosed is the revised set of plans for the proposed drain/flood control structure. The revised set of plans still meets the intent of the project and protects the wetlands that are present throughout the project.

In the minutes from the July 23rd, 2013 meeting the State Water Commission was going to contribute \$133,268 for this project. Due to the modifications of the project and rising construction costs in the Ward County, the engineers estimate is now at \$845,584.90. This revised estimate includes a 10 percent contingency of \$67,198.63 and the costs associated with construction administration of \$106,400. We have also enclosed a copy of the revised engineer's estimate, which breaks down each line item of the project for your convenience.

We would like to request 50 percent cost share assistance for the revised engineer's estimate of \$845,584.90 in this rural flood control project.

Thank you for your consideration of this request. If you have any questions regarding this project's status or design, please contact James Warne with Houston Engineering at 701.323.0200.

Sincerely,

Dana Larsen, P.E.
Ward County Engineer

Encl.

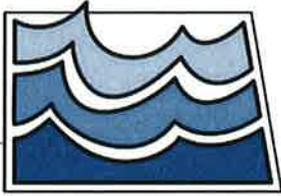
C: James Warne, P.E., HEI

Engineer's Opinion of Probable Cost
Ward County Road 18
3/27/2014

Drain/Flood Control Project						
Spec	Code	Item Description	Unit	Unit Cost	Quantity	Total
103	0100	CONTRACT BOND	L SUM	\$15,000.00	1	\$15,000.00
201	0330	CLEARING AND GRUBBING	L SUM	\$3,200.00	1	\$3,200.00
202	0127	REMOVE & SALVAGE CULVERT-ALL TYPES & SIZES	LF	\$15.00	40	\$600.00
203	0101	COMMON EXCAVATION-TYPE A	CY	\$6.00	29575	\$177,450.00
203	0109	TOPSOIL	CY	\$4.00	3200	\$12,800.00
203	0130	MUCK EXCAVATION	CY	\$10.00	9760	\$97,597.50
216	0100	WATER	M GAL	\$15.00	50	\$750.00
626	0100	COFFERDAM	EA	\$6,500.00	3	\$19,500.00
702	0100	MOBILIZATION	L SUM	\$30,000.00	1	\$30,000.00
704	1052	TYPE III BARRICADE	EA	\$112.00	4	\$448.00
708	1430	FIBER ROLL 12IN	LF	\$2.50	9361	\$23,402.50
708	2240	SEEDING-TYPE B-CL II	ACRE	\$3.50	4	\$12.77
708	5651	ECB TYPE 2	SY	\$2.50	12639	\$31,597.50
708	5653	ECB TYPE 4	SY	\$4.00	3657	\$14,628.00
714	0915	PIPE CONC REINF 36IN CL IV	LF	\$330.00	600	\$198,000.00
714	4116	PIPE CONDUIT 36IN-APPROACH	LF	\$85.00	200	\$17,000.00
910	0701	SLUICE GATE 36IN	EA	\$10,000.00	3	\$30,000.00
Construction Total						\$671,986.27
Contingency (10%)						\$67,198.63
Construction Administration Services						\$106,400.00
Project Total						\$845,584.90

NE

-15,000 =
656,986.27
-65,609.00



North Dakota State Water Commission

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

Agenda (29)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *TS* Todd Sando, PE, Chief Engineer/Secretary
SUBJECT: NDSWC Cost-Share Participation Request – City of Minot’s Property Acquisition
Phase III Project
DATE: May 19, 2014

In February 2012 the State Water Commission approved \$17,175,000 for the purchase of 117 properties that were ineligible for FEMA HMGP acquisition funding. Total cost of these properties was estimated at \$23,070,000. At that time the City deemed these properties as necessary to support their future flood risk reduction measures, to increase conveyance, support their flood fighting effort and/or support permanent flood protection.

In October 2013 the State Water Commission approved \$24,408,258 for the purchase of an additional 113 properties that were ineligible for FEMA HMGP acquisition funding. Total cost of these properties was estimated at \$32,544,345. These properties were specifically identified as necessary for acquisition to support the construction of the (MREFPP) Mouse River Enhanced Flood Protection Project as approved by the City at that time.

In an effort to streamline the process of acquiring those properties identified by the City as being necessary to support the construction of the MREFPP, State Water Commission staff suggested the City develop a master roster of all such properties. The City concurred and has developed a master roster of properties, a map showing the location of the properties in relation to the MREFPP and has revised their Property Acquisition Plan accordingly.

It is the intent of this effort to have the State Water Commission approve Minot’s enclosed Master Roster of Properties and the associated map, as being “necessary for acquisition” for the construction of the MREFPP with the understanding that further discussion will need to take place regarding those properties either owned by other political subdivisions or where only a portion of the property is needed for the project. This recognition and approval will serve to provide awareness to the State Water Commission of Minot’s future property acquisition requirements and to expedite their requests to acquire additional properties previously not approved nor identified for acquisition by the State Water Commission by authorizing the Chief Engineer to approve requests for the City to acquire new properties as identified on the Master Acquisition Roster, in lieu of properties whose owners have declined the City’s initial purchase offer, as long as there is still State Water Commission approved Acquisition funding to do so. Additionally, it is noted that the aforementioned Roster and Map is subject to change as the city moves forward with construction of the MREFPP.

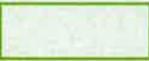
I recommend that the State Water Commission authorize the Chief Engineer to approve the purchase of properties listed on the City’s Master Roster with the understanding that those properties owned by other political subdivisions, or where only a portion of the property is needed for the project, will need additional approval from the State Water Commission at a later date.

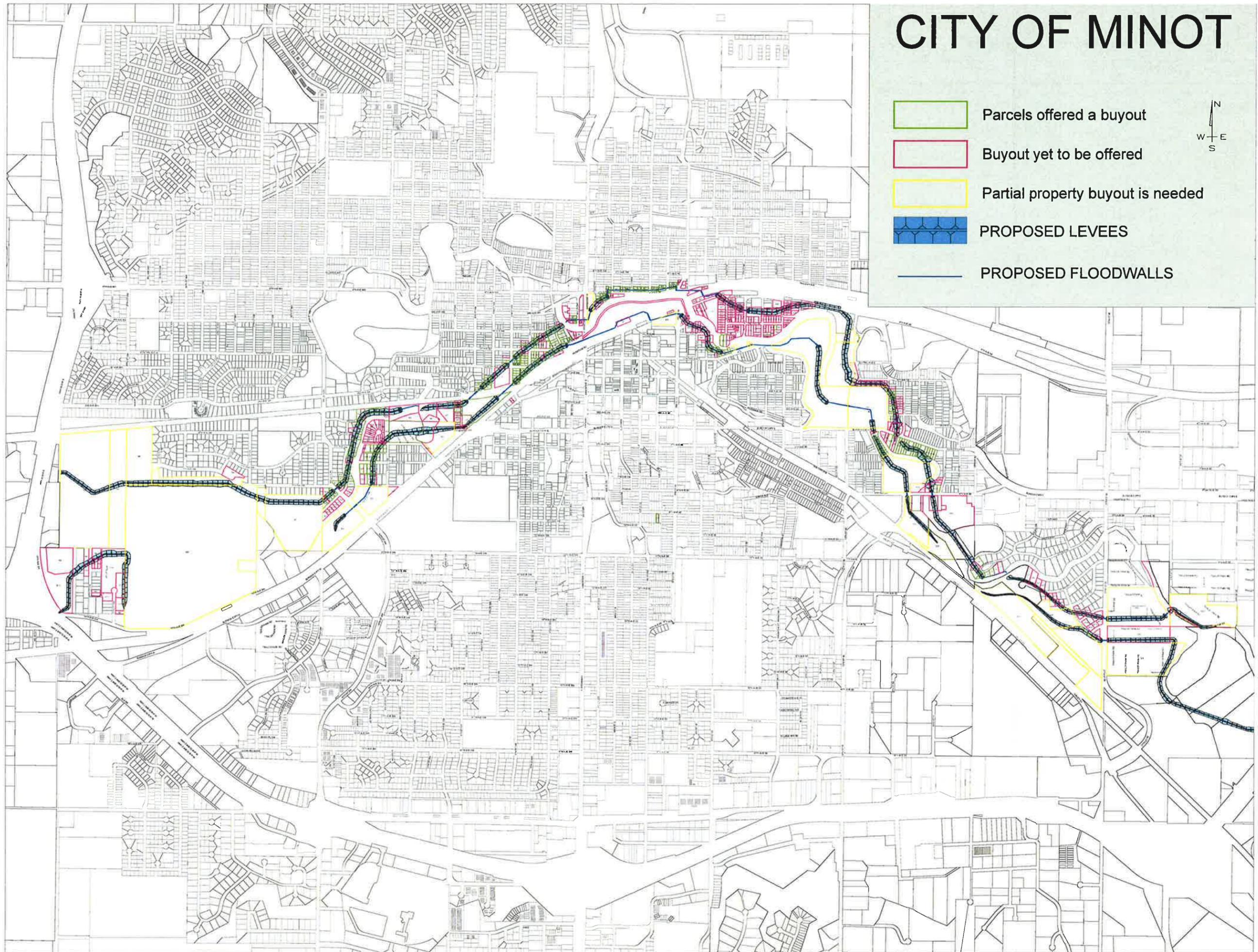
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JACK DALRYMPLE, GOVERNOR
CHAIRMAN

TODD SANDO, P.E.
CHIEF ENGINEER AND SECRETARY

CITY OF MINOT

-  Parcels offered a buyout
-  Buyout yet to be offered
-  Partial property buyout is needed
-  PROPOSED LEVEES
-  PROPOSED FLOODWALLS



City of Minot

Finance Department

May 14, 2014

Mr. Todd Sando, State Engineer
North Dakota State Water Commission
900 E. Boulevard Avenue Department 770
Bismarck, ND 58505-0850

Re: Home Acquisitions – City of Minot

Dear Todd,

The North Dakota State Water Commission (SWC) is participating with the City of Minot (City) in acquisition of properties. The first properties that were identified and offers made were based on an analysis performed by the Public Works Director and Assistant Public Works Director, Alan Walter and Dan Jonasson, respectively. I believe the SWC calls this Phase 1.

The Phase 1 properties are properties that were identified after the flood of 2011, if purchased and removed, would allow the City better access to the current flood control protection system for future flood fights.

The City has now moved to what the SWC is calling Phase 2 of property acquisitions. The list of the properties was provided to the SWC as Attachment C to the City's application for project information and cost-share request submitted in September 2013.

Please note that some of the properties were included in Phase 1 and Phase 2. After reviewing the acquisitions for the two phases, thirty-five (35) property owners either declined or did not respond to the City's inquiry to purchase their property. Therefore, the City would like to add other properties which are in the footprint of the flood control project.

It is important to note those property owners that declined or did not respond will need to be approached again; however, at this time the City will move forward trying to identify property owners that voluntarily wish to sell their property.

In an effort to have a good tracking method for all of the properties, the City has created a spreadsheet, (MASTER FILE 05.14.14), that tracks all properties and their status. The spreadsheet has the following headings:

SWC Funding Phase: Indicates the SWC phase. To-date there is two phases indicated by either a 1 or 2. Other values include P=Park, PS=Public School, MOT=Owned by the City of Minot, WCW=Owned by the Ward County Water Resource

The Magic City

Board, and NDState=Owned by the State of North Dakota. **Another value will be used A/SWC Phase. This value will indicate the properties the City wishes to add during a phase.**

Needed for Project:	Indicates whether a property is needed for flood control and the values are either Y=yes needed or N=no not needed or were originally identified or acquired for access to existing flood control features for flood fighting..
Purchased:	Indicates whether the property has been purchased. The values are either Y= yes or N= no not purchased.
Property Owner Declined:	Indicates whether the property owner is interested in selling their property or not.
Phase:	Indicates the phase of the flood control project as identified by the engineers.
Parcel ID:	Indicates the parcel identification as signed by the political subdivision
Owner:	Indicates the legal owner at the time the list was put together.

The filter tool within Excel may be used to easily filter based on the values in the columns.

In addition to the list of properties, I have attached an individual map that shows the property and the flood control project. This provides a visual on how the property is impacted by the flood control project.

As we move forward and funding is available, the City would like to request the ability to add additional properties from the master list previously sent to the SWC. It is my understanding at this time the SWC is receptive to that idea and notification via a letter will suffice.

The master list includes all properties identified based on the preliminary design adopted by the City Council. This includes properties owned by other political subdivisions such as the public school, the park district, and the State of North Dakota. The City will bring acquisition of any of these properties separately to the SWC for consideration.

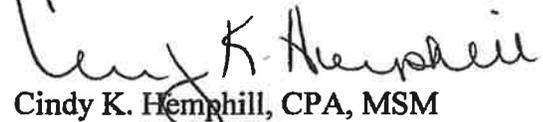
Also, at the request of the SWC staff I am attaching a map created by the GIS Coordinator, working with the Public Works Director, that shows parcels offered a buyout, buyout yet to be offered, partial property buyout is needed, proposed levees and proposed floodwalls.

The estimated cost of all properties is \$86,900,000. This does not include demolition or relocation costs. It should be noted that this is an estimate which comes from the Mouse River

Enhanced Floor Protection Plan commissioned by the SWC. This value may increase or decrease based on property values at the time of acquisition.

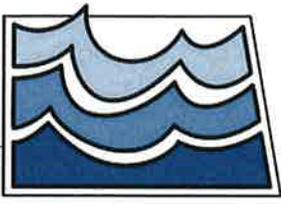
If you have any questions please contact Dan Jonasson, Public Works Director, or me at 701-857-47140 or 701857-4784, respectively. In addition Dan and I will be at the SWC meeting on May 29, 2014 to answer and questions.

Sincerely,



Cindy K. Hemphill, CPA, MSM
Finance Director/Interim City Manager

Enclosures/Attachments



North Dakota State Water Commission

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

Agenda #1

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *T.S.* Todd Sando, PE, Chief Engineer/Secretary
SUBJECT: NDSWC Cost-Share Participation Request – City of Valley City Permanent Flood Protection Project
DATE: May 19, 2014

In their correspondence dated April 29, 2014, the City of Valley City requested state cost-share participation for their Permanent Flood Protection Project.

Valley City is on the Sheyenne River downstream of the Baldhill Dam. During the spring of each year, the Sheyenne River swells from snow melt with water levels typically peaking in March or April. During the spring of 2009, Valley City encountered a record flood only to repeat it with a near record flood in the spring of 2011. Additionally, the City reached flood stage in the summer of 2011 from one episode of heavy rains. Each time the City experiences flood conditions, considerable amount of resources are expended to combat the rising waters. With nearly back-to-back annual flooding events, the City and community resources have been stressed financially.

In order to mitigate these disruptions to the community, the City is working to implement permanent flood protection. The permanent flood protection is outlined in multiple phases with the first phase centered on the area near Valley City State University (VCSU). This area was identified as Phase 1 due to the public safety aspects and the ability to provide full protection for this area in one phase. Other portions of the City will require multiple phases for protection. Phase 1 extends from the 3rd Ave SE Bridge near the Old Mill Dam to the Viking Drive Bridge.

The proposed project will create permanent flood protection, reroute utilities out from underneath the proposed levees and install storm water pumping stations for the area behind the flood protection system. The flood protection design height will account for 3 feet of free board above the 100-year (0.01% chance) flood event at clay levees and 4 feet of free board at floodwalls.

The flood protection will use a combination of permanent structures such as clay levees, concrete floodwalls, and removable floodwall closures as protection from the floodwaters.

Due to the financial consequences of fighting numerous floods in recent years, the City is requesting 85% cost share and that the local share be considered eligible for a loan from the State Water Commission.

There is some increased risk of flooding in Valley City resulting from the operation of the Devils Lake Outlets. The travel time from the outlet to Lake Ashtabula results in a volume of water in the river that could raise flood levels from a large rainfall event. Lake Ashtabula can mitigate this risk by capturing the water, but the risk increases again with distance downstream of the dam.

JACK DALRYMPLE, GOVERNOR
CHAIRMAN

TODD SANDO, P.E.
CHIEF ENGINEER AND SECRETARY

The project is estimated to cost \$12,540,294, of which \$10,849,600 is eligible for 60% cost share, as a flood control project. However, due to the increased flood risk from the Devils Lake Outlets, it is recommended that there be a deviation from policy and that an additional 15% be granted for a total cost share of 75% of construction costs. Engineering, legal and administrative costs are considered ineligible for grant. In addition, the City will be eligible for a loan for the remaining costs, not to exceed \$4,403,094. It is further recommended that the interest rate be 1.5% with the Chief Engineer authorized to negotiate the term of the loan. The amount recommended for cost share grant is not to exceed \$8,137,200 in state funds.

I recommend that the State Water Commission approve this request by the City of Valley City for state cost share grant participation in the Valley City Permanent Flood Control Project, at an amount not to exceed \$8,137,200 from the funds appropriated to the State Water Commission in the 2013-2015 biennium. This grant cost share is based on the policy of 60% cost share for flood control, plus 15% to mitigate the additional flood risk from the Devils Lake Outlets. In addition, the City is eligible for a loan from the State Water Commission to cover the remaining cost of the project. This approval is subject to the entire contents of the recommendation contained herein, obtaining all necessary permits and availability of funds.

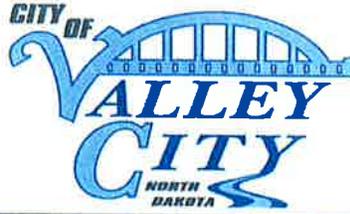
TS:MW/1504



City of Valley City
 Permanent Flood Protection



City Hall
254 2nd Ave NE
PO Box 390
Valley City, ND 58072-0390



Phone: 701-845-1700
Fax: 701-845-4588
www.valleycity.govoffice.com

April 29, 2014

TO: ND Members of the State Water Commission

FROM: City of Valley City Officials

RE: Permanent Flood Protection Local Match



As a Devils Lake impacted community, Valley City respectfully requests that our local match does not exceed 15% for the construction phase of the city's permanent flood protection project. We also request that the State Water Commission provides Valley City with a 30 year, 0% loan with the potential of the loan being a forgivable loan based on legislative or SWC action. The following information provides the appropriate justification supporting this request.

Valley City experienced a devastating flash flood June 20, 2013, with five (5) inches of rain in less than an hour. Valley City has a drop of approximately 150 feet in elevation in about 4500 feet so between 12 and 18 inches of rapidly moving water flooded blocks of streets with even erosion seen on the back side of curbs. Midway into the storm, a storm sewer lift station lost power and as a result, storm water went into basements, and ultimately into basement floor drains overwhelming the sanitary sewer system. Sewer backup and storm water damaged occurred in residences in about 1/3 of the city.

This collateral damage was not immediately evident or reported but those who experienced it (i.e. homeowners and small business owners), were left with the financial burden when their insurance policies failed to adequately cover damages. Many of our citizens had to go into their saving, or borrow money to repair flood damages. Based on assistance standards, the flash flood event was so that it did not qualify for Federal or State financial aid. It was, however devastating, to those who did experience this extreme event.

One of the negative impacts of the 2009 flood was the failure and replacement of the sanitary sewer system and street in the downtown business district along the Main Street corridor which reduced commercial activities (shopper avoidance of construction zones) for the better part of a year.

The floods of 2009, 2011 and the 2013 June event, have delayed scheduled infrastructure improvements which in turn, increases the existing infrastructure deficiencies. This results in more costs for the homeowners who, through the assessment process, bear the burden of

improvement costs. The bottom line is that our citizens are maxed out financially, through no fault of their own. Their ability to support any additional infrastructure costs by virtue of a local share is non-existent.

Household income for Valley City based on a study by NDSU in 2012, is \$36,818 compared to the state of North Dakota household income of \$46,781, and \$51,914 for the nation.

Valley City is already on the upper end of mills levied within the 13 large ND cities. There were five cities that levied more mills and seven that levied fewer mills than Valley City in 2012. For the size of Valley City, there are a large number of tax exempt properties and the City Commission has been very conscious of that fact. Other measures have been put in place to try to evenly distribute the costs as much as possible. These include:

- **Infrastructure Replacement & Renewal Fees**- these are fees included on every Public Works bill. All entities in the city (including the tax exempt properties) pay these fees to help pay for infrastructure projects thus reducing the amount of special assessments to property owners to a manageable amount.
- **Storm Sewer Fee** attached to every Public Works utility bill to help maintain the storm sewer system. All entities in the city (including the tax exempt properties) pay these fees:
- **Sanitary Sewer Fee** attached to every Public Works utility bill to help offset the costs of replacing Sanitary Sewer Lift Stations. All entities in the city (including the tax exempt properties) pay these fees:
- **Sales Tax**- Valley City has the highest sales tax in the state at 2.5%. The City also has 1% Food and Beverage tax and 3% Occupancy tax. Voters have agreed to tax themselves for these purposes:

Current Debt Service

● General Obligation Bonds	\$7,400,000
● Water Treatment & Wastewater Rev Bonds	\$2,700,000
● Sales Tax Revenue Bonds	\$2,900,000
● Tax Increment Bonds	\$ 965,000

Infrastructure Needs

- In the fall of 2012, the City of Valley City identified approximately \$30 million of infrastructure improvements needed as part of a 5-year Capital Improvement Plan. This plan includes the following improvements and approximate costs:
 - \$16.75 Million in street improvements
 - \$ 8.75 Million in water main replacement needs
 - \$ 1.40 Million in sanitary sewer replacement needs
 - \$ 3.10 Million in storm sewer improvements

- Much of the water main that needs replacement is approximately 60-80 years old and the City has had several breaks in the priority areas.

FEMA has been reluctant to rehabilitate the roads that were damaged during the last two flood events. They participated in approximately 55% of the cost of repairing these flood damaged roads. This adds up to over \$1,000,000 of unexpected cost to the City. Unfortunately the roads were most vulnerable to heavy equipment operations during this period of spring thaw.

The project costs for these improvements are partially funded through the City's Renewal and Replacement fund. The City generates approximately \$1.2 million a year for that fund, providing approximately \$6 Million for these. In order to fund the local share of these projects the City was required to extend these improvements out to a 10-year Capital Improvement Plan further delaying other needs within the City.

2014 Public Works Cash Reserves and Utility Rates

- To date, the City has spent \$1.4 million from Public Works cash reserves on housing buyouts for permanent flood protection.
- Current reserves are below recommended industry standards
- In 2014 increased electrical rates by 4%
- In 2014 increased water rates by 20%
- Proposed increase for sewer rates is 45% scheduled to be presented to the Commission in May.

Valley City Match

Valley City citizens will be asked to extend an existing ½% sales tax, which expires when the School Bonds are paid in full. This will keep the sales tax at 7.5% which is the highest in the state. The sales tax is expected to generate enough to allow Valley City to pay 15% of the project in a 30 year time frame. The payments are projected to start in 2017.

Valley City appreciates the State's commitment to our citizens and the permanent flood protection project. We could not have gotten this far without your support. Our hope is a new policy will provide a way that would allow Valley City to achieve protecting its citizens during future flood events.

Robert J. Werkhoven, Valley City Commission President
Matt Pedersen, Valley City Commission Vice President
Duane (Dewey) Magnuson, Valley City Commissioner
Madeline Luke, Valley City Commissioner
Mary Lee Nielson, Valley City Commissioner
David Schelkoph, City Administrator
Avis Richter, City Auditor
Chad Petersen, KLJ City Engineers

Introduction

Valley City sits along the Sheyenne River downstream of the Baldhill Dam. During the spring of each year, the Sheyenne River swells from snow melt with water levels peaking around March and April. During the spring of 2009, Valley City encountered a record flood only to repeat it with a near record flood in the spring of 2011. Additionally, the City reached flood stage in the summer of 2011 from one episode of heavy rains. Each time the City experiences flood conditions, considerable amount of resources are expended to combat the rising waters. With nearly back to back annual flooding events, the City and community resources have been stressed financially and socially. Economic impacts are felt months and years after the flood waters have receded. Years of facility and infrastructure repairs following these floods are a certain guarantee.

In order to mitigate these disruptions to the community, the City is working to implement permanent flood protection. The permanent flood protection is outlined in multiple phases with the first phase centered on the area near Valley City State University (VCSU). This area was identified as Phase 1 due to the public safety aspects and the ability to provide full protection for this area in one phase. Other portions of the City will require multiple phases for protection. Phase 1 extends from the 3rd Ave SE Bridge near the Old Mill Dam to the Viking Drive Bridge.

Project Summary

The proposed project will create permanent flood protection, reroute utilities out from underneath the proposed levees and install storm water pumping stations for the area behind the flood protection system. The flood protection design height will account for 3 feet of free board above the 100 year (0.01% chance) flood event at clay levees and 4 feet of free board at flood walls. This would allow for potential flow impacts from the Devils Lake control stations as well as environmental and climatic uncertainties as experienced during the spring of 2011 flood. Historically the Devils Lake basin had not contributed hydraulically to prior flood conditions, but with the West Devils Lake Outlet and the East Devils Lake Outlet operational, they could contribute a combined discharge of 600 CFS on top of the Sheyenne River's 100-year storm flows.

The flood protection will use a combination of permanent structures such as clay levees, concrete floodwalls, and removable floodwall closures as protection from the flood waters.

OPINION OF COST
Sheyenne River Flood Protection
University District
Valley City, North Dakota
Preferred Option

ITEM	TOTAL	UNIT	UNIT PRICE	CURRENT AMOUNT
CONTRACT BOND	1	L SUM	\$ 50,000.00	\$ 50,000.00
REMOVAL OF TREES 10IN	9	EA	\$ 500.00	4,500.00
REMOVAL OF TREES 18IN	26	EA	\$ 750.00	19,500.00
REMOVAL OF TREES 30IN	48	EA	\$ 1,000.00	48,000.00
REMOVAL OF PAVEMENT	3800	TON	\$ 10.00	38,000.00
REMOVAL OF PIPE ALL TYPES & SIZES	2890	LF	\$ 10.00	28,900.00
REMOVAL OF MANHOLES	11	EA	\$ 550.00	6,050.00
REMOVAL OF INLETS	9	EA	\$ 350.00	3,150.00
REMOVAL OF CHAIN LINK FENCE	50	LF	\$ 10.00	500.00
TOPSOIL	38190	CY	\$ 6.00	229,140.00
COMMON EXCAVATION-WASTE	44628	CY	\$ 5.00	223,140.00
BORROW	73377	CY	\$ 15.00	1,100,655.00
WATER	734	M GAL	\$ 18.00	13,207.86
SALVAGED BASE COURSE	1660	CY	\$ 45.00	74,700.00
HOT BITUMINOUS PAVEMENT CL 29	1395	TON	\$ 115.00	160,425.00
MOBILIZATION	1	L SUM	\$ 225,000.00	225,000.00
TRAFFIC CONTROL	1	L SUM	\$ 25,000.00	25,000.00
STREAMBANK RESTORATION	400	LF	\$ 1,200.00	480,000.00
EROSION CONTROL	1	L SUM	\$ 25,000.00	25,000.00
GEOTEXTILE FABRIC-TYPE S1	10471	SY	\$ 3.00	31,413.00
PIPE CONC REINF 15IN CLIII-STORM DRAIN	200	LF	\$ 65.00	13,000.00
PIPE CONC REINF 18IN CLIII-STORM DRAIN	1050	LF	\$ 80.00	84,000.00
PIPE CONC REINF 24IN CLIII-STORM DRAIN	590	LF	\$ 100.00	59,000.00
PIPE CONC REINF 30IN CLIII-STORM DRAIN	310	LF	\$ 125.00	38,750.00
PIPE CONC REINF 36IN CLIII-STORM DRAIN	880	LF	\$ 150.00	132,000.00
END SECT-CONC REINF 18IN CLIII-STORM DRAIN	1	EA	\$ 750.00	750.00
MANHOLE 48IN	7	EA	\$ 1,800.00	12,600.00
MANHOLE 54IN	3	EA	\$ 2,700.00	8,100.00
MANHOLE 72IN	3	EA	\$ 4,200.00	12,600.00
MANHOLE 120IN	2	EA	\$ 7,000.00	14,000.00
MANHOLE SANITARY	7	EA	\$ 2,000.00	14,000.00
STORM SEWER LIFT STATION #1	1	EA	\$ 750,000.00	750,000.00
STORM SEWER LIFT STATION #2	1	EA	\$ 650,000.00	650,000.00
INLET-TYPE 2	10	EA	\$ 2,200.00	22,000.00
FITTINGS - DUCTILE IRON	1330	LBS	\$ 5.00	6,650.00
REMOVE GATE VALVE & BOX	8	EA	\$ 300.00	2,400.00
GATE VALVE & BOX 6IN	3	EA	\$ 1,200.00	3,600.00
GATE VALVE & BOX 8IN	7	EA	\$ 1,500.00	10,500.00
HYDRANT-INSTALL 6IN	3	EA	\$ 3,800.00	11,400.00
REMOVE HYDRANT	3	EA	\$ 350.00	1,050.00
SLEEVE 8IN	9	EA	\$ 800.00	7,200.00
WATERMAIN 6IN PVC	40	LF	\$ 36.00	1,440.00
WATERMAIN 8IN PVC	770	LF	\$ 40.00	30,800.00
8IN SANITARY SEWER PIPE	540	LF	\$ 40.00	21,600.00
12IN SANITARY SEWER PIPE	450	LF	\$ 50.00	22,500.00
CURB & GUTTER-TYPE I	3415	LF	\$ 20.00	68,300.00
SIDEWALK CONCRETE 4IN	1005	SY	\$ 55.00	55,275.00
DRIVEWAY CONCRETE	825	SY	\$ 60.00	49,500.00
DETECTABLE WARNING PANELS	168	SF	\$ 55.00	9,240.00
RESET SIGN	23	EA	\$ 250.00	5,750.00
FLOOD WALL	23775	SF	\$ 140.00	3,328,500.00
FLOOD WALL ROAD CLOSURE	10934	SF	\$ 85.00	929,390.00
FLOOD WALL ROAD CLOSURE FOOTING	1036	LF	\$ 725.00	751,100.00
ESTIMATED CONSTRUCTION COST =			\$	9,913,275.86
CONTINGENCY (10%) =			\$	991,327.59
ENG., ADMIN., & LEGAL (15%) =			\$	1,635,690.52
TOTAL COST =			\$	12,540,293.97

NE

50,000
 = 9,913,275.86
 = 9,863,276
 = 9,860,328
 10,949,600

NE



ND STATE WATER COMMISSION

Project Information and Cost-Share Request Form

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

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

1. Project, program, or study name: VC Permanent Flood Protection - University District

2. Sponsor(s): City of Valley City

3. Location (county, city, township, etc.): Barnes, Valley City, T140N, R58W, Section 21 & 28

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

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

a. If study, what type:

- Water Supply Hydrologic Floodplain Mgmt Feasibility
 Other

b. If project/program:

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

6. Jurisdictions/Stakeholders involved: City of Valley City

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

Valley City sits along the Sheyenne River. During the spring, the river swells from snow melt. During the spring of 2009, Valley City encountered a record flood only to repeat it with a near record flood in the spring of 2011. A considerable amount of resources are expended to combat the rising waters. The proposed project would mitigate these expenses and disruptions to the area surrounding Valley City State University.

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

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

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

11. Have you applied for any state permits?: Yes No Not Applicable

a. If yes, please explain:

12. Have you been approved for any state permits?: Yes No Not Applicable

a. If yes, please explain:

13. Have you applied for any local permits?: Yes No Not Applicable

a. If yes, please explain:

14. Have you been approved for any local permits?: Yes No Not Applicable

a. If yes, please explain:

15. Briefly explain the level of review the project or program has undergone:

A minimum of 4 public meetings have been held in addition to City Commission Meetings.

16. Do you expect any obstacles to implementation (i.e., problems with land acquisition, permits, funding, local opposition, environmental concerns, etc.)?

No

17. Estimated project or program total implementation costs: \$ 12,500,000

<i>Source</i>	<i>Cash</i>	<i>In-kind</i>
Federal	\$0	\$0
State	\$10,660,000	\$
Local	\$1,880,000	\$
Total	\$12,540,000	\$0

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

Source	2011-2013 7/1/11-6/30/13	2013-2015 7/1/13-6/30/15	2015-2017 7/1/15-6/30/17	2017-2019 7/1/17-6/30/19	Beyond 6/30/19
Federal	\$	\$	\$	\$	\$
State	\$	\$10,660,000	\$60,000,000	\$	\$
Local	\$	\$1,880,000	\$	\$	\$
Total	\$0	\$12,540,000	\$60,000,000	\$0	\$0

19. Please explain implementation timelines, considering all phases and their current

status: The Phase I - University District project was budgeted for the 2013-2015 biennium and is expected to bid in late summer of 2014. Construction is anticipated to begin in 2014 and completed in 2015. Preliminary Engineering and environmental planning for subsequent phases is anticipated to begin the summer of 2014 for the 2015-2017 project(s) with construction beginning in 2016.

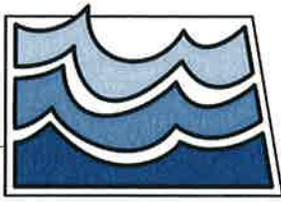
20. Have assessment districts been formed?: Yes No Ongoing Not Applicable

Submitted by: Mary Lee Nielson, Valley City Commissioner

Date: 4/29/14

Address and telephone: PO Box 390, Valley City, ND 58072-0390; (701)840-1580

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



North Dakota State Water Commission

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

Agenda #2

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *TSD* Todd Sando, PE, Chief Engineer/Secretary
SUBJECT: NDSWC Cost-Share Participation Request – City of Lisbon Permanent Flood Protection Project
DATE: May 19, 2014

In their correspondence dated April 29, 2014, the City of Lisbon requested state cost-share participation in their Permanent Flood Protection Project.

The proposed project will be constructed in the northwest part of the City. The City choose to start permanent levee construction in this area to make it easier to fight spring flooding and to reduce damage to City infrastructure until the total project can be completed.

The City of Lisbon has been experiencing major flooding recently due to the Sheyenne River flooding. Major flood level for the City of Lisbon occurs at a stage of 19'; in the last 5 years the City has experienced river crests of 22.86', 19.46' and 21.58'. The residents of Lisbon have been successful at preventing significant damages during past flood events by constructing emergency levees along large portions of the Sheyenne River. Although the emergency levees have been successful in the past, without the construction of permanent flood protection there is a high risk of a catastrophic failure, which could result in significant damages.

Construction and removal of emergency levees in the City have placed a financial strain on the residents of Lisbon that they cannot continue to sustain. Construction of emergency levees has damaged existing city streets and infrastructure that are not designed to handle heavy construction traffic. The city has been forced to postpone Phase 3 and Phase 4 of a large city sewer and water infrastructure replacement project due to the costs it has incurred fighting floods.

Once all phases are completed which is the City's ultimate goal, the total project will protect the City from the 1 percent (100-year) flood event as described by the Flood Insurance Rate Maps issued by the Federal Emergency Management Agency (FEMA).

The proposed project is to install a clay levee through an area on the northwest side of the City of Lisbon that involves crossing through Sandagger Park. The proposed levee would tie into existing high ground on the northwest side of the park and end at North Dakota State Highway No. 32. Sandagger Park is an area that provides important aesthetic and recreational benefits to the City of Lisbon. The area also provides a source of positive economic benefits to the City. Due to the levee footprint, river setback requirements, and required 15 foot clear zone on both sides of the levee, several amenities in the park will need to be relocated to make room for the levee including a campground, bathhouse, pump house, skate park and volleyball court.

Also, under the levee footprint is a 20' asphalt roadway that is the main access to the park. Currently, there are two access points, but with the new levee being constructed around the

JACK DALRYMPLE, GOVERNOR
CHAIRMAN

TODD SANDO, P.E.
CHIEF ENGINEER AND SECRETARY

baseball field, the second access will be blocked. The project will relocate the main access roadway to the south of its current location to make room for the levee.

On the north side of the proposed levee sits an existing boat ramp that the public uses to access the Sheyenne River and softball field. To maintain access to these amenities the project will install a gravel access road over the top of the proposed levee. To keep from exceeding maximum grades allowed for the access road, the road must cross through an existing double tennis court in the park. The double court will be replaced with a single court.

Due to the financial consequences of fighting numerous floods in recent years, the City is requesting 100% cost share.

There is some increased risk of flooding in Lisbon resulting from the operation of the Devils Lake Outlets. The travel time from the outlet to Lake Ashtabula results in a volume of water in the river that could raise flood levels from a large rainfall event. Lake Ashtabula can mitigate this risk by capturing the water, but the risk increases again with distance downstream of the dam.

The project is estimated to cost \$1,775,000, of which \$1,548,372 is eligible for 60% cost share, as a flood control project. However, due to the increased flood risk from the Devils Lake Outlets, it is recommended that there be a deviation from policy and that an additional 20% be granted for a total cost share of 80% of construction costs. Engineering, legal and administrative costs are considered ineligible for grant. In addition, the City will be eligible for a loan for the remaining costs, not to exceed \$536,302. It is further recommended that the interest rate be 1.5% with the Chief Engineer authorized to negotiate the term of the loan. The amount recommended for cost share grant is not to exceed \$1,238,698 in state funds.

I recommend that the State Water Commission approve this request by the City of Lisbon for state cost share grant participation in the Lisbon Permanent Flood Control Project, at an amount not to exceed \$1,238,698 from the funds appropriated to the State Water Commission in the 2013-2015 biennium. This grant cost share is based on the policy of 60% cost share for flood control, plus 20% to mitigate the additional flood risk from the Devils Lake Outlets. In addition, the City is eligible for a loan from the State Water Commission to cover the remaining cost of the project. This approval is subject to and the entire contents of the recommendation contained herein, obtaining all necessary permits and availability of funds.

TS:MW/1991



City of Lisbon
Sheyenne River Flood Protection Levee A



The City of Lisbon

423 MAIN STREET • PO BOX 1079
LISBON, NORTH DAKOTA 58054

April 29, 2014

Todd Sando, P.E.
State Engineer
North Dakota State Water Commission
900 East Boulevard Avenue, Dept. 770
Bismarck, North Dakota 58105-0850

Copy via email: Original US Mail

Subject: City of Lisbon Request for Levee A
Sheyenne River Flood Protection

The City of Lisbon is requesting State Water Commission funding for levee construction and construction engineering for the city's flood protection project for the Sheyenne River Flood Protection program and construction engineering. It is our intent to bid and construct Phase 1 – Levee A of our flood protection project, as shown in the attached 95% plans and specifications.

Our City Engineer has provided a detailed opinion of cost for Phase 1-Levee A, see attached documents. We would like to advertise the project for bids and would like to request funds for \$1,775,000 in order to construct Phase 1-Levee A.

Thank you for all your help with our project and funding requests. If additional information is needed please feel free to contact me at (701) 680-0384.

Sincerely,



L. Ross Cole
Mayor, City of Lisbon



Significant costs are incurred during emergency flood fighting efforts. During large flood events, people in Lisbon build emergency levees through town in an effort to retain flood waters. Businesses, residents, federal agencies, and local state governments all contribute to the flood fight and clean-up efforts. Construction and removal of emergency levees in the City have placed a huge financial strain on the residents of Lisbon that they cannot continue to sustain. Construction of emergency levees has damaged existing city streets and infrastructure that is not designed to handle heavy construction traffic. The city has been forced to postpone Phase 3 and Phase 4 of a large City sewer and water infrastructure replacement project due to the costs it has incurred fighting floods.

The completed project will provide permanent flood protection for the City eliminating the need for emergency flood fighting efforts for the citizens of Lisbon. Not having to construct and remove emergency levees will mitigate damage to already aging city infrastructure that would be damaged by heavy construction equipment.

Once all phases are completed, the total project will protect the City from the 1 percent (100-year) flood event as described by the Flood Insurance Rate Maps mapped by the Federal Emergency Management Agency (FEMA).

Our City Engineer has provided a detailed opinion of cost for Phase 1-Levee A, see attached documents. We would like to advertise the project for bids and would like to request funds for \$1,775,000 in order to construct Phase 1-Levee A.

Project Overview

The proposed project is to install a clay levee through an area on the northwest side of the City of Lisbon that involves crossing through Sandagger Park. The proposed levee would tie into existing high ground on the northwest side of the park and end at North Dakota State Highway No. 32. Sandagger Park is an area that provides important aesthetic and recreational benefits to the City of Lisbon. The area also provides a source of positive economic benefits to the City. Due to the levee footprint, river setback requirements, and required 15 foot clear zone on both sides of the levee several amenities in the park will need to be relocated to make room for the levee.

The first obstacle that the levee will cross is a campground that is in the northwest side of the park. The existing campground has 25 camper parking stalls that have water and sewer connections and provide an important revenue source for the park. To make room for the levee 10 of these stalls will need to be removed. The project will replace the 10 camper parking stalls with new power connections in a different area of the park due to the construction of the levee. The City will not have water and sewer connections at these locations, but will have a location to rent camping spaces during the summer.

The next obstacle that the levee will cross is an existing bathhouse building that provides bathroom and shower services to the campground, baseball, softball, and football fields, and all other park amenities. This bathhouse is located between the existing baseball and football field and the river. The only other alternative to not removing and replacing the bathhouse is to install a concrete flood wall around the existing bathhouse. This is a possible alternative, but it far exceeds the cost of removing and relocating the existing bathhouse.

Farther to the east the levee alignment crosses through an existing skate park and sand volleyball court. The project will salvage the existing skate park equipment, pour a new concrete slab, and reset the existing skate park equipment. The sand volleyball court will be relocated to a different area of the park to make room for the levee.

Also under the levee footprint is a 20' asphalt roadway that is the main access to the park. Currently there are two access points, but with the new levee being constructed around the baseball field the second access will be blocked. The project will relocate the main access roadway to the south of its current location to make room for the levee.

On the north side of the proposed levee sits an existing boat ramp that the public uses to access the Sheyenne River and softball field. To maintain access to these amenities the project will install a gravel access road over the top of the proposed levee. To keep from exceeding maximum grades allowed for the access road, the road must cross through an existing double tennis court that is existing in the park today. The double tennis court will be relocated by installing a new single tennis court in a different location of the park.

The final item that the City would need to relocate would be an existing pump house on the north side of the levee alignment. The City has a permit with the State and draws water out of the Sheyenne River for various reasons throughout the year. To maintain access to this water source, the City would need to relocate this pump house to the south side of the levee.

**Shyenne River Flood Protection
Levee A - Sandager Park
Lisbon, North Dakota**

Engineer's Opinion of Probable Cost

BID ITEM NO. & DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	TOTAL
40. Bituminous Material for Tack Coat	GAL	85	\$5.00	\$425.00
41. Sidewalk - Concrete	SY	515	\$80.00	\$41,200.00
42. Valley Gutter - Concrete	SY	67	\$80.00	\$5,360.00
43. Ditching	LF	300	\$5.00	\$1,500.00
44. Storm Sewer - 15" CSP	LF	175	\$35.00	\$6,125.00
45. Flared End Section - 15"	EA	2	\$500.00	\$1,000.00
46. Temporary Levee Opening	EA	3	\$1,000.00	\$3,000.00
47. Seeding - Hydromulch	AC	5.25	\$2,500.00	\$13,125.00
48. Relocate Existing Power	LS	1	\$15,000.00	\$15,000.00
49. Relocate Existing Utilities	LS	1	\$10,000.00	\$10,000.00
50. Remove Existing Playground	LS	1	\$5,000.00	\$5,000.00
51. Demolish Bathroom Facility	LS	1	\$25,000.00	\$25,000.00
52. Relocate Bathroom Facility	LS	1	\$125,000.00	\$125,000.00
53. Remove Skate Park	LS	1	\$5,000.00	\$5,000.00
54. Relocate Skate Park	LS	1	\$40,000.00	\$40,000.00
55. Remove Tennis Court	LS	1	\$10,000.00	\$10,000.00
56. Relocate Tennis Court	LS	1	\$90,000.00	\$90,000.00
57. Remove Volleyball Court	LS	1	\$2,000.00	\$2,000.00
58. Relocate Volleyball Court	LS	1	\$20,000.00	\$20,000.00
59. Remove Pump House	LS	1	\$5,000.00	\$5,000.00
60. Relocate Pump House	LS	1	\$150,000.00	\$150,000.00
61. Construction Site Entrance	EA	2	\$1,500.00	\$3,000.00
62. Sediment Control Wattle	LF	200	\$5.00	\$1,000.00
63. Standard Silt Fence	LF	1,000	\$4.00	\$4,000.00
64. Stormwater Management	LS	1	\$5,000.00	\$5,000.00
65. Testing Allowance	LS	1	\$10,000.00	\$10,000.00
66. Traffic Control	LS	1	\$5,000.00	\$5,000.00
67. Contingencies	LS	1	\$161,577.50	\$161,577.50

-10% = 155,450

Total Construction	\$1,499,500.00
Resident Project Representation	\$115,000.00
Construction Surveys & Staking	\$55,000.00
Administration of Construction Contract	\$77,500.00
Post-Construction	\$18,000.00
Legal Fees	\$7,500.00
Advertising & Publishing	\$2,500.00
TOTAL PROJECT COST	\$1,775,000.00

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**Shyenne River Flood Protection
Levee A - Sandager Park
Lisbon, North Dakota**

Engineer's Opinion of Probable Cost

BID ITEM NO. & DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	TOTAL
<u>Base Bid</u>				
1. Clearing & Grubbing	LS	1	\$30,000.00	\$30,000.00
2. Topsoil - Stripping & Spreading	SY	25,600	\$3.50	\$89,600.00
3. Granular Surface - Remove	SY	2,700	\$6.00	\$16,200.00
4. Asphalt - Remove	SY	3,500	\$6.00	\$21,000.00
5. Concrete - Remove	SY	150	\$10.00	\$1,500.00
6. Curb & Gutter - Remove	LF	400	\$6.00	\$2,400.00
7. Storm Sewer Manhole - Remove	EA	2	\$1,000.00	\$2,000.00
8. Storm Sewer - Remove	LF	100	\$25.00	\$2,500.00
9. Storm Sewer Gate Valve - Remove	EA	1	\$500.00	\$500.00
10. Water Main - Remove	LF	225	\$25.00	\$5,625.00
11. Water Service - Remove	LF	450	\$20.00	\$9,000.00
12. Gate Valve - Remove	EA	2	\$500.00	\$1,000.00
13. Hydrant - Remove	EA	1	\$1,000.00	\$1,000.00
14. Sanitary Sewer Manhole - Remove	EA	1	\$1,000.00	\$1,000.00
15. Sanitary Sewer Main - Remove	LF	30	\$35.00	\$1,050.00
16. Sanitary Sewer Service - Remove	LF	155	\$25.00	\$3,875.00
17. Sanitary Sewer Cleanout - Remove	EA	7	\$500.00	\$3,500.00
18. Exploration Trench	LF	2,450	\$13.00	\$31,850.00
19. Excavation	CY	1,500	\$4.00	\$6,000.00
20. Subgrade Preparation	SY	21,000	\$2.50	\$52,500.00
21. Embankment - Import	CY	25,000	\$13.00	\$325,000.00
22. Embankment	CY	1,500	\$6.00	\$9,000.00
23. Water Main - Connect to Existing	EA	1	\$1,000.00	\$1,000.00
24. Hydrant Lead - 6" PVC	LF	15	\$40.00	\$600.00
25. Hydrant - 6"	EA	1	\$3,500.00	\$3,500.00
26. Gate Valve & Box - 6"	EA	1	\$1,750.00	\$1,750.00
27. Corporation - 1"	EA	1	\$500.00	\$500.00
28. Water Service Line - 1"	LF	250	\$30.00	\$7,500.00
29. Curb Stop & Box - 1"	EA	2	\$400.00	\$800.00
30. Sanitary Sewer - Connect to Existing	EA	2	\$500.00	\$1,000.00
31. Sanitary Sewer Service - 6" PVC	LF	250	\$40.00	\$10,000.00
32. Sanitary Sewer Service Connections	EA	2	\$750.00	\$1,500.00
33. Sanitary Sewer Cleanout - 6"	EA	3	\$1,000.00	\$3,000.00
34. Sanitary Sewer Manhole	EA	1	\$5,000.00	\$5,000.00
35. Reinforcement Fabric	SY	3,925	\$2.50	\$9,812.50
36. Gravel - NDDOT Class 5 - 6"	SY	3,925	\$7.00	\$27,475.00
37. Gravel - NDDOT Class 5 - 3"	SY	475	\$3.00	\$1,425.00
38. Asphalt Base Course - 3"	SY	1,675	\$15.00	\$25,125.00
39. Asphalt Wearing Course - 2"	SY	1,675	\$12.00	\$20,100.00



North Dakota State Water Commission

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Agenda #1

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *TSD* Todd Sando, P.E., Chief Engineer–Secretary
SUBJECT: North Central Rural Water Consortium II – Granville/Surrey/Deering
DATE: May 19, 2014

North Central Rural Water Consortium II is requesting an additional 75 percent cost-share on an estimated cost of \$7,669,000 for the previously approved Granville, Surrey, Deering Water Supply Project. The Project addresses water supply service in northeastern Ward County and McHenry County. The overall Project involves 147 miles of 6" to 2" pipeline for approximately 191 rural users and 69 service connections in the city of Deering. The water rate will include a monthly minimum charge of \$52 and a water rate of \$5.65 per 1,000 gallons. The project is the design stage with the project to be bid in winter of 2014 and construction in 2015. The funding on this project will be evaluated again after the bid opening.

July 23, 2013, the State Water Commission approved a 75 percent grant of \$180,000 towards the \$240,000 cost for design and cultural resource study. An additional grant of \$4,800,000 will be sufficient for engineering and construction in this biennium and allow the local financing to be arranged. An additional grant will likely be recommended in the next biennium.

I recommend the State Water Commission approve 75 percent cost share of eligible costs, not to exceed an additional \$4,800,000, for the Granville, Surrey, Deering Project to North Central Rural Water Consortium II from the funds appropriated to the State Water Commission in the 2013 - 2015 biennium. The funding is contingent on available funding and subject to future revisions.

TS:JM:ph/237-03NOC



ND STATE WATER COMMISSION

Project Information and Cost-Share Request Form

RECEIVED
APR 21 2014

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

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

1. **Project, program, or study name:** Granville, Surrey Deering Water Supply Project
2. **Sponsor(s):** North Central Rural Water Consortium II (NCRWC)
3. **Location (county, city, township, etc.):** Northeastern Ward & Northwestern McHenry Counties

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

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

a. **If study, what type:**

- Water Supply Hydrologic Floodplain Mgmt Feasibility
 Other

b. **If project/program:**

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

6. **Jurisdictions/Stakeholders involved:** NCRWC

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

The rural residents in this area are currently using drinking water from individually owned wells that offer a low quality of water, and some do not have enough water causing them to haul water for domestic and agricultural use. The proposed project will supply these residents with a reliable source of treated drinking water. The City of Deering has an aging infrastructure with several water breaks a year. This project would install new water mains in the city of Deering.

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

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

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

1 . Have you applied for any state permits?: Yes No Not Applicable

a. If yes, please explain:

1 . Have you been approved for any state permits?: Yes No Not Applicable

a. If yes, please explain:

13. Have you applied for any local permits?: Yes No Not Applicable

a. If yes, please explain:

1 . Have you been approved for any local permits?: Yes No Not Applicable

a. If yes, please explain:

1 . Briefly explain the level of review the project or program has undergone:

Public input meetings have been conducted in the project planning area.

1 . Do you expect any obstacles to implementation (i.e., problems with land acquisition, permits, funding, local opposition, environmental concerns, etc.)?
No

1 . Estimated project or program total implementation costs: \$

Source	Cash	In-kind
Federal	\$	\$
State	\$ 5751750	\$
Local	\$ 1917250	\$
Total	\$ 7669000	\$ 0

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

Source	2011-2013 7/1/11-6/30/13	2013-2015 7/1/13-6/30/15	2015-2017 7/1/15-6/30/17	2017-2019 7/1/17-6/30/19	Beyond 6/30/19
Federal	\$	\$	\$	\$	\$
State	\$	\$ 575175	\$ 5176575	\$	\$
Local	\$	\$ 191725	\$ 1725525	\$	\$
Total	\$ 0	\$ 766900	\$ 6902100	\$ 0	\$ 0

5,751,750
1,917,250
7,669,000

Please explain implementation timelines, considering all phases and their current status:

The project PER and 65% of design will be completed in spring of 2014. Project will be advertised for construction in Winter 2014-2015. Construction to start Summer 2015. Construction completion Summer 2016.

2 . Have assessment districts been formed?: Yes No Ongoing Not Applicable

Submitted by: North Central Rural Water Consortium II - Rick Anderson, President

Date: 4-21-14

Address and telephone: 3811 Burdick Expressway East Minot, ND 58701 (701)852-1886

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

North Central Rural Water Consortium
 Granville, Surrey, Deering Project Planning Area
 Rural Water Supply Project Phase I
 IE Project Number: B09-00-068
 Ward and McHenry Counties, ND



Part A City of Deereing Cost Estimate

Item No.	Item	Unit	No. of Units	Estimate Per Unit	Extended Estimate Per
1	Mobilization	LS	1	\$ 40,000.00	\$ 40,000.00
2	Testing Laboratory Services	LS	1	\$ 4,000.00	\$ 4,000.00
3	6" Class 200 PVC	LF	1,330	\$ 36.00	\$ 47,880.00
4	6" Type II Boring	EA	2	\$ 2,700.00	\$ 5,400.00
5	3" Class 200 PVC	LF	4,330	\$ 29.00	\$ 125,570.00
6	3" Rail Road Boring	LF	120	\$ 60.00	\$ 7,200.00
7	3" Type II Boring	EA	2	\$ 1,500.00	\$ 3,000.00
8	2" Class 200 PVC	LF	6,000	\$ 28.00	\$ 168,000.00
9	2" Type II Boring	EA	30	\$ 1,500.00	\$ 45,000.00
10	1" Polyethylene Water Service Pipe	LF	1,380	\$ 22.00	\$ 30,360.00
11	1" Corporation Stop	EA	69	\$ 400.00	\$ 27,600.00
12	1" Curb Stop and Box	EA	69	\$ 400.00	\$ 27,600.00
13	Meter Assembly	EA	69	\$ 700.00	\$ 48,300.00
14	Type I Meter Pit	EA	20	\$ 2,200.00	\$ 44,000.00
15	3" Gate Valve and Box	EA	6	\$ 1,000.00	\$ 6,000.00
16	2" Gate Valve and Box	EA	8	\$ 900.00	\$ 7,200.00
17	2" Flush Hydrant	EA	3	\$ 2,200.00	\$ 6,600.00
18	Rock Excavation	CY	10	\$ 10.00	\$ 100.00
Subtotal Opinion Construction Cost					\$643,810.00

Part B Rural Water Supply Cost Estimate

LF 13,160

Item No.	Item	Unit	No. of Units	Estimate Per Unit	Extended Estimate Per
1	Mobilization	LS	1	\$ 50,000.00	\$ 50,000.00
2	Testing Laboratory Services	LS	1	\$ 1,000.00	\$ 1,000.00
3	6" Class 200 PVC	LF	72,300	\$ 10.50	\$ 759,150.00
4	6" DR11 Direction Boring	LF	800	\$ 38.00	\$ 30,400.00
5	6" Type I Boring	EA	4	\$ 8,500.00	\$ 34,000.00
6	6" Type II Boring	EA	6	\$ 5,000.00	\$ 30,000.00
7	3" Class 200 PVC	LF	14,976	\$ 4.20	\$ 14,980.20
8	3" DR11 Directional Boring	LF	400	\$ 23.00	\$ 9,200.00
9	3" Type II Boring	EA	3	\$ 3,200.00	\$ 9,600.00
10	3" Gate Valve and Box	EA	3	\$ 1,000.00	\$ 3,000.00
11	2" Class 200 PVC	LF	183,200	\$ 3.50	\$ 641,200.00
12	2" DR11 Directional Boring	LF	1,200	\$ 18.00	\$ 21,600.00
13	2" Rail Road Boring	LF	240	\$ 62.00	\$ 14,880.00
14	2" Type I Boring	EA	5	\$ 4,700.00	\$ 23,500.00
15	2" Type II Boring	EA	44	\$ 2,000.00	\$ 88,000.00
16	1" Polyethylene Water Service Pipe	LF	4,820	\$ 7.50	\$ 36,150.00
17	1" Corporation Stop	EA	84	\$ 300.00	\$ 25,200.00
18	1" Curb Stop and Box	EA	84	\$ 450.00	\$ 37,800.00
19	Meter Assembly	EA	84	\$ 700.00	\$ 58,800.00
20	Type I Meter Pit	EA	5	\$ 1,500.00	\$ 7,500.00
21	6" Gate Valve and Box	EA	4	\$ 1,800.00	\$ 7,200.00
22	2" Gate Valve and Box	EA	14	\$ 900.00	\$ 12,600.00
23	Air Release Pit	EA	10	\$ 2,800.00	\$ 28,000.00
24	2" Flush Hydrant	EA	2	\$ 1,400.00	\$ 2,800.00
25	Seeding	LF	135,238	\$ 0.35	\$ 47,333.30
26	Erosion Control	LF	45,000	\$ 0.28	\$ 12,600.00
27	Rock Excavation	CY	20	\$ 10.00	\$ 200.00
28	Booster Station Improvements	LS	1	\$ 350,000.00	\$ 350,000.00
Subtotal Opinion Construction Cost					\$2,356,693.50

Subtotal Opinion Construction Cost Phase I

LF 277,936

\$3,000,503.50

North Central Rural Water Consortium
 Granville, Surrey, Deering Project Planning Area
 Rural Water Supply Project Phase II
 IE Project Number: B09-00-068
 Ward and McHenry Counties, ND



Item No.	Item	Unit	No. of Units	Estimate Per Unit	Extended Estimate Per
1	Mobilization	LS	1	\$ 65,000.00	\$ 65,000.00
2	Testing Laboratory Services	LS	1	\$ 1,000.00	\$ 1,000.00
3	3" Class 200 PVC	LF	107,000	\$ 4.20	\$ 449,400.00
4	3" DR 11 Directional Boring	LF	200	\$ 23.00	\$ 4,600.00
5	3" Rail Road Boring	LF	140	\$ 72.00	\$ 10,080.00
6	3" Type I Boring	EA	5	\$ 7,000.00	\$ 35,000.00
7	3" Type II Boring	EA	6	\$ 3,200.00	\$ 19,200.00
8	2" Class 200 PVC	LF	370,600	\$ 3.50	\$ 1,297,100.00
9	2" DR11 Directional Boring	LF	7,010	\$ 18.00	\$ 126,180.00
10	2" Rail Road Boring	LF	460	\$ 62.00	\$ 28,520.00
11	2" Type I Boring	EA	11	\$ 4,700.00	\$ 51,700.00
12	2" Type II Boring	EA	56	\$ 2,000.00	\$ 112,000.00
13	1" Polyethylene Water Service Pipe	LF	2,150	\$ 7.50	\$ 16,125.00
14	1" Corporation Stop	EA	107	\$ 300.00	\$ 32,100.00
15	1" Curb Stop and Box	EA	107	\$ 450.00	\$ 48,150.00
16	Meter Assembly	EA	107	\$ 700.00	\$ 74,900.00
17	Type I Meter Pit	EA	15	\$ 1,500.00	\$ 22,500.00
18	3" Gate Valve and Box	EA	6	\$ 1,000.00	\$ 6,000.00
19	2" Gate Valve and Box	EA	32	\$ 900.00	\$ 28,800.00
20	Air Release Pit	EA	23	\$ 2,800.00	\$ 64,400.00
21	2" Flush Hydrant	EA	6	\$ 1,400.00	\$ 8,400.00
22	Seeding	LF	238,800	\$ 0.35	\$ 83,580.00
23	Erosion Control	LF	180,000	\$ 0.28	\$ 50,400.00
24	Rock Excavation	CY	20	\$ 10.00	\$ 200.00
Subtotal Opinion Construction Cost					\$2,635,335.00

LF 487,560

LF 776,686 147.5 miles

260 users

North Central Rural Water Consortium
 Granville, Surrey, Deering Project Planning Area
 Rural Water Supply Project
 IE Project Number: B09-00-068
 Ward and McHenry Counties, ND



Phase I Total Estimated Project Costs

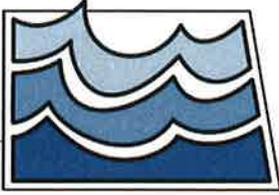
Total Opinion Construction Cost				\$3,000,503.50
Construction Contingency (10%)				\$300,050.35
Total Construction Cost + Construction Contingency				\$3,300,553.85
Basic and Special Engineering Services (6.9%)				\$227,738.22
Legal and Administrative Services (3.0%)				\$82,513.85
Engineering Construction Services (12.0%)				\$396,066.46
Finance Interest (2.3%)				\$76,127.63
Total Cost				\$4,083,000.00

Phase II Total Estimated Project Costs

Total Opinion Construction Cost				\$2,635,335.00
Construction Contingency (10%)				\$263,533.50
Total Construction Cost + Construction Contingency				\$2,898,868.50
Basic and Special Engineering Services (6.9%)				\$200,021.93
Legal and Administrative Services (3.0%)				\$72,471.71
Engineering Construction Services (12.0%)				\$347,864.22
Finance Interest (2.3%)				\$66,773.65
Total Cost				\$3,586,000.00

Total Project Cost

\$7,669,000.00



North Dakota State Water Commission

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Agenda #2

MEMORANDUM

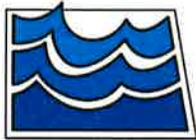
TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *TSD* Todd Sando, P.E., Chief Engineer–Secretary
SUBJECT: North Central Rural Water Consortium II – Carpio Berthold Phase II
DATE: May 16, 2014

North Central Rural Water Consortium II is requesting an additional 75 percent cost-share of \$1,100,000 on an estimated eligible cost of \$1,466,667 for the previously approved Carpio Berthold Phase II Project. The overall Project provides water supply service in northwestern Ward County and extends from Des Lacs to Carpio. Phase II involves the rural area near Foxholm and Donnybrook with 82 miles of 3” to 1” pipeline for approximately 100 rural users with estimated eligible cost of \$4,066,667. The Commission previously funded Phase I with a 65 percent grant of \$3,150,000 on an estimated cost of \$4,840,000. Phase I included 140 miles of 4” to 1.5” pipeline for approximately 125 rural users and service for the city of Carpio. The water rate will include a monthly minimum charge of \$52 and a water rate of \$5.65 per 1,000 gallons.

July 23, 2013, the State Water Commission approved Phase II for a 75 percent grant of \$1,950,000 on an estimated cost of \$2,600,000. The total estimated eligible cost is \$4,066,667 with a 75 percent grant of \$3,050,000.

I recommend the State Water Commission approve an additional 75 percent cost share of eligible costs, not to exceed \$1,100,000, towards the Carpio Berthold Project to North Central Rural Water Consortium II from the funds appropriated to the State Water Commission in the 2013 - 2015 biennium. The funding is contingent on available funding and subject to future revisions.

TS:JM:ph/237-03NOC



ND STATE WATER COMMISSION

Project Information and Cost-Share Request Form

RECEIVED

APR 21 2014

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

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

1. **Project, program, or study name:** Carpio Berthold Phase II Water Supply Project

2. **Sponsor(s):** North Central Rural Water Consortium II (NCRWC)

3. **Location (county, city, township, etc.):** Northwestern Ward County

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

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

a. **If study, what type:**

- Water Supply Hydrologic Floodplain Mgmt Feasibility
- Other

b. **If project/program:**

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

6. **Jurisdictions/Stakeholders involved:** NCRWC

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

The rural residents in this part of the county are currently using drinking water from individually owned wells that offer a low quality of water, and some do not have enough water causing them to haul water for domestic and agricultural use. The proposed project will supply these residents with a reliable source of treated drinking water.

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

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

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

1 . Have you applied for any state permits?: Yes No Not Applicable
 a. If yes, please explain: ND DOT Utility Occupancy Permits have been submitted.

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

13. Have you applied for any local permits?: Yes No Not Applicable
 a. If yes, please explain: Township utility occupancy permits have been submitted.

1 . Have you been approved for any local permits?: Yes No Not Applicable
 a. If yes, please explain: The townships have granted permission to install rural water mains within their right of way.

1 . Briefly explain the level of review the project or program has undergone:
 Public input meetings have been conducted, and USDA RD RUS has reviewed the PER.

1 . Do you expect any obstacles to implementation (i.e., problems with land acquisition, permits, funding, local opposition, environmental concerns, etc.)?
 No

1 . Estimated project or program total implementation costs: \$

Source	Cash	In-kind
Federal	\$	\$
State	\$ 3101250	\$
Local	\$ 1033750	\$
Total	\$ 4135000	\$ 0

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

Source	2011-2013 7/1/11-6/30/13	2013-2015 7/1/13-6/30/15	2015-2017 7/1/15-6/30/17	2017-2019 7/1/17-6/30/19	Beyond 6/30/19
Federal	\$	\$	\$	\$	\$
State	\$ 375000	\$ 2726250	\$	\$	\$
Local	\$ 125000	\$ 908750	\$	\$	\$
Total	\$ 500000	\$ 3635000	\$ 0	\$ 0	\$ 0

Please explain implementation timelines, considering all phases and their current status:
 The project will be advertised for bids in April 2014 and construction to be substantially complete by November 2014, and finally complete by Spring 2015.

2 . Have assessment districts been formed?: Yes No Ongoing Not Applicable

Submitted by: North Central Rural Water Consortium II - Rick Anderson, President

Date: 4-21-14

Address and telephone: 3811 Burdick Expressway East Minot, ND 58701 (701)852-1886

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



**ENGINEERING STATEMENT FOR
NORTH CENTRAL RURAL WATER CONSORTIUM
CARPIO BERTHOLD PHASE II
RURAL WATER SUPPLY PROJECT**

PROJECT SUMMARY

The North Central Rural Water Consortium II (NCRWC) is in the process of expanding the rural water distribution system in north western Ward County. The expansion will consist of 2" and 3" watermains to deliver water to individual rural users in the area from Foxholm to Donneybrook. The NCRWC will purchase water from the city of Minot through the existing contract and water allocations that NPRWD has with the City of Minot. The project is broken down into two phases. Phase I construction was substantially completed in 2013 with only seeding and punch list items remaining. Phase II will supply water to about 100 rural users in the following townships within Ward and Renville Counties of North Dakota: Carbondale, Ivanhoe, Plain, Muskego, Ree, Carpio, Mayland, Passport, and Foxholm. See Figure 1 and attached sheet PL for a map of the proposed project area.

The project area will be served from the 10" PVC Northwest Area Water Supply (NAWS) transmission line and the watermains installed under Phase I of the project. The NAWS transmission line is currently in service and runs from Minot, through Berthold and Carpio, and ends in Kenmare.

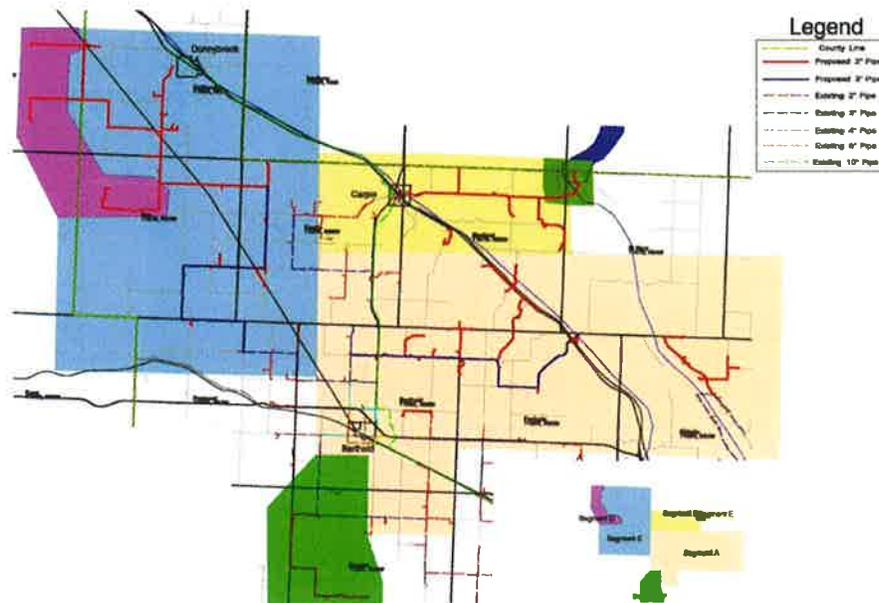


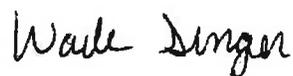
Figure 1: Project Area

PROJECT STATUS UPDATE

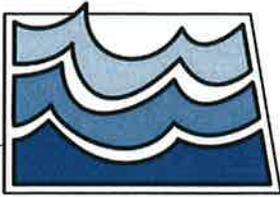
An engineering statement was submitted to the ND State Water Commission in April of 2013. Since then the Carpio Berthold Project has increased in users from the projected 50 users to 100 users. These added services require more and larger watermains to be installed to accommodate the added usage. Currently the ND State Water Commission has allocated \$1,950,000 to the project based on the engineering statement provided in 2013. This dollar amount is a 75% cost share based on the engineers estimate of \$2,600,250.97 and projected number of users of 50 at that time. Also a USDA RD loan was obtained in the amount of \$797,200 for a total current budget of \$2,747,200. The current engineer's estimate is \$4,135,000 based on 100 users. A breakdown of costs can be found following this report. With the current funding in place, there are users in the project planning area that would not be able to receive rural water. In order for all users in the project planning area to receive rural water the NCRWC is asking for the ND SWC to reconsider their allocations set aside for this project to serve the additional users.

The Carpio Berthold Phase II project has completed the environmental review and is ready to be bid out, with construction scheduled to start at the beginning of the summer and completed by fall of 2014.

Prepared By Interstate Engineering



J. Wade Senger, P.E.



North Dakota State Water Commission

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Agenda #3

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM:  Todd Sando, P.E., Chief Engineer–Secretary
SUBJECT: 2013-2015 State Water Supply - Northeast Regional Water District Rural Expansion
DATE: May 16, 2014

North Valley Water District and Langdon Rural Water District combined into Northeast Regional Water District (Northeast). Northeast is requesting an additional 75 percent grant on an estimated eligible cost of \$1,251,000 for the previously approved rural expansion project. An additional 75 percent grant would be approximately \$937,500. This project connects an additional 66 new rural users around the system with 51 miles of 2" transmission pipeline. The North Valley system current rural rate for 6,000 gallons is \$66 based on monthly minimum of \$30 and a cost of \$6 per 1,000 gallons.

October 7, 2013, the State Water Commission approved a 75 percent grant of \$862,500 towards the \$1,150,000 North Valley Water District 2013 Rural Expansion Project to add 35 users. The total estimated eligible cost is \$2,400,000 with a 75 percent grant of \$1,800,000.

I recommend the State Water Commission approve an additional 75 percent cost share of eligible cost, not to exceed \$937,500, to the Northeast Regional Water District from the funds appropriated to the State Water Commission in the 2013 - 2015 biennium. The funding is contingent on available funding and subject to future revisions.

TS:JM:ph/2050-NOE



April 30, 2014

Jeffrey Mattern
MR & I Coordinator
North Dakota State Water Commission
900 East Boulevard, Dept 770
Bismarck, ND 58505-0850

RE: Northeast Regional Water District (NRWD) – request for additional funding for additional new member hook-ups (SWC Project No. 2050-NOR)

Dear Jeffrey:

North Valley Water District (NVWD) was approved for 75% grant funding on October 7, 2013, for an estimated \$1,150,000 project to add 35 new member hook-ups to their water system.

As you know, effective January 1, 2014, the North Valley Water District merged with the Langdon Rural Water District to the west to form the Northeast Regional Water District.

The 35 original new hook-ups has grown to 41 on the North Valley Branch of the system, plus another 25 across the western boundary into the Langdon Rural Branch of the system, for a total of 66 new members hook-ups we would like to add in the project being bid in May.

(There are also an additional 125 potential hook-ups to the west in the Langdon Rural Branch for a future project.)

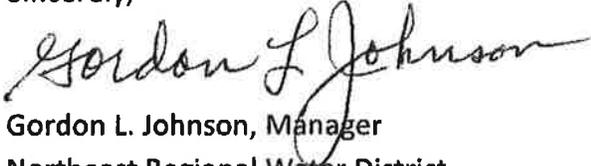
Enclosed are engineer's estimates for the total 66 hook-ups on each branch of the NRWD system.

Total estimated cost for the two branches is \$2,401,350 of which \$1,150,000 was approved for 75% grant in October, 2013, leaving an estimated \$1,251,350 of funds needed to add all 66 hook-ups.

The Board of Directors of Northeast Regional Water District approved submitting a request for additional funding to add the 66 new members at their monthly meeting on April 24.

On behalf of Northeast Regional Water District, I respectfully request consideration of an additional 75% of \$1,251,350 (\$938,512.50) to add the additional 31 members on the agenda of the May 29, 2014 State Water Commission meeting in Bismarck,

Sincerely,

A handwritten signature in black ink that reads "Gordon L. Johnson". The signature is written in a cursive style with a large, prominent "G" and "J".

Gordon L. Johnson, Manager
Northeast Regional Water District

Cc: Calvin Thelen & Geoff Slick, AE2S

93rd Street Expansion

Northeast Regional Water District

New Users-NVWD User Expansion

OPINION OF TOTAL PROBABLE PROJECT COSTS

Last Updated: April 28, 2014

ITEM DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL COST
1.0 Base Bid Pipeline				
a. Mobilization	1	l.s.	\$60,000.00	\$60,000.00
b. Pipe				
1. 2-Inch PVC - CL200	145,000	l.f.	\$3.50	\$507,500.00
c. Gate Valves				
1. 2-Inch	3	ea.	\$800.00	\$2,400.00
d. 1-inch Flush/Air Blow-off Valve	3	ea.	\$1,000.00	\$3,000.00
e. Tie-Into Existing System Using a Tee				
1. 1.5 to 3-inch Existing Main	35	ea.	\$1,250.00	\$43,750.00
f. New 2-inch Tie Into Existing System Using a Saddle				
1. New 2-inch to 4 to 8-inch Existing Main	1	ea.	\$1,000.00	\$1,000.00
g. Non-Cased Bores				
1. 2-Inch	100	ea.	\$1,500.00	\$150,000.00
h. Directional Bores				
1. 2-Inch POLY - SDR11	3,400	l.f.	\$15.00	\$51,000.00
i. Signs	6	ea.	\$100.00	\$600.00
j. Seeding	50	acre	\$600.00	\$30,000.00
k. Gravel	500	ton	\$25.00	\$12,500.00
l. 1-inch Curb Valve	41	ea.	\$750.00	\$30,750.00
m. Residential Meter Setters	16	ea.	\$900.00	\$14,400.00
n. Frost Proof Residential Meter Setters	25	ea.	\$1,500.00	\$37,500.00
Base Bid Subtotal				\$944,400.00
Total Probable Construction Costs				\$944,400.00
ADMINISTRATIVE COSTS				
General				\$10,000.00
Land Acquisition (Easements and Crop Reimbursement)				\$75,000.00
ENGINEERING				
Study & Report				\$10,000.00
Preliminary Engineering				\$5,000.00
Design, and Bidding				\$75,000.00
Construction				\$100,000.00
Post Construction & Warranty				\$50,000.00
CONTINGENCIES				\$95,000.00
LEGAL (2%)				\$20,000.00
TOTAL PROJECT COSTS:				\$1,384,400.00

93rd Street Expansion

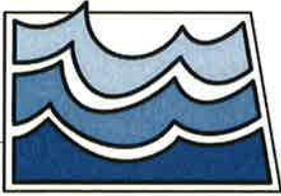
Northeast Regional Water District

User Expansion-LRWD Alternate

OPINION OF TOTAL PROBABLE PROJECT COSTS

Last Updated: April 28, 2014

ITEM DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL COST
1.0 Base Bid Pipeline				
a. Mobilization	1	l.s.	\$45,000.00	\$45,000.00
b. Pipe				
1. 2-Inch PVC - CL200	120,000	l.f.	\$3.50	\$420,000.00
c. Gate Valves				
1. 2-Inch	7	ea.	\$800.00	\$5,600.00
d. 1-inch Flush/Air Blow-off Valve	7	ea.	\$1,000.00	\$7,000.00
e. Tie-Into Existing System Using a Tee				
1. 1.5 to 3-inch Existing Main	18	ea.	\$1,250.00	\$22,500.00
f. New 2-inch Tie Into Existing System Using a Saddle				
1. New 2-inch to 4 to 8-inch Existing Main	2	ea.	\$1,000.00	\$2,000.00
g. Non-Cased Bores				
1. 2-Inch	75	ea.	\$1,500.00	\$112,500.00
h. Directional Bores				
1. 2-Inch POLY - SDR11	2,300	l.f.	\$15.00	\$34,500.00
i. Signs	14	ea.	\$100.00	\$1,400.00
j. Seeding	50	acre	\$600.00	\$30,000.00
k. Gravel	500	ton	\$25.00	\$12,500.00
l. 1-inch Curb Valve	25	ea.	\$750.00	\$18,750.00
m. Residential Meter Setters	8	ea.	\$900.00	\$7,200.00
n. Frost Proof Residential Meter Setters	17	ea.	\$1,500.00	\$25,500.00
Base Bid Subtotal				\$744,450.00
Total Probable Construction Costs				\$744,450.00
ADMINISTRATIVE COSTS				
General				\$7,500.00
Land Acquisition (Easements and Crop Reimbursement)				\$75,000.00
ENGINEERING				
Construction				\$75,000.00
Post Construction & Warranty				\$25,000.00
CONTINGENCIES				
LEGAL (2%)				\$75,000.00
				\$15,000.00
TOTAL PROJECT COSTS:				\$1,016,950.00



North Dakota State Water Commission

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Agenda (land 2)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *TSD* Todd Sando, P.E., Chief Engineer–Secretary
SUBJECT: Federal MR&I Funding – McLean-Sheridan and South Central Regional
DATE: May 19, 2014

The proposed allocation of the FY2014 Federal Municipal, Rural, and Industrial Water Supply (MR&I) funding from Garrison Diversion Unit budget of \$6,800,000 is shown in the enclosed table. The projects involved have previously received funding approval. The projects are the McLean-Sheridan Blue and Brush Lakes Project and the South Central Regional Water District Expansion Project.

McLean-Sheridan Water District – The Blue and Brush Lakes Regional Water Service Area Expansion project involves 12 miles of 6” to 2” pipeline for the addition of 150 new members in the rural area north of the city of Mercer. The project will provide a more reliable and high quality water to address issues of high total dissolved solids, iron, manganese, and sodium.

February 27, 2013, the Commission approved a 50 percent grant of \$800,000, on the estimated cost of \$1,600,000 from two funding sources. Also, on March 14, 2013, the Garrison Diversion Conservancy District granted approval. The first funding source was the balance of the Water Development and Research Fund administrated by the Garrison Diversion Conservancy District. There is approximately \$700,000 in the fund but this changes slightly due to monthly interest earned. The Second funding source was \$100,000 from the state contract fund. The new estimated eligible cost is \$2,550,000, with a 50 percent grant of \$1,275,000. The required additional grant is \$475,000. The recommendation is to fund the project using the balance of Water Development and Research Fund of \$700,000, and use FY2014 Federal MR&I funding to replace the State Water Commission grant of \$100,000 and provide the additional \$475,000.

I recommend the State Water Commission rescind the previously approved State Water Commission grant of \$100,000 and approve a 50 percent grant of eligible costs, not to exceed \$1,275,000, towards the Blue and Brush Lakes Expansion Project to the McLean-Sheridan Water District, with \$700,000 from the Water Development and Research Fund and a 50 percent grant, up to \$575,000, from the Federal MR&I funds. The approval is subject to the entire contents of the recommendation contained herein, the available funding, subject to future revisions, and the project follows the federal MR&I program requirements.

JACK DALRYMPLE, GOVERNOR
CHAIRMAN

TODD SANDO, P.E.
CHIEF ENGINEER AND SECRETARY

South Central Regional Expansion Project – South Central is developing a regional water system to serve Emmons, Logan, McIntosh, and Kidder Counties with the water supply from the Emmons water treatment plant near Linton. South Central's request is for funding the construction of Phase 5 in Kidder County and for additional construction funding for Phase 4 in Logan and McIntosh Counties.

The Phase 4 request is for cost increase after the bid opening. The project is for water service area in southern Logan County and McIntosh County and includes 300 miles of 10" to 1.5" pipeline for 220 rural users and the Wishek Standpipe with 250,000 gallons of storage.

June 13, 2012, the Commission approved a FY2012 Federal MR&I Water Supply funding of a 75 percent grant of \$7,700,000, on an estimated cost of \$10.3 million. July 11, 2012, the Garrison Diversion Conservancy District granted approval. The new estimated eligible cost is \$11,516,667, with a 75 percent grant being \$8,637,500. The additional grant required is \$937,500.

Phase 5 is for water service for southern Kidder County. The Project includes 117 miles of 8" to 1.5" pipeline for 190 rural users, capacity for bulk service to Steele and individual service within Tappen and Dawson. The water rate will include a monthly minimum charge of \$40 and a water rate of \$3.55 per 1,000 gallons. The area of service has been coordinated with Stutsman Rural Water District's Kidder County Project.

On July 23, 2013, the State Water Commission approved a 75 percent cost-share grant of \$196,500 on an estimated cost of \$262,000 for the design and cultural resource study. The project is in the planning and design stage with the project to be bid in late 2014. Phase 5 has an estimated cost of \$7,416,667 with a 75 percent grant of \$5,562,500. The recommendation is to use federal funds to replace the State Water Commission grant of \$196,500 and fund construction with a 75 percent grant of \$5,366,000 using FY2014 MR&I funding of \$4,987,500 and FY2015 MR&I funding of \$575,000.

The additional Federal MR&I grant for Phase 4 and Phase 5 would be \$6,500,000 using FY2014 funding of \$5,925,000 and FY2015 funding for the balance of \$575,000.

I recommend the State Water Commission rescind the previously approved State Water Commission grant of \$196,500 and approve an 75 percent grant of eligible costs, not to exceed \$6,500,000, for the Emmons, Logan, McIntosh, Kidder Project to South Central Regional Water District from the federal FY2014 MR&I funding of \$5,925,000 and the federal FY2015 MR&I funding of \$575,000. The approval is subject to the entire contents of the recommendation contained herein, the available funding, subject to future revisions, and the project follows the federal MR&I program requirements.

Federal MR&I Funding

Project	Current SWC Funds	Proposed SWC Funds	Water Development & Research Fund	Proposed Federal Funds
McLean-Sheridan Blue and Brush Lakes Expansion	\$100,000	\$0	\$700,000	\$ 575,000
South Central Regional - Phase 4	\$196,500	\$0	\$0	\$ 937,500
South Central Regional - Phase 5	\$0	\$0	\$0	\$4,987,500
State Administration	\$0	\$0	\$0	\$ 300,000
FY2014 Total	\$296,500	\$0	\$700,000	\$6,800,000
South Central Regional - Phase 5 FY2015	\$0	\$0	\$0	\$ 575,000

TS:JM:ph/1782/237-03SOU

McLean-Sheridan Water District

987 17th. Avenue NW
Turtle Lake, ND 58575-9649

E-mail mrswater@westriv.com

Phone: 701-448-2686
Fax: 701-448-2315

April 29, 2014

Todd Sando, State Engineer
North Dakota State Water Commission
900 E Boulevard Ave
Bismarck ND 58505-0850



**Re: McLean-Sheridan Water District - Brush and Blue Lake Expansion Project
Request for Additional Funding**

Dear Mr. Sando:

The McLean Sheridan Water District (District) recently held our bid opening for the Brush and Blue Lake Expansion project. Our estimated total project cost was estimated at \$2,100,000 but bids came in much higher than estimated and our total project cost is now estimated at \$2,470,000. In our discussions with the contractors that bid the job, they attributed the higher bid prices to the sand and gravel soils and a high water table throughout the project area.

Our original project financing plan consisted of \$800,000 in federal grant funds provided by State Water Commission through the MR&I program, a \$1,200,000 DWSRF loan, and \$100,000 in user sign-up fees. Due to the high bids, the District is requesting additional grant funding from the State Water Commission of \$370,000 to provide total grant funding of \$1,170,000 (47.4 percent) for this project in order to maintain the \$59 monthly minimum base rate for the 115 new users signed up for the project. It is our intent to begin construction on this project in mid June in order to complete construction in 2014.

Thank you very much for your assistance with this important project for the McLean Sheridan Water District. If you have any questions, please do not hesitate to contact me at 701-448-2686 or Cory Chorne, with Advanced Engineering and Environmental Services, Inc. at 701-221-0530.

Respectfully submitted,


Lynn Oberg
Manager

CC: Jeffrey Mattern
MRI Program Coordinator
North Dakota State Water Commission

McLean Sheridan Water District Project Area
BRUSH AND BLUE LAKE SERVICE AREA IMPROVEMENTS

May 9, 2014

OPINION OF TOTAL PROBABLE PROJECT COST

ITEM DESCRIPTION		QUANTITY	UNIT	UNIT COST	INSTALLED COST
A. General Conditions					
1.0	General Conditions				
A.	Insurance, Bonds, Mobilization, Travel, Subsistence, Etc.	1	l.s.		\$138,440.00
	Subtotal General Conditions				\$138,440.00
B. Water Distribution System					
1.0	Water Distribution System				
A.	Pipe				
1.	2.0-inch PVC Class 200	10,500	l.f.	\$13.50	\$141,750.00
2.	4.0-inch PVC Class 200	20,200	l.f.	\$16.00	\$323,200.00
3.	6.0-inch PVC Class 200	17,100	l.f.	\$21.50	\$367,650.00
B.	Gate Valves				
1.	2.0-inch	6	ea.	\$764.00	\$4,584.00
2.	4.0-inch	9	ea.	\$1,030.00	\$9,270.00
3.	6.0-inch	13	ea.	\$1,220.00	\$15,860.00
C.	Flush Hydrant and Valve				
1.	Frost proof yard hydrant	150	ea.	\$480.00	\$72,000.00
D.	Flush/Air Blow-off Valve	3	ea.	\$2,820.00	\$8,460.00
E.	1-inch Curb Stop Valve	211	ea.	\$481.00	\$101,491.00
F.	Residential Meter Setter Units				
1.	Frost Proof Meter Units	150	ea.	\$1,305.00	\$195,750.00
G.	POLY Bores				
1.	2.0-inch DR 11	10,100	l.f.	\$14.50	\$146,450.00
2.	4.0-inch DR 11	2,200	l.f.	\$19.50	\$42,900.00
3.	6.0-inch DR 11	3,800	l.f.	\$29.00	\$110,200.00
H.	Directional Drills	108	ea.	\$945.00	\$102,060.00
I.	Signs	32	ea.	\$34.00	\$1,088.00
J.	Seeding	10	ac.	\$3,095.00	\$30,950.00
K.	Gravel	100	ton	\$77.50	\$7,750.00
L.	Ledge Rock Removal	50	c.y.	\$106.00	\$5,300.00
M.	Booster Station Improvements/Tie-In	1	l.s.	\$23,020.00	\$23,020.00
N.	Meters/Remote Meter Reading Equipment	1	l.s.	\$286,000.00	\$286,000.00
	Subtotal Water Distribution System				1,995,733.00
	Total Probable Construction Costs				2,134,173.00
	Other Costs				
	Administrative				\$20,000.00
	Engineering Design Phase Services				\$178,000.00
	Engineering Construction Phase Services				\$130,000.00
	Contingency				\$105,000.00
	ESTIMATED TOTAL PROBABLE PROJECT COSTS				\$2,567,173.00



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scwautoread@bektel.com
scwinfo@bektel.com

April 28, 2014

Mr. Jeffrey Mattern
North Dakota State Water Commission
900 East Boulevard Ave.
Bismarck, ND 58505



Dear Jeffrey:

By this letter, South Central Regional Water District (SCWD) is formally requesting consideration for additional funding through the North Dakota State Water Commission (NDSWC) for completion of Phase 4 of the SCWD Expansion Project. SCWD is also requesting funding for Phase 5 (Kidder County) of the Expansion Project.

The original estimated construction cost in the Phase 4 Preliminary Engineering Report was \$8,090,000. Bids on the project were opened on March 20, 2014 and based on the bids received, the Phase 4 portion of the project has a shortfall of \$1,249,000 (refer to the attached spreadsheet). SCWD is requesting a 75% matching grant from the NDSWC in the amount of \$936,800 for Phase 4.

Phase 5 of the SCWD Expansion Project includes expansion into Kidder County with service to the Town of Steele and approximately 190 rural customers. The estimated cost of Phase 5 is \$7,417,600 (refer to the attached spreadsheet). SCWD is requesting a 75% matching grant from the NDSWC in the amount of \$5,563,200 for Phase 5. The total amount requested for Phase 4 and Phase 5 is \$6,500,000.

In addition, portions of Phase 4 project were deleted from the bid set because the pipelines were not feasible due to lack of signups. Letters were sent out to residents of these areas informing them the project was not feasible to be constructed in their area. SCWD is now receiving additional requests and signups for these areas and it is anticipated that a portion of these high cost areas may be added back into the project in the future as they become feasible. If these areas are added back into the project an additional funding request will be made at that time. We realize this in an inconvenience for all entities involved but do want to provide water to the areas if they become feasible because this may be their last chance to receive rural water.

If you have any additional questions or need additional information please feel free to contact me.

Sincerely,

South Central Regional Water District

Larry Kassian
Executive Director

BW – Bob Keller File: SCWD Phase 4 Funding

**Kidder County - Opinion of Probable Cost
South Central Regional Water System**

MTL and Rural Water Distribution System			
Description	Quantity (ft.)	Unit Price / Ft.	Extension
8" Cl. 250 PVC	39,900 '	\$ 14.00	\$558,600
8" Cl. 200 PVC	8,000 '	\$ 12.00	\$96,000
8" Cl. 160 PVC	17,000 '	\$ 10.80	\$183,600
6" Cl. 250 PVC	38,900 '	\$ 9.70	\$377,330
6" Cl. 200 PVC	39,000 '	\$ 9.40	\$366,600
6" Cl. 160 PVC	42,000 '	\$ 7.25	\$304,500
4" Cl. 250 PVC	48,000 '	\$ 5.00	\$240,000
4" Cl. 200 PVC	17,500 '	\$ 4.50	\$78,750
4" Cl. 160 PVC	24,000 '	\$ 4.10	\$98,400
3" Cl. 250 PVC	8,300 '	\$ 4.00	\$33,200
3" Cl. 200 PVC	18,500 '	\$ 3.70	\$68,450
3" Cl. 160 PVC	22,000 '	\$ 3.60	\$79,200
2" Cl. 250 PVC	75,000 '	\$ 3.55	\$266,250
2" Cl. 200 PVC	105,000 '	\$ 3.40	\$357,000
2" Cl. 160 PVC	110,000 '	\$ 3.25	\$357,500
1½" Cl. 250 PVC	2,840 '	\$ 5.70	\$16,188
1½" Cl. 200 PVC	540 '	\$ 5.40	\$2,916
Subtotal Pipe	616,480 '		\$3,484,000
Appurtenances at 30%			\$1,045,000
190 Services	190	\$ 800	\$152,000
Lake Isabel Cabin Area Construction	1	\$ 250,000	\$250,000
Steele Master Meter Vault	1	\$ 75,000	\$75,000
Booster/Reservoir	1	\$ 515,000	\$515,000
Telemetry	1	\$ 75,000	\$75,000
Subtotal Kidder County Construction Cost			\$5,596,000
Contingencies @10%			\$560,000
Administrative			\$25,000
Legal			\$25,000
Land/Right-of-Way/Appraisals			\$185,000
Design Engineering @ 6%			\$336,000
Project Inspection @ 11%			\$615,600
Archaeology, Cultural, Environmental			\$75,000
Total Phase 5 Kidder County Project Cost			\$7,417,600

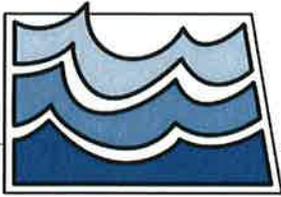
**Phase 4 Change Order- Opinion of Probable Cost
South Central Regional Water System**

MTL and Rural Water Distribution System			
Description	Quantity (ft.)	Unit Price / Ft.	Extension
8" Cl. 250 PVC, G.J.	(19,870')	\$14.00	(\$278,180)
8" Cl. 200 PVC, G.J.	(24,890')	\$12.00	(\$298,680)
8" Cl. 160 PVC, G.J.	(4,370')	\$10.80	(\$47,196)
6" Cl. 250 PVC, G.J.	(23,460')	\$9.70	(\$227,562)
2" Cl. 250 PVC, G.J.	(35,470')	\$3.55	(\$125,919)
2" Cl. 200 PVC, G.J.	(4,390')	\$3.40	(\$14,926)
2" Cl. 160 PVC, G.J.	(440')	\$3.25	(\$1,430)
1-1/2" Cl. 250 PVC, G.J.	(140')	\$5.70	(\$798)
1-1/2" Cl. 200 PVC, G.J.	(120')	\$5.40	(\$648)
8" Type 1 Road Crossing	(2)	\$14,500.00	(\$29,000)
8" Type 3 Road Crossing	(6)	\$3,700.00	(\$22,200)
6" Type 1 Road Crossing	(1)	\$7,390.00	(\$7,390)
6" Type 3 Road Crossing	(1)	\$2,700.00	(\$2,700)
2" Type 1 Road Crossing	(1)	\$2,830.00	(\$2,830)
2" Type 3 Road Crossing	(4)	\$1,490.00	(\$5,960)
6" Railroad Crossing	(1)	\$17,000.00	(\$17,000)
8" RJA	(100)	\$56.00	(\$5,600)
2" Restrained Joint Area	(200)	\$16.00	(\$3,200)
Work in Road Right of Way	(780)	\$0.60	(\$468)
8" Valve	4	\$1,750.00	\$7,000
6" Valve	(1)	\$1,100.00	(\$1,100)
2" Valve	(8)	\$775.00	(\$6,200)
1-1/2" Valve	(1)	\$560.00	(\$560)
1-1/2" Cleanout	(7)	\$1,150.00	(\$8,050)
2" CAV	(1)	\$6,000.00	(\$6,000)
Meterpit	(3)	\$1,750.00	(\$5,250)
Modified Meterpit	(6)	\$1,825.00	(\$10,950)
6" Turnout	(1)	\$1,840.00	(\$1,840)
Subtotal Change Order No. 1 Construction Cost			(\$1,125,000)
Project Inspection @ 11%			(\$124,000)
Total Change Order No. 1 Project Cost			(\$1,249,000)

Kidder County - Opinion of Probable Cost South Central Regional Water System

MTL and Rural Water Distribution System			
Description	Quantity (ft.)	Unit Price / Ft.	Extension
8" Cl. 250 PVC	59,770 '	\$ 15.10	\$902,527
8" Cl. 200 PVC	29,730 '	\$ 13.50	\$401,355
8" Cl. 160 PVC	21,370 '	\$ 12.50	\$267,125
6" Cl. 250 PVC	62,360 '	\$ 10.25	\$639,190
6" Cl. 200 PVC	39,000 '	\$ 9.00	\$351,000
6" Cl. 160 PVC	41,000 '	\$ 8.00	\$328,000
4" Cl. 250 PVC	48,000 '	\$ 5.25	\$252,000
4" Cl. 200 PVC	15,000 '	\$ 4.75	\$71,250
4" Cl. 160 PVC	22,000 '	\$ 4.25	\$93,500
3" Cl. 250 PVC	5,650 '	\$ 3.65	\$20,623
3" Cl. 200 PVC	16,000 '	\$ 3.35	\$53,600
3" Cl. 160 PVC	17,500 '	\$ 3.25	\$56,875
2" Cl. 250 PVC	73,170 '	\$ 2.95	\$215,852
2" Cl. 200 PVC	105,000 '	\$ 2.85	\$299,250
2" Cl. 160 PVC	110,000 '	\$ 2.75	\$302,500
1½" Cl. 250 PVC	2,840 '	\$ 5.50	\$15,620
1½" Cl. 200 PVC	540 '	\$ 5.25	\$2,835
Subtotal Pipe	668,930 '		\$4,273,000
Appurtenances at 30%			\$1,282,000
190 Services	190	\$ 600	\$114,000
Lake Isabel Cabin Area Construction	1	\$ 200,000	\$200,000
Steele Master Meter Vault	1	\$ 50,000	\$50,000
Booster/Reservoir	1	\$ 450,000	\$450,000
Telemetry	1	\$ 75,000	\$75,000
Subtotal Kidder County Construction Cost			\$6,444,000
Contingencies @10%			\$644,000
Administrative			\$25,000
Legal			\$25,000
Land/Right-of-Way/Appraisals			\$175,000
Design Engineering @ 6%			\$387,000
Project Inspection @ 11%			\$709,000
Archaeology, Cultural, Environmental			\$75,000
Total Phase Kidder County Project Cost			\$8,484,000

* Includes Pipeline south of Napoleon deleted from Phase 4



North Dakota State Water Commission

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Agenda 2.1)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *TSD* Todd Sando, P.E., Chief Engineer - Secretary
SUBJECT: Mouse River Status Report
DATE: May 16, 2014

Following the Commission's approval of cost share, the Souris River Joint Board (SRJB), together with the City of Minot, held an engineer selection process for design of three components of the Mouse River Enhanced Flood Protection Project. The components are:

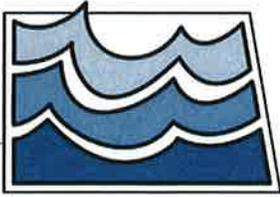
1. Fourth Avenue Floodwall
2. Forest Road Dike
3. Napa Valley Dike

The Selection Committee held interviews in Minot on April 15, and selected Houston Engineers to design the fourth avenue floodwall and Barr/Ackerman to design the two dike segments. Both the SRJB and the City of Minot have received approval of their governing bodies, and negotiations and scoping are in progress.

The International Souris River Board has consented to forming a Study Board at the International Joint Commission level to complete the work of the ISRB's Task Force. This matter was discussed at the IJC's meeting in April. There was concern about funding to begin the process and the prospect of North Dakota funding the first year's work at \$302,500 was discussed. This matter will be addressed in a separate memo.

The spring release operations from the reservoirs this year resulted in a peak flow at Verendrye of about 1,800 cfs. The channel was ice-free and the flow seems to have passed with little complaint. There was some hayland inundation north of Towner, but if the river drops, these lands can drain the impact should be minimal.

TSS:JTF:pdh/1974



North Dakota State Water Commission

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Agenda 2)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *TSD* Todd Sando, P.E., Chief Engineer - Secretary
SUBJECT: IJC Study Board
DATE: May 16, 2014

At the February meeting of the International Souris River Board, following the report of the Board's Task Force, the representatives of the International Joint Commission proposed creating a Study Board at the IJC level to carry out the Plan of Study. A white paper describing this approach is attached. It uses the elements and cost estimates of the Plan of Study and extends the time frame to three years. After some discussion regarding the nature of this board, it appears that it is the best vehicle to accomplish the work. At the subsequent IJC meeting in April it was decided to proceed. None of the parties could commit to funding the project, so the State Engineer tentatively proposed funding the first year's efforts at \$302,500.

There are several reasons to do this:

First, and most importantly, it starts the process. The study board will be formed and achieve its own momentum, making it difficult to interrupt or delay.

Second, it will create the Study Board, which will be able to examine and adopt the tasks which have already been completed or begun. Once this is done, some of the projects in the Plan of Study may be found to be unnecessary.

Third, there are a number of projects in the Plan of Study which can and should be advanced with or without the Study Board. Among these is the review of the language in the current operating plan for clarity. Another is a general look through the details of the operating plan for adjustments not requiring a change in the Agreement. These could begin immediately.

The alternative is to wait for the two governments to decide when to begin and how to provide funding. This approach has already consumed as much time as the Plan of Study was intended to require.

I recommend the State Water Commission approve funding not to exceed \$302,500 from the funds appropriated to the State Water Commission in the 2013 - 2015 biennium to fund the first year of a three year effort to complete the 2012 Souris River Basin Task Force Plan of Study, which is planned to be conducted by a Study Board formed by the International Joint Commission.

TSS:JTF:pdh/
Attachment

JACK DALRYMPLE, GOVERNOR
CHAIRMAN

TODD SANDO, P.E.
CHIEF ENGINEER AND SECRETARY

**Proposal for the
Establishment of an
International Souris River Study Board
to Implement the Souris River Plan of Study
for the Review of Annex A of the 1989 Agreement
between the U.S. and Canada**

Background:

The unprecedented flooding in 2011 prompted the IJC's International Souris River Board (ISRB) to develop a Plan of Study (PoS) to review the Operating Plan contained in Annex A of the 1989 Agreement between the Canada and United States of America for water supply and flood control in the Souris River basin. The ISRB's mandate includes performing an oversight function for flood operations in cooperation with the designated entities in the Agreement, all of whom are represented on the Board. The ISRB established a Souris River Task Force in February 2012 to develop the PoS. After consultation with the public, the final PoS was submitted to the IJC in April 2013. In June 2013, the IJC submitted the PoS to the governments and recommended that they fund the full scope option estimated at \$2.135M. The IJC has provided some limited funding to help move forward with this high priority. The Governor of North Dakota recently sent a letter to the two governments offering to help provide some funds in order to expedite the work. The IJC is following up with discussions with North Dakota on potential available funds.

In order to provide the IJC and the governments with recommendations on the how flood operations and coordination activities could be improved in the Souris River Basin the IJC proposes the establishment of an International Souris River Study Board.

International Souris River Study Board Composition and Mandate:

The IJC would establish a Study Board to carry out the PoS using available funding. It is anticipated that the work would take three years using this approach. It could move forward more quickly if additional funding can be secured for the effort.

This independent Study Board would report directly to the IJC, but would have substantial interactions with the ISRB. This interaction would take the form of: regularly presenting updates at the Board meetings; soliciting their comments on progress reports and key deliverables; and having ISRB members participate on the Study Board.

It is anticipated that the Study Board would be composed of six members that draw from the key jurisdictions involved with water management in the basin. The proposed Board would be:

Canada	United States
• Environment Canada	• US Army Corps of Engineers
• Saskatchewan Water Security	• US Fish and Wildlife Service
• Manitoba Conservation and Water Stewardship	• North Dakota State Water Commission
• Study Support (TBD)	• Study Support (TBD)

Proposed Budget:

Funding is an estimate only and subject to the availability of appropriations for this purpose.

	To Date	US FY 2014	Cdn FY 2014/15	US FY 2015	Cdn FY 2015/16	US FY 2016	Cdn FY 2016/17	Total
Canadian	\$55K		\$113K		\$405K		\$494.5K	\$1.067M
US	\$190K	\$302.5K		\$340K		\$235K		\$1.067M
Total	\$245K	\$302.5K	\$113K	\$340K	\$405K	\$235K	\$494.5K	\$2.135.M

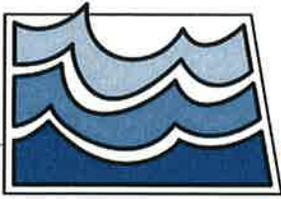
Proposed Schedule and Deliverable:

This schedule could be expedited if other resources are made available.

Date	Deliverables
April 2014	IJC approves forming a Study Board and funding allocation.
May 2014	Letter to governments.
May 2014	Letter requesting nominees.
June 2014	Appointment of the Study Board.
Summer 2014	First meeting of the Study Board.
Fall Semi-annual 2014	Report to IJC on Progress.
Spring Semi-annual 2015	Report to IJC on Progress.
Fall Semi-annual 2015	Report to IJC on Progress.
Spring Semi-annual 2016	Report to IJC on Progress.
Fall Semi-annual 2016	Draft Report to IJC.
Spring Semi-annual 2017	Final Report to IJC.

Next Steps:

On May 2, 2014, the Governments of the U.S. and Canada and the IJC will be discussing the study board proposal for carrying out the PoS using existing resources.



North Dakota State Water Commission

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Agenda M1

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *JSD* Todd S. Sando, P.E., Chief Engineer - Secretary
SUBJECT: SWPP Project Update
DATE: May 12, 2014

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

Zap Service Area (SA) Rural Distribution System 7-9C & 7-9D:

Work on these two contracts is mostly complete. Bartlett & West/AECOM (BW/AECOM) is currently processing the GPS data, which will be used to finalize quantities for the final change order.

Center SA Rural Distribution System 7-9E & 7-9F:

The State Water Commission (SWC), at its October 7, 2013, meeting awarded the contract to Eatherly Constructors, Inc. Executed contract documents have been received. This contract consists of 250 miles of 8" -1½" PVC pipe serving 330 rural water customers. This contract has an intermediate completion date of September 15, 2014, for a portion of service area identified in the plans and has a substantial completion date of September 15, 2015, for the entire contract. The preconstruction conference for this contract was held on May 2, 2014. The contractor is expected to begin work in the beginning of June around the Hannover area.

Contract 7-9E is the west Center SA rural distribution system. This contract includes furnishing and installing approximately 267 miles of 6"-1 ½ " ASTM D2241 gasketed joint pipe; 251 services; road crossings; connections to existing pipelines and other related appurtenances. This contract is currently advertised for bids with bid opening date of May 22, 2014. The recommendation to award Contract 7-9E is discussed in a separate memo.

Contract 2-8E/2-8F Dunn Center SA Main Transmission Line (MTL):

Contract 2-8E is the MTL from the OMND WTP to a combination reservoir and booster station north of Halliday (Dunn Center booster station). This contract was awarded on May 21, 2013, and the contractor started construction on July 24, 2013. This contract involves furnishing and installing approximately 25 miles of pipe, an above grade booster station with concrete reservoir, PRV/Control vault, road crossings and related appurtenances. The contractor has installed roughly 15 miles of pipe last year but has not mobilized to the site yet this spring. The substantial completion date is July 1, 2014.

Contract 2-8F is the MTL west of Halliday to west of Killdeer. This contract involves furnishing and installing approximately 40 miles of 16"-6" PVC pipe, connections to existing pipelines, 2 prefabricated steel meter vaults, road crossings and related appurtenances. This contract has two intermediate completion dates. The first intermediate completion date is August 15, 2014, for

Bid Schedule 1, which is from north of Halliday to the Dunn Center Elevated tank. The second intermediate completion date is November 15, 2014 for Bid Schedule 2A which will provide connections to the Cities of Dunn Center and Killdeer. The Bid Schedule 2B and the entire project is to be substantially complete on or before August 1, 2015, which includes 2 prefabricated below grade booster pump stations and will enable the Killdeer Mountain, Grassy Butte and a portion of Fairfield service areas to be served from the OMND Water Treatment Plant (WTP).

The Commission awarded this Contract to Carstensen Contracting, Inc., at its February 27, 2014, conference call meeting. Contract documents have been executed. The preconstruction conference for this contract is not scheduled yet.

Contract 4-6 Dunn Center SA Pumps inside OMND WTP:

The contractor has completed most of the work under this contract with startup of the pumps, painting and pump motor retrofits remaining. The startup of the pumps will be coordinated with the 2-8E contract.

Contract 5-17 Dunn Center Elevated Reservoir:

This contract includes furnishing and installing a 1,000,000 gallon elevated composite reservoir. The contractor, Caldwell Tanks, Inc., has completed the pedestal work. We expect the steel for the tank to be delivered soon. The substantial completion date on this contract is August 15, 2014.

Contract 5-15B 2nd Zap Reservoir:

This contract includes furnishing and installing a 1,650,000 gallon ground storage reservoir. Contract documents have been executed and notice to proceed was issued on August 9, 2013. The substantial completion date is August 15, 2014. The preconstruction conference for this contract was held on April 16, 2014, and the earthwork subcontractor is expected to start work soon.

Contract 8-3 Killdeer Mountain Elevated Reservoir:

This contract includes furnishing and installing a 250,000-gallon elevated reservoir. This contract was bid on October 18, 2013. The State Water Commission awarded this contract to Maguire Iron, Inc. of Sioux Falls, South Dakota at its December 13, 2013, meeting. Executed contract documents have been received. The substantial completion date is October 1, 2014. The preconstruction conference for this contract was held on April 16, 2014 and the earthwork subcontractor is expected to start work soon.

OMND Water Treatment Plant (WTP) Phase II Expansion:

The State Water Commission awarded Contract 3-1H, OMND WTP Phase II expansion to Northern Plains Contracting, Inc., and Edling Electric, Inc. at its December 13, 2013, meeting. Some of the equipment from Contract 3-1G Membrane Procurement contract and Contract 3-1F, Ozone equipment contract has been delivered to site and the preconstruction conference for Contract 3-1H was held on January 29, 2014. The electrical and general contractors on

Contract 3-1H are currently on site. The installation of the ozone equipment and the membrane skids has commenced.

Other Contracts

Contract 7-1C/7-8H Hydraulic Improvements in the Davis Buttes, New Hradec and South Fryburg SA:

The contractor for 7-1C/7-8H, Manitou Construction, Inc., has turned over the contract to its bonding company, Philadelphia Insurance Company. The contract is substantially complete. Administrative items and punch list items remain to be completed. The bonding company has hired Northern Improvement Company to complete the remaining items.

Contract 8-1A New Hradec Reservoir:

This contract involves furnishing and installing a 296,000 gallon fusion powder coated bolted steel reservoir. The contract documents were executed on May 16, 2013, and the Notice to Proceed was issued on June 3, 2013. The substantial completion date on this contract was September 15, 2013. The tank erection is complete. Pressure testing of the inlet and outlet piping is complete. Testing, cleaning and disinfection of the tank remain to be completed.

Contract 4-5 Finished Water Pumping Station (FWPS):

This contract consists of the construction of a 60' by 85' reinforced concrete and precast concrete building, and the installation of pumping, piping, mechanical, and electrical and instrumentation systems.

The award of Contract 4-5 is discussed in a separate memo.

Contract 1-2A Supplemental Raw Water Intake:

The preconstruction conference for this contract was held on October 17, 2013. The contractor, James W. Fowler, Inc. (JWF), has indicated that they will provide a 72" outside diameter reinforced concrete pipe with an internal diameter of 54". The contract documents specified a 14-foot minimum inside diameter for the caisson. The contractor has indicated that they would be using a 7.5-meter (24.6 feet) inside diameter caisson. Because of the larger caisson size than initially anticipated, it is possible to have bigger pumps in case the future needs exceed the current projection. The possibility of designing the pump station and supporting slab to accommodate larger pumps is being analyzed.

Our Engineer Bartlett & West/AECOM (BW/AECOM) received two written notices (dated March 31, 2014, and April 30, 2014) from JWF with a claim of differing subsurface conditions based on "technical data" included by reference with the Contract Documents. The "technical data" referred to in the letter is the geotechnical report by BW/AECOM's sub consultant Braun Intertec. The geotechnical report by Braun Intertec did not include a dewatering analysis. The supplemental intake contract with JWF specifically includes design of the intake caisson and the means and methods required to construct the caisson, including any dewatering up to JWF.

JWF initially anticipated a single dewatering well to facilitate the caisson construction and to determine the volume of water to be encountered. Water from the dewatering well was planned to be discharged into the SWPP's existing reverse osmosis concentrate discharge line. JWF estimated 150-200 gpm of water. The first dewatering well was drilled on March 17, 2014. The driller determined that they had more water than they initially anticipated and a second well was drilled on March 25, 2014. JWF had a hydro-geologist out of Washington State (Bender Consulting, LLC) on site on March 27 and March 28 performing pumps tests. The hydrogeologist estimated 1,800 to 3,000 gpm would be required to lower the water level to the base of the proposed shaft and 8,400 to 9,000 gpm would be required to de-pressurize the lower aquifer to provide a stable excavation bottom. Bender Consulting, LLC also stated that based on the drill cuttings samples collected during the installation of the dewatering wells they believed none of the samples have similarity to those described in Braun Intertec's geotechnical report. JWF's March 31, 2014, letter was based on Bender Consulting, LLC's report. The letters were forwarded to Braun Intertec and BW/AECOM responded to JWF's letter on April 14, 2014, indicating that their contention that the materials encountered in drilling wells are different from those described in the geotechnical report is incorrect.

The Contractor JWF indicated that based on the existing conditions, their initial proposed excavation plan of unsupported excavation is not compatible and has determined that ground freezing is the most prudent method available to both stabilize the ground conditions and to seal out ground water. JWF hired Midwest Testing Laboratories to perform a geotechnical exploration. The borehole was installed on April 16, 2014. A letter from JWF was received on April 30, 2014, again claiming differing subsurface conditions and requesting a written order pursuant to General Conditions in the Contract Documents allowing them to continue work. BW/AECOM responded to JWF's letter along with Braun Intertec's response rejecting their claim based on the conclusion that the geotechnical investigation conducted by the JWF's subcontractors does not differ materially from that shown or indicated in the Contract Documents.

BW/AECOM has contacted the Corps to get approval of the ground freezing construction method and we are awaiting their approval, though the Riverdale office personnel have granted approval to proceed with the drilling of wells necessary for the ground freezing operation. JWF has commenced drilling and installing casing pipe for the ground freezing operation. The ground freezing operation requires 30 wells to be drilled along the perimeter of the caisson and installing freezing pipes. A brine solution will be circulated down into the pipes and back out to a refrigeration truck. After the ground is frozen the excavation for caisson will commence. The contract's substantial completion date is November 15, 2014.

Contract 3-2 Six (6) MGD Water Treatment Plant at Dickinson:

Contract 3-2A Membrane Equipment Procurement – The State Water Commission awarded this contract to Tonka Water from Plymouth, Minnesota at its February 27, 2014, conference call meeting. We have received the executed Contract Documents.

Contract 3-2B Softening Equipment Procurement – Proposals were received for this Contract on April 9, 2014. Two proposals were received from; WesTech Engineering, Inc., Salt Lake City,

Utah; and Infilco Degremont, Inc., Richmond, Virginia. The bid proposal from Infilco Degremont, Inc., contained exceptions to the commercial terms and conditions of the Contract Documents and was therefore considered non-responsive.

The Bid Form included four Bid Alternates. Bid Alternate 1 was for an additional 12 months of warranty on all equipment (2 year warranty is included in the base bid). Bid Alternate 2 was for changing the material of the internal wetted parts to 316 stainless steel (included in the base bid as 304 stainless steel material). Bid Alternate 3 was for changing the material of the walkway grating and handrail to galvanized steel material (included in base bid as marine grade aluminum). Bid Alternate 4 was for a one-month pilot study on the high rate softening system. The Base Bid price from WesTech Engineering, Inc., was \$583,181.07. The cost of the Bid Alternates 1, 2, 3 and 4 are \$10,543.50, \$71,079.07, \$0.00 and \$44,321.00 respectively.

The recommendation from BW/AECOM is to award Contract 3-2B to WesTech Engineering, Inc., based on Base Bid with Alternate 1 for a bid price of \$593,724.57. The 316 grade stainless steel – a higher grade stainless steel included in Bid Alternate 2 should inherently have longer useful life, however the 304 grade stainless steel included in the Base Bid option provides a better value because of the relatively non-corrosive nature of the water in the softening basin. So it was not included in the award. The cost of Bid Alternate 3 is not a good value as, a deduct should have been offered for a lower grade product. So Bid Alternate 3 was not included in the award. Bid Alternate 4, which is for one month pilot study, was added due to the discussions with the membrane equipment provider and the bidders on this contract in regard to the use of a polymer in the lime softening system process. However, since advertising for bids, review of pilot study conducted for the Standing Rock WTP in 2008, discussions with WTP staff and the softening equipment provider it was decided not to perform a pilot study. So Bid Alternate 4 was not included in the award.

Award of Contract 3-2B was preauthorized at the March 17, 2014, meeting. Notice of Award has been sent to the contractor.

Specific Authorizations for the design of the residuals handling facility, bid ready contract documents for the 6 MGD Dickinson WTP, and bid ready documents for procurement of ozone equipment have been executed with BW/AECOM.

Project Update

July Storm Damage:

The windstorm on July 8, 2013, resulted in damage to the Halliday reservoir and telemetry antenna at the Dodge Pump Station. The tank, built in 1995, is 31 feet in diameter and 47 feet in height. The tank was designed with the possibility to be raised to a future height of 63 feet. Hydraulic analysis as to whether raising the tank was beneficial was performed. Cost estimates from Engineering America, Inc., (EAI) the original tank contractor, have been received. The cost to replace the 5 rings of damaged panels is approximately \$157,000. The cost to increase the height of the tank adds an additional \$70,000. BW/AECOM advised that raising the tank to

an overflow of 61 feet was not worth the added cost. It appears that vacuum caused by high winds caused the tank wall to collapse. The tank manufacturer suggested increasing the steel thickness of the top panels in order to address the vacuum issue. A cost estimate of around \$40,000 was quoted for increasing the steel thickness in the top 5 rings. The SWA instructed EAI to proceed with the replacing of the 5 rings of the tank without increasing the wall thickness. The repair of the tank is complete and the tank came online on May 1, 2014.

City of Rhame:

The City of Rhame voted at a special election in July, 2013, to connect to SWPP. Rhame did not elect to connect to SWPP when the Bowman-Scranton Service Area was constructed in 2000-2003, so no capacity for them was included in the design. Service to Rhame requires paralleling 3 miles of pipeline on the suction side of the Rhame Booster, connection to the city's distribution system and upgrading the pumps in the Rhame booster from 15 HP to 20 HP. The City of Rhame is responsible for the parallel piping, connection to the city's distribution system and 25 percent of the pump upgrades. The remaining 75 percent of the pump replacement cost will be requested from the Replacement and Extraordinary Maintenance funds. The contract was advertised for bids and the city awarded the contract to the low bidder, Lynn's Backhoe Service of Hettinger, North Dakota.

TSS:SSP:pdh/1736-99



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Agenda Ma

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *TSD* Todd S. Sando, P.E., Chief Engineer - Secretary
SUBJECT: SWPP Contract 4-5 Finished Water Pumping Station – Award
DATE: May 6, 2014

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

Bids for this contract were opened on April 9, 2014. Six bid packages were received for Contract 4-5. One bid was received for Bid Schedule I – General Construction, one for Bid Schedule II – Mechanical Construction, two bids for Bid Schedule III – Electrical Construction, and two for Bid Schedule IV – Combined Single Bid. One contractor, John T. Jones Construction of Fargo, North Dakota submitted a bid package containing a bid for both Schedule I and Schedule IV. The single bid received for Bid Schedule II – Mechanical Construction did not contain a proper bid bond and was not opened. Because of the lack of a responsive Mechanical Construction bid, the contract has to be awarded on the basis of Bid Schedule IV – Combined Single Bid.

The two bids received for the Schedule IV – Combined Single Bid were from John T. Jones Construction Co., from Fargo, North Dakota and Record Steel and Construction, Inc., from Boise, Idaho. The table below shows the bid prices received for Schedule IV.

Bidder	Base Bid Amount	Amount Higher than Low Bidder
John T. Jones Construction Co. Fargo, ND	\$10,249,999.00	-
Record Steel and Construction, Inc. Boise, ID	\$11,806,200.00	+\$1,556,201.00 +15.2%
Engineer's Estimate	\$9,256,200.00	-\$993,799.00 -9.7%

May 6, 2014

Bid alternates were included for a new 1000 KW standby generator in lieu of relocating the existing one from the Dodge Pump Station to the new facility. Separate alternates were included for a base specifications standby generator and for one with a walk-in enclosure. The recommendation is to award the Base Bid contract without Bid Alternates, i.e. by relocating the existing 1000 KW standby generator at the Dodge Pump Station.

The low bidder, John T. Jones was the contractor on Northwest Area Water Supply Contract 4-2A (High Service Pump Station). John T. Jones submitted a claim for \$500,000 in addition to the Contract amount. Though SWC did not agree with the claim, the claim was settled by mediation with SWC, Houston Engineering Inc. (HEI), and MWH Americas, Inc. (MWH), paying a total of \$250,000 to John T. Jones. The SWC's portion of the settlement was \$62,500. In addition to the settlement payment, the construction management expense on the Contract 4-2A was approximately \$125,000 more than the budgeted amount, most of which can be attributed to the claim dispute. There were additional costs to hire a private attorney and additional staff time to address the mediation. Legal research on John T. Jones revealed multiple lawsuits involving John T. Jones. In addition to the dispute with the SWC, John T. Jones had lawsuits with City of Grand Forks and Hooten General Construction.

SWPP's Contract 4-5 is a joint facility for City of Dickinson and the SWPP. The City of Dickinson is responsible for approximately 50 percent of the construction cost of Contract 4-5. However, the SWC at its February 27, 2014 meeting approved 60 percent cost share on the City of Dickinson's 50 percent portion of Contract 4-5. John T. Jones is currently the Contractor on City of Dickinson's Waste Water Reclamation Facility (WRF) with an approximate construction cost of \$24 Million and an influent pump station with an approximate construction cost of \$8 Million. The WRF project is near completion. The Engineer for the WRF informs us that the total change order cost on the WRF to date is approximately \$65,000 and the change orders are because of owner requested changes. The City of Dickinson is currently satisfied with the work of John T. Jones on their WRF and has recommended the award of Contract 4-5 to them. Bartlett & West/AECOM checked other references provided by John T. Jones with satisfactory results.

SWC staff have reservations in awarding Contract 4-5 to John T. Jones based on prior experience on NAWS Contract 4-2A. However, in light of the good references received for John T. Jones, the significant difference (\$1.5 Million) in bid price between the low bidder and the other bid received, I am recommending the award of SWPP Contract 4-5 to John T. Jones. I am also recommending that the award leave no doubt that the timely execution and successful completion of this contract is imperative for John T. Jones to avoid disqualification as a responsible bidder on future projects.

The State Water Commission at its March 17, 2014 meeting authorized the Chief Engineer to award the contract to the lowest responsible bidder. The award of the Contract is being brought back to the Commission because of the previous litigation history with the low bidder on this contract, John T. Jones.

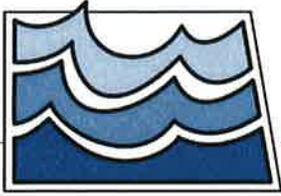
SWPP Contract 4-5 Memo

Page 3

May 6, 2014

I recommend the State Water Commission authorize the Chief Engineer and Secretary to award SWPP Contract 4-5 in the amount of \$10,249,999 based on the Base Bid for Schedule IV to John T. Jones, from Fargo, North Dakota, making clear in the award notice that future qualification as a responsible bidder will be dependent on successful completion of this project. The award of the contracts will be dependent upon legal review of the contract documents.

TSS:SSP:pdh/1736-99



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May 30, 2014

John T. Jones Construction Co.
Attn: Mr. Jeff Jones, President
PO Box 2424
Fargo, ND 58108-2424

**SUBJECT: SWPP Contract 4-5 Finished Water Pump Station
Notice of Award**

Dear Mr. Jones:

Attached to this letter is the official Notice of Award of Southwest Pipeline Project (SWPP) Contract 4-5.

The State Water Commission staff had reservations in awarding SWPP Contract 4-5 to John T. Jones because of the previous litigation history on Northwest Area Water Supply Contract 4-2A. However, in light of the good references received and the significant difference in the bid price received, I recommended the award of SWPP Contract 4-5 to John T. Jones.

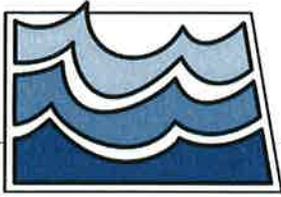
It needs to be noted that the timely execution and successful completion of SWPP Contract 4-5 without disputed claims is essential for future qualification of John T. Jones as a responsible bidder.

We look forward to a good working relationship with you.

Sincerely,

Todd Sando P.E.,
Chief Engineer
North Dakota State Water Commission

TS:SSP/1736-05
Enclosures



North Dakota State Water Commission

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Agenda M3

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *S.S.* Todd S. Sando, P.E., Chief Engineer-Secretary
SUBJECT: SWPP Contract 7-9E
DATE: May 14, 2014

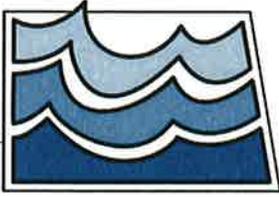
This contract includes furnishing and installing approximately 267 miles of 6"-1 ½ " ASTM D2241 gasketed joint pipe; 251 services; road crossings; connections to existing pipelines and other related appurtenances.

The contract has an Intermediate Completion Date of July 15, 2015, for a portion of the rural distribution system and related appurtenances required to provide water service to 54 services. The intermediate completion area includes approximately 44 miles. The Substantial Completion date for the entire project is November 15, 2015.

Bids for Contract 7-9E will be opened on May 22, 2014. The engineer's estimate is \$8.5 Million. The estimated total project cost is \$10.6 Million.

Recommendation to award this contract will be provided at the meeting.

TSS:SSP:pdh/1736-99



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Agenda m-t

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *T.S.* Todd S. Sando, P.E., Chief Engineer - Secretary
SUBJECT: SWPP City of Rhame Water Service Contract
DATE: May 14, 2014

Southwest Pipeline Project (SWPP) water service contract 1736-38 is between the State Water Commission (SWC), Southwest Authority (SWA) and the City of Rhame (City). City is responsible for the construction of 3 miles of parallel pipe upstream of Rhame booster and the connection to the City's distribution system. The City is also responsible for 25 percent of replacement cost of the pumps inside the Rhame booster. The SWA will contract for the replacement of the pumps and the City will pay 25 percent of the replacement cost to SWA. SWA will request the remaining 75 percent of the replacement cost from the Replacement and Extraordinary Maintenance funds. This contract also incorporates the higher rate for water used for oil industry and the real time monitoring requirements for oil industry water depots.

We anticipate the City approving this water service contract before the SWC meeting on May 29, 2104. The SWA will approve it on their June 2, 2014, meeting.

I recommend the State Water Commission approve contract 1736-38.

TSS:SSP:pdh/1736-99
Attachment

SOUTHWEST PIPELINE PROJECT WATER SERVICE CONTRACT

Contract No.: 1736-38
Customer Entity: **City of Rhame**

I. PARTIES

This contract is between the Southwest Water Authority (the “Authority”), the North Dakota State Water Commission (the “Commission”), and the City of Rhame (the “Customer”).

II. INTRODUCTION

1. The Commission is developing a water pipeline, water supply, and water distribution project known as the Southwest Pipeline Project (the “Project”).
2. The Authority, created under North Dakota Century Code § 61-24.5, provides operation, maintenance, and management of the Project.
3. In 1995, the Commission entered into an agreement with the Authority transferring to the Authority the completed portions of the Project for operation, maintenance, and management (the “1995 Agreement”).
4. Under North Dakota Century Code § 61-24.5-09, the Authority may enter into water service contracts to deliver and distribute water and to collect charges for such delivery.
5. The Customer desires to enter into a water service contract, pursuant to the laws of the State of North Dakota, for a water supply from the Project for use by the Customer, for which the Customer will make payment to the Authority as set forth in this contract.
6. Upon completion of Facility improvements, and payment in full by the Customer to the Authority for 25% of pump upgrade costs in the Rhame Booster, the Customer desires to receive water service from the Project under the terms of this contract.

III. DEFINITIONS

The following definitions apply to this contract:

1. “Additional water” means water purchased by the Customer at a flow rate greater than the Maximum flow rate specified in this contract.

2. “Base consumer price index” means the consumer price index, as defined herein, as of January 1, 1995, which is 448.4 (1967 = 100).
3. “Capital costs” means all the costs incurred by the Commission related to furnishing of equipment for the Project, including the costs of surveys, engineering studies, exploratory work, designs, preparations of construction plans and specifications, acquisitions, acquisitions of lands, easements and rights-of-way, relocation work, and related essential legal, administrative, and financial work, which the Commission, at its sole discretion, deems to be properly chargeable to the Customer. “Capital costs” shall not include the Customer distribution system costs, which shall be paid by the Customer to the Commission under the terms of this contract and before the Customer receives any water service whatsoever.
4. “Consumer price index”, hereinafter referred to as “CPI”, means the consumer price index for all urban consumers, which is a monthly statistical measure of the average change in prices in a fixed market basket of goods and services. The CPI is based on the prices of food, clothing, shelter, fuel, drugs, transportation fares, doctors’ and dentists’ fees, and other goods and services that people buy for day-to-day living.
5. “Customers” means those persons, municipalities, rural water cooperatives, corporations, and other entities that have entered into and executed water service contracts with the Authority for the purchase of water from the Project.
6. “Customer distribution system” means all infrastructure from the Point of delivery that extends onto the Customer’s property, including any storage, clearwell, pump, service line, distribution line, appurtenances and all related items intended for the distribution of water for Domestic, business, industrial, and public use.
7. “Customer distribution system costs” means all costs for and related to the Customer distribution system.
8. “Customer’s proportionate share” means the amount of water delivered to the Customer by the Authority during the Year divided by that Year’s total annual water sales to all Customers.
9. “Domestic use” means the use of water by an individual, family unit, or household for personal needs and for drinking, washing, sanitary, and culinary uses.
10. “Estimated water rate for operation, maintenance, and replacement” means the estimated rate per each one thousand (1,000) gallons of water for Operation, maintenance, and replacement (OM&R) costs, as defined herein. This rate is determined by dividing total costs the Authority estimates it will incur during a Year for OM&R by the total number of one thousand (1,000) gallon units of water that the Authority estimates it will sell to its Customers during the same Year.

11. “Facility improvements” means improvements to the Project that include paralleling three miles of pipeline on the upstream side of the Rhame Booster and a connection to the Customer’s distribution system, up to the Point of delivery, that will enable the Customer to receive water service from the Project.
12. “Facility improvement costs” means any costs that the Commission, the Authority, and the Customer incurs in providing Facility improvements.
13. “Maximum flow rate” means the maximum number of gallons of water that the Authority may deliver to the Customer during any one minute time period.
14. “Minimum annual water purchase” means the minimum gallons of water that the Customer must purchase and pay for during a Year.
15. “Municipal or public use” means the use of water by the state through its political subdivisions, institutions, facilities, and properties and the inhabitants thereof, or by unincorporated communities, subdivision developments, rural water systems, and other entities, whether supplied by the government or by a privately owned public utility or other agency or entity, for primarily Domestic use.
16. “Operation, maintenance, and replacement costs”, herein referred to as “OM&R” costs, means the cost for operation and maintenance, for establishing and maintaining operating reserves of the Project, and for the accumulation and maintenance of a reserve fund for replacement purposes.
17. “Point of delivery” means the location where the Project delivers water to the Customer, from which point the Customer is responsible for conveyance of the water for its intended use.
18. “Potable water” means water fit for human consumption.
19. “Unallocated capacity” means the capacity of the Project that is not allocated and contractually committed to Customers by virtue of raw or Potable water service contracts.
20. “Water rate for capital costs” means the rate per each one thousand (1,000) gallons of water to be paid by the Customers for Capital costs of the Project.
21. “Year” means the period from January 1 through December 31, both dates inclusive.

IV. TERM OF CONTRACT

1. This contract shall remain in effect for forty (40) years after the date of the first water delivery to the Customer.

2. Under terms and conditions mutually agreeable to the parties to this contract, renewals of this contract may be made for successive periods not to exceed forty (40) years from the date of renewal. Unless otherwise specified in any amendment to this contract, the term of any amendment is valid through the termination date of the contract being amended.

V. FACILITY IMPROVEMENTS

1. The Customer shall provide for the paralleling of three miles of pipeline on the upstream side of the Rhame Booster and a connection into the Customer's distribution system and shall own and maintain title to Facility improvements.
2. The Customer shall reimburse the Authority for 25% of Facility improvement costs to compensate for the required upgrade to the pumps in the Rhame Booster. The total cost is currently unknown and will be based on the final cost once construction of Facility improvements is completed.

VI. WATER SERVICE: DELIVERY OF WATER

The Authority will deliver water to the Customer in accordance with the following terms and provisions:

1. All water supplied to the Customer shall be Potable treated water that meets water quality standards of the North Dakota Department of Health.
2. All water supplied to the Customer will be for Municipal or public use only; all water supplied outside the normal course of commerce is to be addressed under a separate contract.
3. The industrial use of Project water is permitted under the Commission water appropriation permits #5754 and #6145. All parties agree that they will abide by the conditions, limitations, and restrictions of permits #5754 and #6145.
4. The Customer hereby agrees to purchase and make payment for not less than 100,000 gallons per year (Minimum annual water purchase) during the entire term of this contract.
5. The Maximum flow rate is 35 gallons per minute total for all connections to the Customer.
6. The Authority will deliver to the Customer any water that the Customer desires to purchase, at a flow rate not to exceed the Maximum flow rate. The Authority is not obligated to supply water at a greater flow rate than the Maximum flow rate. If there is Unallocated capacity in the Project to the Customer's Point of delivery, the Authority may allow delivery of Additional water at a flow rate greater than the Maximum flow rate specified

in this contract. If the Customer desires to secure a contractual right to a greater Maximum flow rate, this contract must be amended in writing to provide for such a greater maximum flow rate. At such time, the Authority may require an increase in the Minimum annual water purchase.

7. The flow rate set forth is provided to meet the Customer's needs on a constant flow basis. Should the Customer request or require demand flow service, the Customer may request such service from the Authority. As consideration for receiving this type of service, the Customer agrees to pay as the Water rate for capital costs, an amount equal to two (2) times the Water rate for capital costs paid for constant flow service. If the Customer desires to secure a contractual right to demand flow service, this contract must be amended to provide for demand flow service.
8. The Authority will supply water to the Customer at the Point of delivery at a pressure range of 20 psi to 45 psi. If the Customer requests that the Authority supply pressure outside the range of 20 psi to 45 psi and the Authority determines that it can provide the requested pressure, the Customer shall pay the Authority the cost incurred by the Authority in providing the requested pressure.
9. The Authority will accept responsibility for operations and maintenance of Facility improvements upon completion.
10. The Customer is responsible for and shall pay all Customer distribution system costs.
11. The Customer hereby assigns to the Authority such easements and right-of-way in their possession that are necessary to enable the Authority to operate and maintain Facility improvements.
12. Upon separate written agreement with Commission and Authority, Customer may transfer ownership of Facility improvements to Commission. All easements acquired by the Customer for Facility improvements to the Point of Delivery shall be assigned to the Commission upon transfer of the Facility improvements to the Commission.
13. No liability shall accrue and the Customer agrees it shall be fully responsible and shall not be entitled to any remedy arising from any water shortages or other interruptions in water deliveries resulting from accident to or failure of the Project. The Customer's duties under this contract shall not be reduced or altered by reason of such shortages or interruptions.
14. The Authority has the right during times of water shortage, from any cause, to interrupt water service to the Customer. Preference will be given to Municipal or public, Domestic, and rural water needs during times of water shortage.
15. The Authority may temporarily discontinue or reduce the amount of water supplied to the Customer for the purpose of maintaining, repairing, replacing, investigating, or inspecting any of the facilities and works necessary for supplying water. To the extent possible, the Authority will give reasonable advance notice of any temporary discontinuance or

reduction. No advance notice is required in case of an emergency. In no event shall any liability accrue against the Authority, the Commission, or any of their officers, agents, or employees for any damage or inconvenience, direct or indirect, arising from such temporary discontinuance or reduction.

16. The Customer shall pay and install, at the Point of delivery, the equipment necessary to properly meter the quantity of water delivered to the Customer. Metering equipment, including all appurtenances, shall comply with the final design and contract standards provided by the Commission to the Customer. Upon installation, the Authority shall operate and maintain the metering equipment. If the Customer believes the measurement of water delivered to be in error, it shall present a written claim to the Authority, either in person or by mail, electronic mail, or facsimile. A claim presented after a payment has become delinquent does not prevent the Authority from discontinuing service to the Customer. The Customer shall continue to make payments for water service after a claim has been presented; however, the payment will be under protest and will not prejudice the Customer's claim. After the Customer presents its claim and advances the cost of calibration, the Authority will calibrate the meter. If the meter is found to over-register by more than two percent (2%) of the correct volume, the Authority will refund the Customer's advance for the cost of calibration and the readings for that meter shall be corrected for the twelve (12) months preceding the calibration by the percentage of inaccuracy determined by the calibration. The amount of any overpayment as a result of over-registration shall be applied first to any delinquent payments for water service, and at the option of the Customer, the Authority shall refund or credit the Customer upon future payments for water service. If any meter fails to register for any period, the amount of water delivered during such period shall be deemed to be the amount of water delivered in the corresponding period immediately prior to the failure, unless the Authority and the Customer agree upon a different amount. The Customer and the Authority shall have access to the meter at all reasonable times for the purpose of verifying its readings.
17. The Customer shall be responsible for the control and use of all water in the Customer distribution system and shall pay all costs related to service, maintenance, and repair of the Customer distribution system. The Customer is responsible for the control, distribution, and use of water delivered under this contract, and the OM&R of the Customer distribution system.
18. One of the conditions in permit #6145 stipulates that real-time monitoring devices must be installed at every connection to a water depot capable of water distribution to the oil/gas industry. The parties agree that City, at its own expense, will install a real-time monitoring device acceptable to Commission and Authority at all water depots served by Project water. For existing water depots, the monitoring device will be installed before December 31, 2014. For new water depots, the monitoring device will be installed before the depot becomes operational.
19. The Point of delivery under this contract is located adjacent to the Customer's underground 100,000 gallon reservoir located in the NW1/4 of the NE1/4 of Section 26, Township 132, Range 104 West at the southeast side of the city limits. Any connection other than the

connection adjacent to the Customer's 100,000 gallon reservoir must be approved in writing by the Authority and the Commission, and all costs related to any other connection, including all appurtenant piping, valves, and controls, shall be paid by the Customer.

VII. WATER SERVICE: WATER RATES AND PAYMENT FOR WATER

The Customer shall pay for water and water service under the following terms:

1. The signing date of this contract by the Customer will be considered the official notification of availability of water. The Customer will make payments for water and water service in accordance with the terms of this contract beginning at such time water is used by the Customer. The Customer will connect to the Project by September 30, 2014. The Customer will notify the Authority at least two weeks in advance of its intended connection date.
2. The Customer will make payment for the Minimum annual water purchase specified in this contract in accordance with the rates and terms for payment of water specified in this contract, regardless of whether or not the Customer actually uses the Minimum annual water purchase.
3. For municipal and domestic water, City will pay the contract water rate set by Commission and Authority. City's water service payment for each month will equal the sum of: 1) City's proportionate share of the Operation, maintenance, and replacement costs; 2) City's payments for Capital costs. The current rate is \$3.61/1000 gallons.

The parties agree that City will pay Authority's oil industry rate for the bulk water sold for the oil/gas industry. The current oil industry rate is \$20/1000 gallons. The oil industry rate may be adjusted annually. City will pay Authority's contract customer rate for industries other than oil/gas. It is City's responsibility to provide documentation regarding the sale of water to industries other than oil/gas. City will pay the oil industry rate for the water sold to the oil/gas industry beginning on July 1, 2014.

4. The Customer agrees to use water from no other source than the Project in the Customer distribution system during the term of this contract except if water from other sources is needed for emergencies such as significant fire events or interrupted or reduced service from the Project.
5. The Customer's proportionate share of the Project OM&R costs (for calculating the Customer's monthly payment) will be determined as follows:
 - a. Prior to February 1 of each year, the Authority shall adopt a budget for OM&R for the Project for the immediate ensuing year. The Authority may include in such budget an amount to be accumulated and maintained in a reserve fund for the purpose of replacing Project works and for extraordinary maintenance of Project works. The amount of the reserve fund shall be contingent upon approval by the

Commission. The Authority shall deposit and maintain the reserve fund in a separate account in accordance with the laws of the state of North Dakota.

- b. The Authority will estimate the total annual water sales for the immediate ensuing year and calculate the “Estimated water rate for OM&R” for the Project by dividing the amount of the estimated budget for OM&R for the immediate ensuing year by the estimated total annual water sales for such ensuing year.
 - c. The monthly payment to be made by the Customer to the Authority for OM&R shall be determined by multiplying the amount of water actually delivered to the Customer for each month by the Estimated water rate for OM&R.
 - d. At the end of each year, the Authority shall prepare a statement of the year’s actual OM&R costs.
 - e. The Authority will then determine the adjustment to be applied to the Customer’s OM&R payment for the previous year. The adjustment will be calculated by dividing the amount of water delivered to the Customer by the Authority during the previous year by that year’s total annual water sales to determine the Customer’s proportionate share of the OM&R costs. This fraction will then be multiplied by the actual total cost for OM&R for the previous year, which shall be the amount of the Customer’s proportionate share of OM&R costs for the previous year. The Authority shall then subtract this amount of the Customer’s proportionate share of OM&R costs for the previous year from the total amount actually paid by the Customer for OM&R during the previous year, which is the adjustment to be applied to the Customer’s water service payments for the next year. If the Customer’s proportionate share of OM&R costs for the previous year is more than the total amount actually paid by the Customer during the previous year for OM&R, the difference shall be owed by the Customer to the Authority. Any such amount due will be added to the Customer’s monthly payments for water for the next four (4) months of the immediate ensuing year in equal monthly installments. If the Customer’s proportionate share of OM&R costs for the previous year is less than the total amount actually paid by the Customer during the previous year but the Customer has delinquent payments for water service, the remaining sum, if any, shall be used to satisfy the delinquencies. But if there are no delinquencies, the sum will be credited against the Customer’s monthly payments for water service for the next four (4) months of the immediate ensuing year in equal monthly credits.
6. The Customer’s share of the Project’s Capital costs (for calculating the Customer’s monthly payment) will be determined as provided below.
- a. The base rate for Capital costs for constant flow shall be seventy-two cents (\$0.72) per each one thousand (1,000) gallons of water.
 - b. The Commission shall have the authority to adjust the base Water rate for capital

costs annually in accordance with the increase or the decrease in the 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. The result of this calculation shall be reduced by one (1), and then multiplied by the base Water rate for capital costs. The product of this formula is the adjustment to the Water rate for capital costs and shall be used to add to the base Water rate for capital costs for the next year. Notwithstanding the foregoing basis for adjusting the Water rate for capital costs, the Commission shall have the authority to decrease the adjustment to the Water rate for capital costs, as it deems appropriate and necessary, after considering data on changes to the median incomes of Project water Customers, substantial increases in OM&R costs, or other factors.

- c. The amount of the Customer's monthly payment to the Authority for Capital costs shall be calculated by multiplying the Water rate for capital costs by the amount of water actually delivered to the Customer each month.
7. The Authority shall read the metering equipment at the Point of delivery, and not later than the first (1st) day of each month, shall send to the Customer, at the address shown on the signature page of this contract, an itemized statement of the payment due from the Customer for water service for the preceding month.
8. The Customer shall pay the Authority for water service under this contract, OM&R, and Capital costs by sending payment to the Authority, at the address shown on the signature page, not later than the fifteenth (15th) day of each month. Payments sent after the fifteenth (15th) day of each month shall result in the Customer being in default. If the Customer is in default, the Authority, at its sole discretion, may suspend delivery of water through the Project during the period of default. During any period of default, the Customer remains obligated to make all payments required under this contract. Any action of the Authority shall not limit or waive any remedy provided by this contract or by law for the recovery of money due or that may become due under this contract.
9. Interest of one percent (1%) per month will be imposed upon all payment amounts that are in default.
10. The Customer's failure or refusal to accept delivery of water from the Authority does not relieve the Customer from its obligation to make payments in accordance with this contract.

VIII. GENERAL PROVISIONS

1. The Authority, contingent upon the approval of the Commission, may adopt such rules and regulations as it deems appropriate to carry out and to govern the administration of this contract. Such rules and regulations shall not be inconsistent with this contract. The Customer shall comply with such rules and regulations.

2. All notices or other communications required under this contract must be given either in person or by mail at the address shown on the signature page of this contract, or by electronic mail or facsimile. Notice provided under this provision does not meet the notice requirements for monetary claims against the Commission found at N.D.C.C § 32-12.2-04.
3. The Customer shall promptly notify the Authority and the Commission of all potential claims that arise or result from this contract. The Customer shall also take all reasonable steps to preserve all physical evidence and information that may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and grants the Commission the opportunity to review and inspect the evidence, including the scene of an accident.
4. The use of any remedy specified herein to enforce this contract is not exclusive and does not prohibit, or limit the application of any other remedy available by law.
5. In the event a lawsuit is initiated by the Commission to obtain performance due under this contract and the Commission is the prevailing party, the Customer shall pay the Commission's reasonable attorney fees and costs in connection with the lawsuit.
6. Any waiver by any party of its rights in connection with this contract does not waive any other default or matter.
7. If any term of this contract is declared by a court having jurisdiction to be illegal or unenforceable, the validity of the remaining terms is unaffected, and if possible, the rights and obligations of the parties are to be construed and enforced as if the contract did not contain that term.
8. The Customer may not assign or otherwise transfer or delegate any right or duty without the express written consent of both the Commission and the Authority.
9. The parties agree that municipal, domestic, and rural water needs shall be given preference. Commission and Authority have the right to curtail the industrial use of Project water during water shortages, emergencies, and when the total industrial use for Project nears the allocation granted by the water permits.
10. This contract is governed by and construed in accordance with the laws of the state of North Dakota. Any action to enforce this contract must be brought in the District Court of Burleigh County, North Dakota, and the Customer consents to jurisdiction of state courts.
11. The Customer understands that the Authority and the Commission must disclose to the public upon request any records it receives from the Customer. The Customer further understands that any records that are obtained or generated by the Customer under this contract, except for records that are exempt under North Dakota Century Code chapter 44-04, are open to the public upon request under the North Dakota open records law. The

Customer agrees to contact the Commission immediately upon receiving a request for information under the open records law and to comply with the Commission's instructions on how to respond to the request.

IX. TERMINATION

The Authority and the Commission may terminate this contract if the Customer fails to use delivered water in a manner consistent with the terms of this contract. Upon such termination, the Authority and the Commission are relieved of all obligations under this contract and the Customer must immediately disconnect the Customer distribution system from the Point of delivery.

X. MERGER

This contract constitutes the entire contract between the parties. There are no understandings, agreements, or representations, oral or written, not specified within this contract. This contract may not be modified, supplemented, or amended, in any manner, except by written agreement signed by each party to this contract.

STATE WATER COMMISSION
900 East Boulevard Avenue
Bismarck, ND 58505
By:

SOUTHWEST WATER AUTHORITY
4665 2nd Street SW
Dickinson, ND 58601-7231
By:

Todd Sando, Chief Engineer and Secretary

Larry Bares, Chairman

Date _____

Date _____

CITY OF RHAME
109 Main Street
Rhame, ND 58651-0070

CITY OF RHAME

By: _____

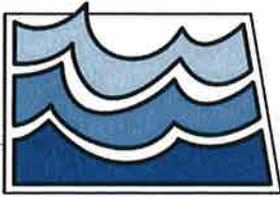
By: _____

Title: _____

City Auditor

Date _____

Date _____



North Dakota State Water Commission

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

Agenda MS

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *JSD* Todd S. Sando, P.E., Chief Engineer - Secretary
SUBJECT: SWPP Industrial Use by Communities – Water Service Contract Amendment
DATE: May 14, 2014

The withdrawal of water for the Southwest Pipeline Project (SWPP) was initially permitted under the State Water Commission's (SWC) Conditional Water Use Permit No. 3688 approved on December 5, 1984. Conditional Water Use Permit No. 3688 provides for the use of 17,100 acre-feet of water, of which, 14,047 acre-feet is permitted for municipal use and 4,503 acre-feet for rural domestic use. Industrial use was not permitted with Conditional Water Use Permit No. 3688.

The SWC applied for an industrial water use permit for the SWPP with Permit No. 5754 in June 2005. Permit No. 5754 was approved on March 31, 2006, and provides for the use of 1,130 acre-feet of water for the SWPP's industrial use customers such as Red Trail Energy, Steffes Manufacturing, Baker Boy, and similar customers. Water used by communities outside the normal course of commerce is also permitted under SWPP's industrial use permit.

The use of water for hydraulic fracturing by the oil industry has resulted in the industrial use of SWPP's water exceeding its permitted amount starting in 2011. Temporary permits were sought every year to meet the expected annual use in addition to the allocation of 1,130 ac-ft. In anticipation of increased industrial use, the SWC applied for an industrial use permit with Permit No. 6145 in September 2010. Permit No. 6145 was approved on March 17, 2014, and provides for 8,000 acre-feet of water. Permit No. 6145 has several conditions that must be followed.

All the water service contracts signed before March 17, 2014, must now be amended in order to enforce the permit conditions on SWPP customers and to follow the SWC's Water Supply Cost Share Policy of domestic water supply having priority over industrial water supply.

A template amendment to water service agreements enforcing the permit conditions and increased rate for water used for oil industry was sent to 31 communities served by SWPP. The letter sent to the communities with the template amendment instructed the communities to let us know of any other amendments necessary on their water service contract by May 15, 2014. The template amendment is attached to this memo (Attachment A). The SWC is also a party to water service agreements with some bulk customers. Those agreements will be amended to prevent resale of water. The SWA is working on the amendments to other bulk customers.

City of Medora requested two-week extension to consult with their engineer to inform us of other amendments necessary on their water service contract. City of Hazen and City of Hebron contacted for clarifications on the amendment. We expect some communities to request flow

JACK DALRYMPLE, GOVERNOR
CHAIRMAN

TODD SANDO, P.E.
CHIEF ENGINEER AND SECRETARY

SWPP Water Service Contract Amendment

Page 2

May 14, 2014

rate allocation amendment. When the communities executed sole source amendment with SWPP, their maximum flow rate allocation in their water service contract was not amended.

City of Dickinson requested additional amendments be made to their water service contract. The additional amendments include their maximum water capacity allocation and emergency connection to the SWPP. The City of Dickinson at their May 5, 2014, meeting approved the amendment and the SWA approved the same on their meeting on May 5, 2014. The City of Dickinson's amendment is attached to this memo (Attachment B).

I recommend approving Amendment #4 to City of Dickinson's water service agreement 1736-03 and authorize the Chief Engineer/Secretary to execute amendments to water service contract with other SWPP customers.

TSS:SSP:pdh/1736-99
Attachments

**AMENDMENT # [REDACTED] TO WATER SERVICE CONTRACT 1736-[REDACTED]
BETWEEN THE CITY OF [REDACTED]
THE SOUTHWEST WATER AUTHORITY,
AND THE STATE WATER COMMISSION**

The State of North Dakota, acting through the State Water Commission (Commission), the City of [REDACTED] (City), and the Southwest Water Authority (Authority) amend Contract 1736-[REDACTED], approved by the Commission on [REDACTED], regarding water service for the City.

Replace **SECTION VII, PARAGRAPH B** with:

B. Payment for Water Service.

1. **Municipal and Domestic Water.** For municipal and domestic water, City will pay the contract water rate set by Commission and Authority. The City's water service payment for each month will equal the sum of: 1) City's proportionate share of the operation, maintenance, and replacement costs; 2) City's payments for capital costs. The current rate is \$3.61/1000 gallons.
2. **Industrial Water.** The parties agree that the City will pay the Authority's Oil Industry Rate for the bulk water sold for oil/gas industry. The current Oil Industry Rate is \$20/1000 gallons. The Oil Industry Rate may be adjusted annually. City will pay the Authority's Contract Customer rate for industries other than oil/gas. It is the responsibility of the City to provide documentation regarding sale of water to industries other than oil/gas. The City will pay the Oil Industry Rate for the water sold to the oil/gas industry beginning on July 1, 2014.

Add the following as **SECTION VII, PARAGRAPH K**:

A. Industrial Permit.

The industrial use of the SWPP water is permitted under the Commission Water Permits #5754 and #6145. All the parties agree that they will abide by the conditions, limitations and restrictions listed on permits #5754 and #6145. Copies of permits #5754 and #6145 are attached to this amendment.

B. Real-Time Monitoring Devices.

One of the conditions on permit #6145 stipulates that real-time monitoring devices must be installed at every connection to a water depot capable of water distribution to the oil/gas industry. The parties agree that the City, at its own expense, will install a real-time monitoring device acceptable to the Commission and Authority at all water depots served by SWPP water. For existing water depots, the monitoring device will be installed before December 31, 2014. For new water depots, the monitoring device will be installed before the depots become operational.

C. Water Allocation.

The parties agree that municipal, domestic, and rural water needs shall be given preference. The Commission and Authority have the right to curtail the industrial use of SWPP water during water shortages, emergencies, and when the total industrial use for the SWPP nears the allocation from the water permits.

The Parties executed this Amendment on the date(s) specified below.

CITY OF _____

By: _____
Its: President of City Commission
Date: _____

NORTH DAKOTA STATE WATER COMMISSION

By: Todd Sando, P.E.
Its: Chief Engineer and Secretary
Date: _____

SOUTHWEST WATER AUTHORITY

By: Larry Bares
Its: Chairman of the Board of Directors
Date: _____

STATE OF NORTH DAKOTA

CONDITIONAL WATER PERMIT NO. 05754

This conditional water permit authorizes permittee to construct the necessary diversion facilities and to appropriate the water specified below.

1. Name of Applicant: **N.D. STATE WATER COMMISSION
(Southwest Pipeline Project)**
Mailing Address: **900 E BOULEVARD
BISMARCK, ND 58505**

2. Priority Date: **April 1, 2005**

3. Nature of use: **Industrial**

4. Source of Water Supply: **Surface Water**
River: **Missouri River**
Basin: **Lake Sakakawea**

5. Point of Diversion:
SE1/4 of Section 14, Township 146 N., Range 088 W., Mercer County

6. Amount of water authorized, rate at which it may be diverted from the respective point(s) of diversion, and period of use:

Annual Use (Ac-Ft)	Rate (gpm)
1,130.0	700
from January 1 to December 31, inclusive	

7. Conditions, limitations, restrictions, and terms of permit: **See Attachment A**

8. Water shall be beneficially used on or before: **April 1, 2009**

A perfected permit will be issued after the facilities have been properly constructed and inspected. A water right accrues upon placing the water to beneficial use, as authorized herein.

SEAL





Dale L. Frink
State Engineer

Date: March 31, 2006

STATE OF NORTH DAKOTA

CONDITIONAL WATER PERMIT NO. 05754

Attachment A - Conditions, Limitations, and Restrictions:

1. This water permit is granted subject to water use from the source by senior appropriators.
2. Failure to comply with any order of the State Engineer may result in forfeiture of this water permit.

SEAL





Dale L. Frink
State Engineer

Date: March 31, 2006

STATE OF NORTH DAKOTA
CONDITIONAL WATER PERMIT NO. 6145

This conditional water permit authorizes permittee to construct the necessary diversion facilities and to appropriate the water specified below.

1. Name of Applicant: **N.D. STATE WATER COMMISSION**
SOUTHWEST PIPELINE PROJECT
Mailing Address: **900 E BOULEVARD**
BISMARCK, ND 58505

2. Priority Date: **September 7, 2010**

3. Nature of use: **Industrial**

4. Source of Water Supply: **Surface Water**
River: **Missouri River**
Tributary of: **Missouri River**

5. Point of Diversion:

SE1/4 of Section 14, Township 146 N., Range 088 W., Mercer County

6. Amount of water authorized, rate at which it may be diverted from the respective point of diversion, and period of use:

Annual Use (Ac-Ft)	Rate (gpm)	
8,000.0	4,970	from January 1 to December 31 inclusive

7. Conditions, limitations, restrictions, and terms of permit: **See Attachment A**

8. Water shall be beneficially used on or before: **March 1, 2017**

A perfected permit will be issued after the facilities have been properly constructed and inspected. A water right accrues upon placing the water to beneficial use, as authorized herein.

SEAL



Todd Sando, PE
State Engineer

Date: March 17, 2014

STATE OF NORTH DAKOTA
CONDITIONAL WATER PERMIT NO. 6145

Attachment A - Conditions, Limitations, and Restrictions:

1. This water permit is granted subject to water use from the source by senior appropriators. Withdrawals shall cease upon order of the State Engineer.
2. This water permit is subject to water use by downstream prior appropriators in the State of North Dakota.
3. Failure to comply with any order of the State Engineer may result in forfeiture of this water permit. This includes the withdrawal of water at times that are not authorized.
4. Prior to the beneficial use of water under this permit, an in-line, continuous recording totalizing flow meter shall be installed on the pump discharge line to measure the quantity of water pumped from the water source. The water flow meter must meet the following requirements:
 - A. The water flow meter must be certified by the manufacturer to record neither less than 98 percent nor greater than 102 percent of the actual volume of water passing the meter when installed according to the manufacturer's instructions.
 - B. The water flow meter must have a display that is readable at all times, whether the system is operating or not.
 - C. The water flow meter must have a totalizer that meets the following criteria:
 - a. Is continuously updated to read directly only in acre-feet, acre-inches, gallons, cubic feet, or barrels (42 US gallons);
 - b. Has sufficient capacity without recycling past zero more than once each year to record the quantity of water diverted in any one calendar year;
 - c. Has a dial or counter that can be timed with a stopwatch over not more than a 10 minute period to accurately determine the rate of flow under normal operating conditions; and
 - d. Has a nonvolatile memory if the meter is equipped with an electronic totalizer.
 - D. The water flow meter must be installed according to the manufacturer's specifications and must be properly maintained according to manufacturer's recommendations including proper winterization such as removal during the winter.
 - E. The water flow meter shall be available for inspection by representatives of the State Engineer.

SEAL





Todd Sando, PE
State Engineer

Date: March 17, 2014

STATE OF NORTH DAKOTA

CONDITIONAL WATER PERMIT NO. 6145

5. Water depots shall be defined as points of delivery of water to the oil/gas industry including permanently located truck fill sites, temporarily located truck fill sites, direct connections to the main transmission water pipeline, temporary connections to the main pipeline via overland pipe or hose, or any other facility that provides water to the oil/gas industry.
6. Prior to the withdrawal of water from the authorized source, real-time monitoring devices shall be installed at the authorized point of diversion and at every connection to a water depot capable of water distribution to the oil/gas industry. These real-time monitoring device shall abide by the following specifications:
 1. Electronic delivery of meter readings to the North Dakota State Water Commission Water-Use database, at least once per day. This shall occur each day whether or not pumping has occurred until pumping equipment is removed from this authorized point of diversion.
 2. The electronic delivery of real-time data shall be through a SOAP (Simple Object Access Protocol) service. The SOAP service specifications are listed on the North Dakota State Water Commission website at: <http://www.swc.nd.gov/SWCTelemetrySOAPSpec.html>.
 3. Written notification must be given to the Office of the State Engineer three days prior to the removal of the pumping equipment from the authorized point of diversion and monitoring will no longer required. Electronic mail (e-mail) notification will satisfy this requirement.

To obtain the proper credentials for your telemetry to delivery water-use data from your water meter directly to the North Dakota State Water Commission' Water-Use Database, please contact Mike Hove at (701) 328-4288 or mhove@nd.gov and have the following information available:

- a. Depot number:
- b. Depot name:
- c. Depot location

7. Permit holders of Water Permits with Industrial Use must complete the Annual Water Use Report for each calendar year that the Water Permit is authorized, in accordance with North Dakota Century Code §61-04-27. The State Engineers Office will issue the Annual Water Use Report forms for Industrial Water Permits and the completed Annual Water Use Report is due in the State Engineer's Office on or before March 31. Failure to comply with this order of the State Engineer may result in fines being levied on the permit holder or forfeiture of this permit.

SEAL



Todd Sando, PE
State Engineer

Date: March 17, 2014

**AMENDMENT #4 TO WATER SERVICE CONTRACT 1736-3
BETWEEN THE CITY OF DICKINSON,
THE SOUTHWEST WATER AUTHORITY,
AND THE STATE WATER COMMISSION**

The State of North Dakota, acting through the State Water Commission (Commission), the City of Dickinson (City), and the Southwest Water Authority (Authority) amend Contract 1736-3, approved by the Commission on March 11, 1982, regarding water service for the City.

Replace SECTION VI, PARAGRAPH B with:

B. Maximum Flow Rate. Commission will provide a maximum flow rate to City not to exceed 4166.6 gallons per minute.

Replace SECTION VI, PARAGRAPH C with:

C. Point of Delivery and Pressure.

1. Main Water Connection. The Main Water Connection for the City is through the City's high service Pumps located inside the existing Water Treatment Plant.
2. Emergency Connection. The City will furnish an emergency connection in the S1/2 of Section 32, Range 96W, Township 140N. The connection must be metered, and City will pay the Municipal and Domestic water rates for such emergency connection as set forth in this Agreement. The Commission and Authority do not provide any guaranties or assurances relating to water capacity or pressure at the emergency connection, and all provisions of this Agreement limiting liability of the Commission or Authority remain in full force and effect regarding this emergency connection. Each use of this connection requires prior approval by Authority.

Replace SECTION VII, PARAGRAPH B with:

B. Payment for Water Service.

1. Municipal and Domestic Water. For municipal and domestic water, City will pay Authority's Contract Customer rate. The City's water service payment for each month will equal the sum of: 1) City's proportionate share of the operation, maintenance, and replacement costs; 2) City's payments for capital costs. The Authority's current Contract Customer rate is \$3.61/1000 gallons.
2. Industrial Water. The parties agree that the City will pay the Authority's Oil Industry Rate for the bulk water sold for oil/gas industry. Bulk water sold to the oil/gas industry shall include any bulk water vendors operated by the City and private customers who operate bulk water vendors as permitted by the City, but shall not include bulk water sales of reclaimed water produced through the City's Water Reclamation Facility. The current Oil Industry Rate is \$20/1000 gallons. The Oil Industry Rate may be adjusted annually. City will pay the Authority's Contract Customer rate for industries other than

oil/gas. It is the responsibility of the City to provide documentation regarding sale of water to industries other than oil/gas. The City will pay the Oil Industry Rate for the water sold to the oil/gas industry beginning on July 1, 2014.

Add the following as **SECTION VII, PARAGRAPH K:**

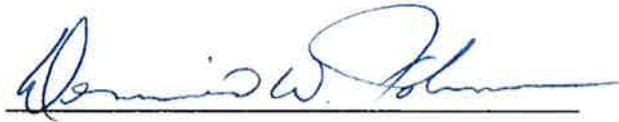
- A. Industrial Permit.
The industrial use of the SWPP water is permitted under the Commission Water Permits #5754 and #6145. All the parties agree that they will abide by the conditions; limitations and restrictions listed on permits #5754 and #6145. Copies of permits #5754 and #6145 are attached to this amendment.

- B. Real-Time Monitoring Devices.
One of the conditions on permit #6145 stipulates that real-time monitoring devices must be installed at every connection to a water depot capable of water distribution to the oil/gas industry. The parties agree that the City, at its own expense, will install a real-time monitoring device acceptable to the Commission and Authority at all water depots served by SWPP water. For existing water depots, the monitoring device will be installed before December 31, 2014. For new water depots, the monitoring device will be installed before the depots become operational.

- C. Water Allocation.
The parties agree that municipal, domestic, and rural water needs shall be given preference. The Commission and Authority have the right to curtail the industrial use of SWPP water during water shortages, emergencies, and when the total industrial use for the SWPP nears the allocation from the water permits.

The Parties executed this Amendment on the date(s) specified below.

CITY OF DICKINSON



By: Dennis W. Johnson

Its: President of City Commission

Date: 5-5-14

NORTH DAKOTA STATE WATER COMMISSION

By: Todd Sando, P.E.

Its: Chief Engineer and Secretary

Date: _____

SOUTHWEST WATER AUTHORITY

Larry Bares

By: Larry Bares

Its: Chairman of the Board of Directors

Date: *May 5th 2014*

STATE OF NORTH DAKOTA

CONDITIONAL WATER PERMIT NO. 05754

This conditional water permit authorizes permittee to construct the necessary diversion facilities and to appropriate the water specified below.

1. Name of Applicant: **N.D. STATE WATER COMMISSION
(Southwest Pipeline Project)**
Mailing Address: **900 E BOULEVARD
BISMARCK, ND 58505**
2. Priority Date: **April 1, 2005**
3. Nature of use: **Industrial**
4. Source of Water Supply: **Surface Water**
River: **Missouri River**
Basin: **Lake Sakakawea**
5. Point of Diversion:
SE1/4 of Section 14, Township 146 N., Range 088 W., Mercer County
6. Amount of water authorized, rate at which it may be diverted from the respective point(s) of diversion, and period of use:

Annual Use (Ac-Ft)	Rate (gpm)
1,130.0	700
from January 1 to December 31, inclusive	
7. Conditions, limitations, restrictions, and terms of permit: **See Attachment A**
8. Water shall be beneficially used on or before: **April 1, 2009**

A perfected permit will be issued after the facilities have been properly constructed and inspected. A water right accrues upon placing the water to beneficial use, as authorized herein.

SEAL





Dale L. Frink
State Engineer

Date: March 31, 2006

STATE OF NORTH DAKOTA

CONDITIONAL WATER PERMIT NO. 05754

Attachment A - Conditions, Limitations, and Restrictions:

1. This water permit is granted subject to water use from the source by senior appropriators.
2. Failure to comply with any order of the State Engineer may result in forfeiture of this water permit.

SEAL





Dale L. Frink
State Engineer

Date: March 31, 2006

STATE OF NORTH DAKOTA
CONDITIONAL WATER PERMIT NO. 6145

This conditional water permit authorizes permittee to construct the necessary diversion facilities and to appropriate the water specified below.

1. Name of Applicant: **N.D. STATE WATER COMMISSION
SOUTHWEST PIPELINE PROJECT**
Mailing Address: **900 E BOULEVARD
BISMARCK, ND 58505**
2. Priority Date: **September 7, 2010**
3. Nature of use: **Industrial**
4. Source of Water Supply: **Surface Water**
River: **Missouri River**
Tributary of: **Missouri River**
5. Point of Diversion:

SE1/4 of Section 14, Township 146 N., Range 088 W., Mercer County
6. Amount of water authorized, rate at which it may be diverted from the respective point of diversion, and period of use:

Annual Use (Ac-Ft)	Rate (gpm)	
8,000.0	4,970	from January 1 to December 31 inclusive
7. Conditions, limitations, restrictions, and terms of permit: **See Attachment A**
8. Water shall be beneficially used on or before: **March 1, 2017**

A perfected permit will be issued after the facilities have been properly constructed and inspected. A water right accrues upon placing the water to beneficial use, as authorized herein.

SEAL





Todd Sando, PE
State Engineer

Date: March 17, 2014

STATE OF NORTH DAKOTA
CONDITIONAL WATER PERMIT NO. 6145

Attachment A - Conditions, Limitations, and Restrictions:

1. This water permit is granted subject to water use from the source by senior appropriators. Withdrawals shall cease upon order of the State Engineer.
2. This water permit is subject to water use by downstream prior appropriators in the State of North Dakota.
3. Failure to comply with any order of the State Engineer may result in forfeiture of this water permit. This includes the withdrawal of water at times that are not authorized.
4. Prior to the beneficial use of water under this permit, an in-line, continuous recording totalizing flow meter shall be installed on the pump discharge line to measure the quantity of water pumped from the water source. The water flow meter must meet the following requirements:
 - A. The water flow meter must be certified by the manufacturer to record neither less than 98 percent nor greater than 102 percent of the actual volume of water passing the meter when installed according to the manufacturer's instructions.
 - B. The water flow meter must have a display that is readable at all times, whether the system is operating or not.
 - C. The water flow meter must have a totalizer that meets the following criteria:
 - a. Is continuously updated to read directly only in acre-feet, acre-inches, gallons, cubic feet, or barrels (42 US gallons);
 - b. Has sufficient capacity without recycling past zero more than once each year to record the quantity of water diverted in any one calendar year;
 - c. Has a dial or counter that can be timed with a stopwatch over not more than a 10 minute period to accurately determine the rate of flow under normal operating conditions; and
 - d. Has a nonvolatile memory if the meter is equipped with an electronic totalizer.
 - D. The water flow meter must be installed according to the manufacturer's specifications and must be properly maintained according to manufacturer's recommendations including proper winterization such as removal during the winter.
 - E. The water flow meter shall be available for inspection by representatives of the State Engineer.

SEAL



Todd Sando, PE
State Engineer

Date: March 17, 2014

STATE OF NORTH DAKOTA

CONDITIONAL WATER PERMIT NO. 6145

5. Water depots shall be defined as points of delivery of water to the oil/gas industry including permanently located truck fill sites, temporarily located truck fill sites, direct connections to the main transmission water pipeline, temporary connections to the main pipeline via overland pipe or hose, or any other facility that provides water to the oil/gas industry.
6. Prior to the withdrawal of water from the authorized source, real-time monitoring devices shall be installed at the authorized point of diversion and at every connection to a water depot capable of water distribution to the oil/gas industry. These real-time monitoring device shall abide by the following specifications:
 1. Electronic delivery of meter readings to the North Dakota State Water Commission Water-Use database, at least once per day. This shall occur each day whether or not pumping has occurred until pumping equipment is removed from this authorized point of diversion.
 2. The electronic delivery of real-time data shall be through a SOAP (Simple Object Access Protocol) service. The SOAP service specifications are listed on the North Dakota State Water Commission website at: <http://www.swc.nd.gov/SWCTelemetrySOAPSpec.html>.
 3. Written notification must be given to the Office of the State Engineer three days prior to the removal of the pumping equipment from the authorized point of diversion and monitoring will no longer required. Electronic mail (e-mail) notification will satisfy this requirement.

To obtain the proper credentials for your telemetry to delivery water-use data from your water meter directly to the North Dakota State Water Commission' Water-Use Database, please contact Mike Hove at (701) 328-4288 or mhove@nd.gov and have the following information available:

- a. Depot number:
- b. Depot name:
- c. Depot location

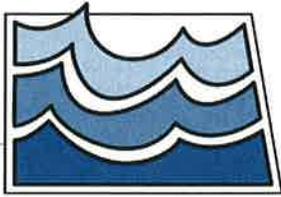
7. Permit holders of Water Permits with Industrial Use must complete the Annual Water Use Report for each calendar year that the Water Permit is authorized, in accordance with North Dakota Century Code §61-04-27. The State Engineers Office will issue the Annual Water Use Report forms for Industrial Water Permits and the completed Annual Water Use Report is due in the State Engineer's Office on or before March 31. Failure to comply with this order of the State Engineer may result in fines being levied on the permit holder or forfeiture of this permit.

SEAL



Todd Sando, PE
State Engineer

Date: March 17, 2014



North Dakota State Water Commission

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

Agenda (1)

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *TSD* Todd Sando, P.E., Chief Engineer – Secretary
SUBJECT: Devils Lake Hydrologic Update
Devils Lake Outlet Update
DATE: May 19, 2014

The current water surface elevation of Devils Lake is 1453.1 ft-msl and 1453.2 ft-msl for Stump Lake. The table below is the precipitation in Devils Lake during 2014. The average precipitation is from 1991 thru 2013.

Month 2014	Precipitation Measured	Average Precipitation
----	(Inch)	(Inch)
January	0.44	0.53
February	0.07	0.45
March	0.28	0.85
April	2.78	1.18
May	1.80*	2.89
Total	5.37	5.90

*Estimated from May 1st to May 19th.

A new National Weather Service Long Range Outlook for Devils Lake forecast elevations, including Stump Lake are scheduled to be released prior to the May 29 meeting and will be provided at the meeting.

West and East Outlets:

Routine maintenance on outlets and Standpipe repairs on West End Outlet are completed. East End Outlet began operating on Monday, May 12 with 2 pumps, discharging approximately 145 cfs. We anticipate starting the West End Outlet the Week of May 19, as Sheyenne River conditions allow.

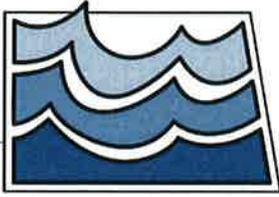
Tolna Coulee Control Structure:

The annual inspection with the US Army Corps of Engineers was completed on May 12, 2014, no deficiencies were noted. The current top elevation of the stop logs is 1451.

TS:JK:EC:ph/416-10

JACK DALRYMPLE, GOVERNOR
CHAIRMAN

TODD SANDO, P.E.
CHIEF ENGINEER AND SECRETARY



North Dakota State Water Commission

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Agenda 12

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *TS* Todd Sando, P.E., Chief Engineer – Secretary
SUBJECT: Devils Lake Outlet Operations Funding Appropriation
DATE: May 9, 2014

Devils Lake Outlet Operations, SWC Contract Fund 416-10

Devils Lake Outlet Operations (project number 416-10) had \$10,000,000 allocated in the State Water Commission's budget included in HB 1020 from the legislative assembly for the 2013-2015 Biennium.

Recommendation

I recommend the State Water Commission approve the amount of \$10,000,000 for the Devils Lake Outlet Operations, from the funds appropriated by HB 1020 to the State Water Commission for the 2013-2015 biennium.

TS:JK:ph/416-10



North Dakota State Water Commission

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Agenda O

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *TS* Todd Sando, Chief Engineer and Secretary
SUBJECT: Administrative Rules Changes
DATE: May 19, 2014

On February 19, the proposed administrative rules changes discussed at the March 17, 2014 meeting were sent to Legislative Council. A public hearing was held on March 27, with comments accepted until April 7. No comments were received during the hearing. One comment was received by the Game and Fish Department in support of changes to the Sovereign Lands article. The rules were submitted to the Attorney General's office for approval, and are now pending before the Administrative Rules Committee at the legislature.

The sections for proposed change are:

- 89-03 – Water Appropriations
- 89-06 – Funding From the Resources Trust Fund
- 89-07 – Atmospheric Resource Board
- 89-10 – Sovereign Lands
- 89-11 – Drought Disaster Livestock Water Supply Project Assistance Program

Articles 89-03 and 89-10 are administered by the state engineer. Article 89-07 is administered by the Atmospheric Resource Board and requires the approval of that board to finalize.

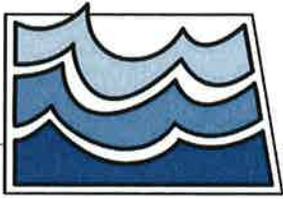
Articles 89-06 and 89-11 are administered by the State Water Commission and require final approval to finalize.

The hearing before the Legislative Rules Committee is scheduled for June 11 at 10 AM in the Roughrider room.

Pending approval of this board and the rules committee, the rules will be effective July 1, 2014.

I recommend that the State Water Commission approve the proposed changes to articles 89-06 and 89-11 of the administrative code to the extent they are approved by the Legislative Rules Committee.

TS/jlv



North Dakota State Water Commission

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Agenda P

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *Sando* Todd Sando, P.E., Chief Engineer-Secretary
SUBJECT: Western Area Water Supply
DATE: May 19, 2014

Industrial Sales and Lateral Approvals

The State Water Commission delegated the Chief Engineer the authority to either approve or deny industrial sales connections and contracts. Review and approval has been made on twenty industrial sales applications with the majority having completed drawing the requested water. There are five still active. The April industrial sales report shows January through April industrial sales at \$10.8 million. Review for future State Water Commission consideration is being completed on Western Area Water Supply Authority (Authority) relocation of three water depots involving Crosby, Tioga, and Williston.

Overall Plan Review

The original project cost estimate was \$150 million for service to a population of approximately 40,000 and received approval for \$110 million. The housing study indicates the population could reach 90,000 and the project cost has been updated to \$382.4 million due to increase demand in the rural areas and increase in construction costs. The current cost estimate for Phase 1-3 is \$236.3 million and Phase 4 is at \$146.1 million.

Funding

The State Water Commission included \$79 million in this biennium's budget for the project with \$40 million approved as a \$20 million loan and a \$20 million grant. The project funding and costs are summarized in the following tables. The total approved funding is \$190 million and with the remaining contract fund budget of \$39 million the Authority would have funding of \$229 million for Phase 1-3. The Authority's April capital accounting report shows Phases 1-3 contracted amounts of \$168.9 million and expenses at \$132.1 million. Phase 1-3 costs include \$12.4 million for contingencies with \$2.8 million being committed in awarded contracts.

Funding	
Source	Amount
SWC Loan	\$ 25,000,000
Bank of ND Loan	\$ 50,000,000
General Fund Loan	\$ 25,000,000
SWC Loan	\$ 10,000,000
Bank of ND Loan	\$ 40,000,000
SWC Loan	\$ 20,000,000
SWC Grant	\$ 20,000,000
Total Approved	\$190,000,000
SWC Pending	\$ 39,000,000
Total	\$229,000,000

Budgeted Funding	
Project	Amount
Phase 1-2	\$110,000,000
Phase 3 BND	\$ 40,000,000
Phase 3 SWC	\$ 40,000,000
Total Approved	\$190,000,000

Estimated Costs	
	Amount
Phase 1	\$ 31,101,984
Phase 2	\$ 83,541,976
Phase 3	\$119,655,747
Total	\$234,299,707

Stanley Distribution Project

The Authority is requesting approval of the Stanley Distribution project involving service to users located south and north of Stanley with a total cost of \$11,220,000. The transmission pipeline project consists of 35 miles of 8-inch to 6-inch diameter pipeline at a cost of \$3,665,000 to convey the water for distribution to serve approximately 135 new users. The distribution pipeline project required 135 miles of 4-inch to 2-inch diameter pipeline at a cost of \$7,555,000. The Phase 1-3 budget included an estimate for Stanley Distribution – Part 1 of \$6,720,000 and Phase 4 budget included an estimate for Stanley Distribution – Part 2 of \$12,501,000. The schedule for the Stanley project is to do the design and easement work this year with the majority of construction in 2015. The design and easement work could be started with the advertisement for bids for construction after a revised budget is provided to show how the current list of projects and the Stanley project are within a \$229 million budget.

I recommend the State Water Commission approve the Stanley Distribution Project with the advertisement for bids for construction based upon the Authority providing and receiving concurrence from the Chief Engineer on a revised overall budget that shows the Stanley Distribution Project is within a budget of \$229 million.

TS:JM/1973

Report Name	Executive Project Summary: Phases I - IV
Capital Costs Incurred Through Date	4/31/2014

	Business Plan Estimate	Baseline Engineering Estimate	Project Growth / Expansion	Contracted Amounts To-Date	Actual To-Date	Best Estimate To-Date
Phase I						
Task Order No. 4 - Regional Water Service Phase I Pipeline	\$ 10,070,000	\$ 9,771,148	\$ -	\$ 9,771,148	\$ 9,771,148	\$ 9,771,148 *1 *2
Task Order No. 5 - Regional Water Service Phase I Reservoir	\$ 4,956,000	\$ 5,180,000	\$ -	\$ 5,280,253	\$ 5,168,198	\$ 5,180,000 *1
Task Order No. 6 - Regional Water Service to Crosby/BDW	\$ 3,910,000	\$ 5,051,241	\$ 760,339	\$ 5,811,580	\$ 5,456,707	\$ 5,811,580 *1
Task Order No. 7 - Regional Water Service System IV	\$ 3,584,000	\$ 5,403,888	\$ 5,158,078	\$ 10,538,445	\$ 9,903,311	\$ 10,561,966
Task Order No. 7 - Regional Water Service System IV - Cost Sharing	\$ -	\$ -	\$ (743,121)	\$ (743,121)	\$ (743,121)	\$ (743,121)
Task Order No. 8 - Program Management Phase I & II	\$ -	\$ 509,888	\$ -	\$ 509,888	\$ 509,888	\$ 509,888
Task Order No. 8a - Public Information ACT Request	\$ -	\$ 10,523	\$ -	\$ 10,523	\$ 10,523	\$ 10,523
Phase II						
Task Order No. 10 - Williston Water Treatment Facility Expansior	\$ 10,846,000	\$ 17,584,081	\$ -	\$ 17,219,526	\$ 14,453,706	\$ 17,584,081
Task Order No. 11 - Transmission Pipeline Improvements	\$ 36,357,000	\$ 35,210,243	\$ 1,701,015	\$ 36,905,929	\$ 36,793,496	\$ 36,911,258
Task Order No. 11 - Transmission Pipeline Improvement - Cost Sharing	\$ -	\$ -	\$ (642,887)	\$ (642,887)	\$ (642,887)	\$ (642,887)
Task Order No. 12 - Reservoirs and Pump Stations	\$ 13,183,000	\$ 15,238,930	\$ 435,000	\$ 15,653,276	\$ 15,060,074	\$ 15,673,930
Task Order No. 13 - Hydraulic Modeling	\$ -	\$ 150,000	\$ -	\$ 150,000	\$ 150,000	\$ 150,000
Task Order No. 14 - Fill Depots	\$ 2,778,901	\$ 8,518,431	\$ 1,251,160	\$ 9,501,254	\$ 8,907,613	\$ 9,769,591
Task Order No. 15 - Rural Water System Expansion	\$ -	\$ 365,000	\$ 204,000	\$ 569,000	\$ 408,241	\$ 569,000
Task Order No. 15a-1 - WRWD West Expansion Engineering	\$ 370,000	\$ 385,000	\$ 275,000	\$ 660,000	\$ 659,622	\$ 660,000
Task Order No. 15a-1 - WRWD West Expansion	\$ -	\$ -	\$ 3,362,146	\$ 3,205,853	\$ 3,205,853	\$ 3,362,146
Task Order No. 15a-1 - WRWD West Expansion - Cost Sharing	\$ -	\$ -	\$ (1,700,000)	\$ (1,700,000)	\$ (1,700,000)	\$ (1,700,000)
Task Order No. 16 - Right of Way Procurement	\$ -	\$ 1,500,000	\$ -	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Total Legal and Administrative for Phases I and II - Capitalized	\$ 2,270,099	\$ 870,196	\$ -	\$ 870,196	\$ 870,196	\$ 870,196
Crop Damage - Appurtenances and Payments	\$ -	\$ 700,000	\$ -	\$ 675,830	\$ 675,830	\$ 700,000
Phase III						
Task Order No. 9 - Program Management Phase III	\$ -	\$ 108,243	\$ -	\$ 108,243	\$ 87,373	\$ 108,243
Task Order No. 10 - Williston WTP Expansion (14-21 MGD)	\$ 21,680,000	\$ 28,202,505	\$ -	\$ 27,148,439	\$ 11,077,354	\$ 28,202,505
Task Order No. 16 - Right of Way Procurement	\$ 1,740,000	\$ 1,030,000	\$ -	\$ 1,030,000	\$ 927,606	\$ 1,030,000
Task Order No. 17 - West Williston By-Pass Transmission Lines (30" & 36"	\$ 9,160,000	\$ 14,000,000	\$ -	\$ 494,000	\$ 447,940	\$ 14,000,000
Task Order No. 18 - WRWD - West Expansion - Part 2	\$ 460,000	\$ 322,000	\$ 5,585,750	\$ 5,164,650	\$ 1,662,983	\$ 5,585,750
Task Order No. 19 - Transmission Pipeline Improvements (Keene Loop)	\$ 4,540,000	\$ 5,670,000	\$ 2,417,336	\$ 7,541,022	\$ 2,969,770	\$ 8,087,336
R&T WSCA Well Field Expansion & WTP Improvements	\$ -	\$ -	\$ 2,456,808	\$ 2,454,694	\$ 2,068,402	\$ 2,456,808
Task Order No. 20 - Operations Plan	\$ 200,000	\$ 141,000	\$ -	\$ 141,000	\$ 138,661	\$ 141,000
Task Order No. 21 - Williston Intake Improvements - Preliminary Engineering	\$ 1,215,000	\$ 1,197,150	\$ -	\$ 375,500	\$ 163,775	\$ 1,197,150
Task Order No. 22 - Williston Regional WTP Pretreatment Options	\$ -	\$ -	\$ 197,000	\$ 197,000	\$ 130,000	\$ 197,000
Task Order No. 22a - Williston Regional WTP Pretreatment Improvements	\$ -	\$ -	\$ 5,000,000	\$ 1,489,512	\$ 526,767	\$ 5,000,000
Task Order No. 24 - MCRWD - System I (Watford City & Tobacco Garden)	\$ 2,100,000	\$ 2,100,000	\$ 4,850,000	\$ 1,681,900	\$ 1,149,283	\$ 6,950,000
Task Order No. 24 - MCRWD - System I (Watford City & Tobacco Garden) - Cost Sharing	\$ -	\$ -	\$ (952,045)	\$ (952,045)	\$ (436,533)	\$ (952,045)
Task Order No. 25 - WRWD - East Transmission - Part 2 (East Williston By-Pass)	\$ -	\$ -	\$ 10,135,000	\$ 896,000	\$ 148,300	\$ 10,135,000
Task Order No. 26 - WRWD - Part 1 (Blacktail Dam Area Distribution)	\$ 1,380,000	\$ 1,483,000	\$ 4,491,000	\$ 387,000	\$ 104,490	\$ 5,974,000
Task Order No. 27 - R&T - Rural Distribution - Part 2	\$ 2,275,000	\$ -	\$ 3,900,000	\$ 242,000	\$ 68,970	\$ 3,900,000
Task Order No. 28 - MCRWD - Rural Distribution (System IV Part 3a)	\$ -	\$ -	\$ 3,350,249	\$ 3,209,285	\$ 179,851	\$ 3,350,249
Task Order No. 29 - BDW - Distribution - Part 1	\$ -	\$ -	\$ 5,540,000	\$ 339,000	\$ 92,838	\$ 5,540,000
Task Order No. 30 - WRWD - East Transmission - Part 1	\$ -	\$ -	\$ 3,811,000	\$ 280,000	\$ 38,738	\$ 3,811,000
Task Order No. 31 - R&T - Epping Transmission - Part 1	\$ -	\$ -	\$ 7,400,000	\$ 470,000	\$ 149,460	\$ 7,400,000
Task Order No. 32 - Stanley Distribution Part 1 (Stanley Area East Branch)	\$ -	\$ -	\$ 6,720,000	\$ 442,000	\$ 13,260	\$ 6,720,000
Crop Damage - Appurtenances and Payments	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,000,000
Phase IV (Indexed Using 2015 Dollars)						
R&T - Epping Distribution Loop - Part 2 (Remaining Rural Area)	\$ 16,950,000	\$ 19,087,965	\$ 122,688,480	\$ -	\$ -	\$ -
BDW - Distribution - Part 2 (Remaining Rural Area)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,876,000
Stanley - Distribution - Part 2 (Remaining Rural Area)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,526,000
R&T - Distribution - Part 3 (Remaining Rural Area)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,508,000
WRWD - West Distribution - Part 1 (Development Distribution)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,572,000
WRWD - North Distribution - Part 1 (Development Distribution)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,826,000
WRWD - East Distribution - Part 1 (Development Distribution)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,178,000
WRWD - West Distribution - Part 2, Trenton Branch	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,072,000
Williston Intake Expansion (21-35 MGD)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,215,000
Williston WTP Expansion (21-28 MGD)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,873,000
R&T - Transmission to Stanley High Point to Powers Lake	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,400,000
R&T Transmission Loop - City of Ray	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,785,000
R&T Transmission Loop - R&T WTP to Tioga High Point Reservoir	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 850,000
R&T Transmission Loop - Tioga High Point Reservoir to Tioga	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,200,000
R&T Transmission Loop - Tioga High Point Reservoir to Stanley	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000
R&T WTP Sludge Processing Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,667,000
MCWRD - Watford City North By-Pass Transmission Loop	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000,000
						\$ 5,500,000

	Business Plan Estimate	Baseline Engineering Estimate	Project Growth / Expansion	Contracted Amounts To-Date	Actual To-Date	Best Estimate To-Date
Phase I Totals	\$ 22,520,000	\$ 25,926,688	\$ 5,175,296	\$ 31,178,716	\$ 30,076,654	\$ 31,101,984
Phase II Totals	\$ 65,805,000	\$ 80,521,881	\$ 4,885,434	\$ 84,567,976	\$ 80,341,745	\$ 85,407,315
Phase I - II Totals	\$ 88,325,000	\$ 106,448,569	\$ 10,060,730	\$ 115,746,692	\$ 110,418,399	\$ 116,509,299
Phase III Totals	\$ 44,750,000	\$ 55,253,898	\$ 64,902,098	\$ 53,139,199	\$ 21,709,288	\$ 119,833,996
Phase I - III Totals	\$ 133,075,000	\$ 161,702,467	\$ 74,962,828	\$ 168,885,891	\$ 132,127,687	\$ 236,343,295
Phase IV Totals	\$ 16,950,000	\$ 19,087,965	\$ 122,688,480	\$ -	\$ -	\$ 146,048,000
Phase I - IV Totals	\$ 150,025,000	\$ 180,790,432	\$ 197,651,308	\$ 168,885,891	\$ 132,127,687	\$ 382,391,295

*1 - A portion of basic engineering services were paid with the \$1.5M State Water Commission grant provided to McKenzie County Water Resource District. These fees are not included in the estimated total project cost so as to only track estimated loan dollars utilized for the project. Task Order No. 4 Best Estimate To-Date has been reduced to match its Actual To-Date as the project is being closed out.

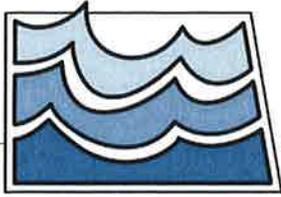
*2 - As projects (task orders) are being closed out, their contingency allocations are being redistributed as needed.

	Estimated Contingencies	Awarded Contingencies
Phase I	\$ 23,521	\$ 23,521
Phase II	\$ 815,169	\$ 815,169
Phase III	\$ 11,900,000	\$ 2,303,280
Phases I - III	\$ 12,738,690	\$ 3,141,970

Stanley Distribution – Part 1 (Stanley Area South/North Branch)

The Stanley Distribution – Part 1 (Stanley Area South/North Branch) will serve the users located south and north of the city of Stanley. The project consists of approximately thirty-five (35) miles of 6-inch and 8-inch diameter transmission pipeline and miscellaneous pipeline appurtenances at a cost of \$3,665,000. The transmission pipeline conveys water north and south from the city of Stanley. The transmission pipeline provides water to approximately one hundred thirty-five (135) new users. In order to serve the new users approximately one hundred thirty (130)-miles of distribution piping and miscellaneous pipeline appurtenances is needed and is estimated to cost \$7,555,000.

WILLIAMS RURAL WATER DISTRICT				May 14, 2014
STANLEY AREA DISTRIBUTION SOUTH/NORTH				
PRELIMINARY OPINION OF TOTAL PROBABLE PROJECT COST				
ITEM DESCRIPTION	QUANTITY	UNIT	UNIT COST	INSTALLED COST
A. General Conditions				
1.0 General Conditions				
a. Insurance, Bonds, Mobilization, Travel, Subsistence, Etc.	1	l.s.	\$7,203,913	\$432,235
Subtotal General Conditions				\$432,235
B. Water Distribution System				
1.0 Water Distribution System -STANLEY SOUTH/NORTH				
a. Water Main				
1. 2.0" PVC - Class 200	285,000	l.f.	\$3.50	\$997,500
2. 2.0" PVC - Class 250	60,000	l.f.	\$3.75	\$225,000
3. 3.0" PVC - Class 200	155,000	l.f.	\$4.50	\$697,500
4. 3.0" PVC - Class 250	30,000	l.f.	\$4.65	\$139,500
5. 4.0" PVC - Class 200	160,000	l.f.	\$5.30	\$848,000
6. 6.0" PVC - Class 200	105,000	l.f.	\$8.45	\$887,250
7. 8.0" PVC - Class 200	80,000	l.f.	\$12.00	\$960,000
b. Misc. Water Main Appurtenances (@35% of Water Main)	1	l.s.	\$1,664,162.50	\$1,664,163
c. Special Connections	1	l.s.	\$15,000.00	\$15,000
d. Residential Meter with Valve	135	ea.	\$2,000.00	\$270,000
e. Master Meter/Pump Station	1	l.s.	\$500,000.00	\$500,000
Subtotal Water Distribution System -STANLEY SOUTH/NORTH				\$7,203,913
C. Total Probable Project Costs				
1.0 Total Probable Construction Costs				\$7,636,147
2.0 Other Costs				
a. Legal & Administrative (1.5%)				\$110,000
b. Engineering Design (9%)				\$690,000
c. Construction Phase Services (10%)				\$760,000
d. Contingencies (15%)				\$1,150,000
e. ROW Land Accusition (\$2,000 Per Mile of Easement)				\$331,439
f. Crop Damage/Easement				\$540,000
ESTIMATED TOTAL PROBABLE PROJECT COSTS				\$11,220,000



North Dakota State Water Commission

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Agenda Q

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM:  Todd Sando, P.E., Chief Engineer-Secretary
SUBJECT: NAWS – Project Update
DATE: May 19, 2014

Supplemental EIS

Reclamation continues to work on the Supplemental Environmental Impact Statement (SEIS). Comments have been provided to Reclamation by the cooperating agencies on Chapter 1 (Introduction), Chapter 2 (Alternatives), Chapter 3 (Affected Environment), Chapter 4 (Environmental Impacts), various appendices, the Needs Assessment, Transbasin Effects Analysis Technical Report, and Appraisal Level Design Report. We had the opportunity to review the entire draft SEIS (all five chapters excluding appendices) and provided comments back to Reclamation. Our legal counsel has been in consultation with Reclamation's legal counsel and the litigation attorney for Reclamation to discuss any procedural or other concerns. Reclamation is anticipating a public release of the Draft SEIS in late June or early July.

Manitoba & Missouri Lawsuit

The Federal Court issued an order on March 5, 2010, requiring Reclamation to take a hard look at (1) the cumulative impacts of water withdrawal on the water levels of Lake Sakakawea and the Missouri River, and (2) the consequences of biota transfer into the Hudson Bay Basin, including Canada. The order dated October 25, 2010, allowed construction on the improvements in the Minot Water Treatment Plant and pipelines to the Minot Air Force Base and Glenburn to proceed. However, it did not allow design work to continue on the intake. The court ordered a conference call on November 15, 2012. The court expressed concerns about construction taking place under the previously approved and unopposed injunction modifications possibly affecting the outcome of the SEIS. A briefing explaining the additional construction on the northern tier, justifying the need and explaining the independence from supply or biota treatment alternatives was filed December 6, 2012. Missouri and Manitoba filed responses January 6, 2013, and our response was filed January 22, 2013. The Court issued an opinion on March 1, 2013, modifying the injunction to not permit 'new pipeline construction or new pipeline construction contracts'. Our legal counsel and staff are reluctant to approach the court for further modification of the injunction until clear progress can be exhibited on the environmental review.

Current Construction

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

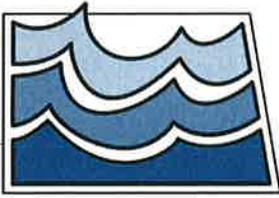
JACK DALRYMPLE, GOVERNOR
CHAIRMAN

TODD SANDO, P.E.
CHIEF ENGINEER AND SECRETARY

Design and Construction Update

Table 1 - NAWS Contracts under Construction				
Contract	Contract Award	Contractor	Contract Amount	Remaining Obligations
2-2D Mohall	7/24/09	American Infrastructure, CO In default – assumed by the surety - EMC	\$5,196,586.13	\$407,919.91
2-3B Upper Souris/Glenburn	1/4/11	S.J. Louis Construction	\$3,869,118.35	\$111,430.96
7-1A Minot WTP Filter Rehab and SCADA	11/30/11	PKG Contracting, Inc. Main Electric, Inc.	\$8,258,678.85	\$344,159.10
Total Remaining Construction Contract Obligations				\$863,509.97

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Agenda R1

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission

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

SUBJECT: Water Plan Update

DATE: May 19, 2014

Background

We are continuing to move forward with the development of a State Water Plan for the 2015-2017 biennium and beyond. As part of that process, we requested project information from local sponsors across the state who may come to the State Water Commission for funding in future biennia. As a result of that request, we received about 240 project information forms.

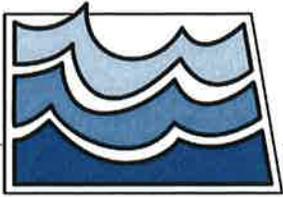
Project Reviews

A team of staff members have since met on a few occasions to go through the project information forms to review them for general eligibility, and to categorize them by cost-share category. The end goal is to develop an inventory of projects and their potential financial need from the state. (This list is purely for budgeting purposes, and it does not guarantee funding from the agency.) However, because the Water Commission's cost-share policy is not yet final, we will not be able to proceed with developing the inventory of projects and their potential financial needs from the state until eligibility requirements and cost-share percentages are finalized.

SWC-Hosted Meetings

In the fall of 2013, commissioners and staff completed a series of Commissioner-hosted meetings in six drainage basins across the state as required by HB 1206. By conducting those meetings, we have met that requirement. However, at that initial round of meetings, we indicated there would be a second round of meetings in the summer of 2014 to outline the final cost-share policy, and to discuss projects that were submitted as part of the inventory process. With discussions ongoing regarding the agency's cost-share policy, and the policy not finalized, we may not have adequate time to conduct another round of meetings.

TS:pmf/322



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Agenda S

MEMORANDUM

TO: Governor Jack Dalrymple
Members of the State Water Commission
FROM: *Sando* Todd Sando, P.E., Chief Engineer/Secretary
SUBJECT: Missouri River Update
DATE: May 15, 2014

System/Reservoir Status

System volume on May 15th in the six mainstem reservoirs was 55.2 million acre-feet (MAF), 0.9 MAF below the base of flood control. This is 1.4 MAF below the average system volume for the end of May, and 5.7 MAF more than last year. The volume of water in the system on May 15th in 2011 was 66.2 MAF.

On May 15th, Lake Sakakawea was at an elevation of 1838.0 feet msl, 0.5 feet above the base of flood control. This is 10.2 feet higher than a year ago and 3.6 feet above its average end of May elevation. The minimum end of May elevation was 1808.8 feet msl in 2005 and the maximum end of May elevation was 1853.3 feet msl in 2011. The elevation of Lake Sakakawea on May 15th of 2011 was 1849.2 ft msl. Lake Sakakawea is forecasted to peak at 1846.6 feet msl in July.

The elevation of Lake Oahe was 1606.8 feet msl on May 15th, 0.7 feet below the base of flood control. This is 8.6 feet higher than last year and 2.4 feet higher than the average end of May elevation. The minimum end of May elevation was 1575.7 feet msl in 2005, and the maximum end of May elevation was 1617.7 feet msl in 1997. The elevation of Lake Oahe on May 15th of 2011 was 1616.9 feet msl. Lake Oahe is forecasted to reach 1609.0 feet msl in July.

The elevation of Fort Peck was 2227.0 feet msl on May 15th, 7.0 feet below the base of flood control. This is 4.6 feet higher than a year ago and 2.2 feet lower than the average end of May elevation. The minimum end of May elevation was 2198.8 feet msl in 2008, and the maximum end of May elevation was 2246.5 feet msl in 1979. The elevation of Fort Peck on May 15th of 2011 was 2242.2 feet msl. Fort Peck is forecasted to peak at 2237.6 feet msl in July.

The Missouri River basin mountain snowpack normally peaks near April 15th. On May 14, 2014, the mountain snowpack Snow Water Equivalent in the "Total above Fort Peck" reach was 18.7 inches, 114 percent of the normal April 15th peak. The mountain snowpack in this reach peaked on April 7th at 132 percent of the normal April 15th peak. The mountain snowpack SWE in the "Total Fort Peck to Garrison" reach was 17.3 inches on May 14th, 122 percent of the normal April 15th peak. The mountain snowpack in this reach peaked on April 17th at 140 percent of the normal April 15th peak.

The Corp's May 1st basic forecast for runoff into the system is 31.7 MAF, 125 percent of normal. With this forecast, the navigation season will not be shortened and releases for the second half of the navigation season will be at full service (35,000 cfs). The actual length of the navigation season and service level will be determined by the volume of water in the system on July 1st. Navigation releases are currently 4,900 cfs below full service.

JACK DALRYMPLE, GOVERNOR
CHAIRMAN

TODD SANDO, P.E.
CHIEF ENGINEER AND SECRETARY

The Spring Pulse was not implemented this spring as a result of the Independent Science Advisory Panel's (ISAP), a team of scientists contracted to review scientific findings associated with the Missouri River Recovery Program (MRRP), review of the spring pulse as a cue for spawning. In the ISAP report on Spring Pulse and Adaptive Management, finalized November 30, 2011, the ISAP stated "Given that the proposed spring pulse management action has not been implemented in all years, and shovelnose sturgeon and pallid sturgeon exhibited evidence of having spawned in all years studied, the ISAP concludes that the spring pulse management action, as currently designed and implemented, appears to be unnecessary to serve as a cue for spawning in pallid sturgeon."

Missouri River Recovery Implementation Committee (MRRIC)

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

MRRIC is providing support to the Corps in the development of the Missouri River Recovery Management Plan (MRRMP) and Environmental Impact Statement (EIS). The MRRMP and EIS is a three-year effort that will evaluate the effectiveness of actions taken by the Corps to recover the least tern, piping plover, and pallid sturgeon. The evaluation will determine modifications to current recovery efforts, if necessary, and will result in an adaptive management plan for recovery actions. The MRRMP and EIS are scheduled to be complete in May 2016. For this effort, MRRIC is currently assisting the Corps in developing a set of human considerations objectives and performance metrics that will assist the Corps in measuring the effect of alternatives on human uses and needs of the Missouri River. The initial list of alternatives for recovery of the three species is expected this August. This initial list of alternatives will be screened using the human considerations objectives and performance metrics. An Independent Social Economic Technical Review (ISETR) panel has been created to provide assistance to the Corps and MRRIC in the evaluation of effects to humans.

Surplus Water/Reallocation

During a MRRIC webinar on May 12, 2014, the Corps gave a brief update on the reallocation study. It is expected that the draft reallocation study report will be released to the public in July of this year, with study completion scheduled for July 2015. Reallocation would then go into effect in 2016. The Corps stated during the update that all existing municipal and industrial water users from reservoirs, with the exception of Basin Electric and Bureau of Reclamation authorizations, would have to enter into storage contracts. We continue the effort to educate the Corps that storage contracts are inappropriate as the natural flow of the Missouri River provides for the water use in North Dakota and stored water is not necessary.

Water Resources Development Act (WRDA)

The U.S. Senate-House joint conference committee came to an agreement on the 2014 WRDA. The compromise language states that the Secretary may not charge a fee for surplus water under a contract entered into pursuant to Section 6 of the Flood Control Act of 1944 if the contract is for surplus water stored in the Upper Missouri Mainstem Reservoirs. There is also language stating that this limitation expires 10 years after the date of enactment. The limitation is not applicable to surplus

Missouri River Update Memo

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May 15, 2014

water stored outside of the Upper Missouri Mainstem Reservoirs. While this may temporarily address the cost of our citizens accessing their water, it does not address the fundamental problem of the Corps attempting to federalize state water rights.

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