

MINUTES

Northwest Area Water Supply Authority Minot, North Dakota May 29, 2025

The Northwest Area Water Supply (NAWS) Authority held a meeting in the Conference Room of the Max Biota Water Treatment Plant, 3277 28th St NW, Max, ND, and via Microsoft Teams on May 29, 2025. Dan Schaefer, Chairman of the NAWS Authority, called the meeting to order at 1:29 PM. A quorum was present.

NAWS AUTHORITY REPRESENTATIVES PRESENT:

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

OTHERS PRESENT:

Reice Haase, Department of Water Resources (DWR) Director
John Paczkowski, State Engineer, DWR
Travis Thyberg, Project Support Assistant, DWR
Clint Cogdill, NAWS Operator, DWR
Craig Haskins, Incoming North Prairie Regional Water Manager
Mark Jantzer, Acting Minot Mayor
Dustin Offerdahl, Garrison Diversion Snake Creek Pumping Plant (virtual)
Ryan David, Houston Engineering
Alan Kemmet, Houston Engineering
Rachel Wald, Assistant Manager All Seasons Water Users District (virtual)

CONSIDERATION OF AGENDA

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

Consideration of March 27, 2025 Meeting Minutes

Meeting minutes were sent to the Authority for review prior to the meeting. Chairman Schaefer requested for feedback or changes to the meeting minutes from the previous Authority meeting on March 27, 2025. No feedback was presented.

It was moved by Representative Jonasson, seconded by Representative Sundsbak, and approved unanimously, to accept the meeting minutes from the March 27, 2025, NAWS Authority meeting as presented.

Department of Water Resources Director Update

Reice Haase, DWR Director, presented a brief update:

- This legislative session was a busy session but a successful session for water resources. This session, the legislature approved a new approach towards water funding. Most of the funding for the water projects comes from the oil extraction tax revenue. The State Water Commission and the Department of Water resources has a \$210 million line of credit for flexibility in funding projects moving forward. This biennium \$615 million in funding is available for new water projects with \$12.6 million allocated for NAWS projects. The funding authority approved for NAWS for the 2025-2027 biennium is \$107 million which is comprised of \$12.6 million from Resources Trust Fund, \$52.1 million City of Minot sales tax fund, and \$42.2 million from federal funds.
- The NAWS Biota Water Treatment Plant Operations is now written in DWR agency bill as continuing appropriations. Any special or federal funds made available will now be able to be used without going back to legislature for approval.
- A new FTE NAWS Operator has been approved and will be water rate funded. The DWR is in the process of posting this position with job location specified to be in the Minot area.
- Legislature has required the SWC to update the 2022 Strategic Governance and Finance study. The study update will assist with the determination of the long-term governance and finance of NAWS, Southwest Pipeline Project, and Red River Valley Water Supply Project. Changing dynamics in oil revenues and significant inflationary costs will be accounted for in the study with the assumption that these revenues may vary from expectation. Due to the price of oil and the stripper well exemption, which allows tax exemption to wells with declining production, decrease in revenue across the state is expected but much quicker within DWR and water projects specifically.
- The Water Topics committee will see changes, such as making it a permanent legislative committee that will be meeting year-round. Any project that requires appropriations of \$10 million or more will have an additional approval step from this committee.
- DWR will implement the new cash management strategy for meeting the \$3.2 billion in water needs across the state over the next 14 years with declining revenues and federal funding uncertainty.
- DWR has received 404 and 408 permits from the Army Corps of Engineers for the NAWS permanent intake construction.

April 10, 2025 STATE WATER COMMISSION (SWC) MEETING UPDATE

John Paczkowski, DWR State Engineer, noted that at the April 10, 2025, SWC meeting, DWR requested additional funding allocation and for the Secretary to sign change orders for NAWS. The SWC approved an additional \$1.31 million for the NAWS project and authorized the Secretary to sign change orders up to \$3.4 million on the NAWS 6-1A Intake and Snake Creek Pumping Plant Modifications – Construction Contract.

The SWC approved Mr. Jonasson as a representative from the City of Minot on the NAWS Authority.

May 22, 2025 PRE-COMMISSION MEETING UPDATE

John Paczkowski, DWR State Engineer, noted that three agenda items on NAWS were presented at the May Pre-Commission meeting that described the request for authorization that will be presented at the June SWC meeting.

With the approval of the 404/408 permits from the Army Corps of Engineers for the NAWS permanent intake project, DWR is requesting the SWC to authorize the Secretary to award NAWS Contract 1-1A to the lowest responsible bidder. NAWS Authority was requested to concur with DWR staff presenting the request at the June SWC meeting.

It was moved by Representative Sorenson, seconded by Representative Jonasson, and approved unanimously, for the DWR staff to request authorization for the Secretary to award the NAWS 1-1A Intake and Snake Creek Pumping Plant modification contract.

Mr. Paczkowski noted the second item is the agreement for water supply and treatment between the City of Minot and SWC. Currently, both entities are conducting legal review of this agreement. DWR recommends the Authority to authorize the City of Minot staff and DWR staff to finalize the water supply treatment agreement between the City of Minot and SWC for the Northwest Area Water Supply. Secondly, recommend the Authority to concur with DWR staff in presenting the authorization for the Secretary to finalize and execute the water supply and treatment agreement.

It was moved by Representative Sundsbak, seconded by Representative Sorenson, and approved unanimously, for the City of Minot staff and DWR staff to finalize agreement and DWR staff to request authorization for the Secretary to finalize and execute the Water Supply and Treatment agreement between the City of Minot and SWC for NAWS.

Mr. Paczkowski noted the final item at the meeting was the request of reimbursement from the Replacement and Extraordinary Maintenance funds for a pump rebuild. Earlier this year a 250-horsepower pump at the High Service Pump Station was identified as requiring a rebuild. The quote received for the rebuild was \$23,000. The total estimated cost is \$27,500. DWR recommends that the Authority approve the request for reimbursement from the REM funds and to approve DWR staff presenting the request at the June SWC meeting.

It was moved by Representative Sundsbak, seconded by Representative Schwalbe, and approved unanimously, to approve request for reimbursement from the REM funds and for the DWR staff to request reimbursement from REM funds for the HSPS pump rebuild.

NAWS BIOTA WATER TREATMENT PLANT (WTP) OPERATIONS UPDATE

John Paczkowski, DWR State Engineer, noted Phase I is nearing completion and most of the Biota WTP operations updates have been previously discussed. A capacity assessment document for the Biota WTP is required by the North Dakota Department of Environmental Quality due to the supply for the project from Lake Sakakawea is considered a new water

system. DWR has signed authorization with NAWS consultant Houston Engineering Inc., in March 2025 to complete this document.

NAWS CONSTRUCTION UPDATE

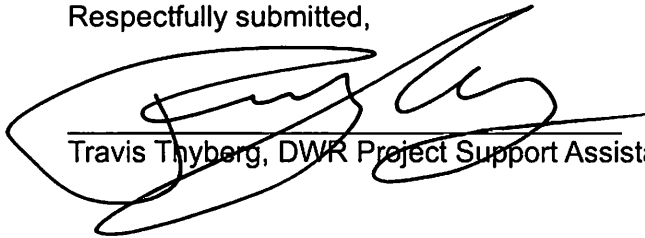
John Paczkowski gave a brief construction update on NAWS projects following the memo included in the packet.

NAWS OPERATIONS UPDATE

John Paczkowski noted Director Haase already provided the update on NAWS operations. DWR is working on posting an advertisement for the FTE NAWS Operator. DWR is also looking into the option for a single number to contact on-call operator rather than having customers track who is on-call.

There being no further items of discussion, the meeting was adjourned at 2:09 PM.

Respectfully submitted,



Travis Thyberg, DWR Project Support Assistant