

MINUTES

North Dakota State Water Commission Bismarck, North Dakota

April 30, 1998

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

MEMBERS PRESENT:

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

MEMBER ABSENT:

Mike Ames, Member from Williston

OTHERS PRESENT:

State Water Commission Staff
Approximately 50 people interested in agenda items

The attendance register is on file with the official minutes.

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

CONSIDERATION OF AGENDA

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

**CONSIDERATION OF MINUTES
OF FEBRUARY 13, 1998 STATE
WATER COMMISSION MEETING -
APPROVED**

The minutes of the February 13, 1998 State Water Commission meeting were approved by the following motion:

It was moved by Commissioner Swenson, seconded by Commissioner Olin, and unanimously carried, that the minutes of the February 13, 1998 State Water Commission meeting be approved as prepared.

**FINANCIAL STATEMENT -
AGENCY PROGRAM BUDGET
EXPENDITURES**

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

Dale Frink, Assistant State Engineer, presented and discussed the Program Budget Expenditures for the period ending March 31, 1998, reflecting 38

**FINANCIAL STATEMENT -
RESOURCES TRUST FUND**

30, 1998, the Contract Fund has an unobligated balance of \$5.8 million, of which \$2 million has been identified for the Maple River Dam and \$700,000 for Devils Lake.

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

The oil extraction tax revenues into the Resources Trust Fund continue to track below the revenue estimates approved by the 1997 Legislature. Mr. Frink said there is approximately a \$609,000 revenue shortfall in the amount included in the agency's budget.

**COST SHARE POLICY FOR
DRAINAGE PROJECTS
(SWC File AS/SWC/POL)**

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

At the July 22, 1997 State Water Commission meeting, the policy and guidelines on cost share for drainage projects were discussed. The current

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

The drainage cost share committee met on December 17, 1997 to discuss possible changes to the cost share policy for drainage projects. The committee presented the following recommendations to the State Water Commission at its February 13, 1998 meeting:

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

Secretary Sprynczynatyk explained the Commission staff is working with the townships, counties, and water resource districts to solicit broader input before a final recommendation is presented for the Commission's consideration.

APPROVAL OF REQUEST FROM SHEYENNE RIVER JOINT WATER RESOURCE DISTRICT FOR COST SHARE IN BALDHILL DAM FIVE-FOOT FLOOD POOL RAISE (SWC Project No. 300)

A request from the Sheyenne River Joint Water Resource District was presented for the Commission's consideration to cost share in the eligible non-federal costs associated with the development of the five-foot flood pool raise at Baldhill Dam.

At its February 9, 1995 meeting, the State Water Commission passed a motion to cost share with the Sheyenne River Joint Water Resource District in 50 percent of the actual eligible 1995 expenses, not to exceed \$10,000 from the Contract Fund. The District was paid \$4,908 in 1995. The District is the local sponsor for the proposed five-foot flood pool raise at Baldhill Dam.

Secretary Sprynczynatyk explained that the agreement executed in 1995 between the Commission and the District has expired. The project has not advanced to construction due to delays by the Corps of Engineers in preparation of the Project Design Memorandum. The actual costs incurred by the District for 1995 and 1996 and the estimated costs for 1997 through 1999 are \$150,536. Of this amount, \$96,420 is eligible for 50 percent cost share under the State Water Commission's policy and guidelines for cost share. The request before the State Water Commission is to cost share in the amount of \$48,210, less the \$4,908 previously paid in 1995, for a total amount of \$43,302.

It was the recommendation of the State Engineer that the State Water Commission approve cost share of 50 percent of the eligible costs, not to exceed \$43,302 from Contract Fund, for the continued project development of the proposed five-foot flood pool raise at Baldhill Dam.

Steve Olson, chairman of the Sheyenne River Joint Water Resource District, and Jeffrey Volk, project engineer, provided technical information relative to the project, and requested favorable consideration of the financial request.

It was moved by Commissioner Olin and seconded by Commissioner Thompson that the State Water Commission approve cost share with the Sheyenne River Joint Water Resource District in 50 percent of the non-federal eligible costs, not to exceed \$43,302 from the Contract Fund, for the continued development of the five-foot flood pool raise at Baldhill Dam. This motion is contingent upon the availability of funds.

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

**APPROVAL OF REQUEST FROM
MERCER COUNTY WATER
RESOURCE DISTRICT FOR
COST SHARE OF RECONNAISSANCE
STUDY OF IRRIGATION DEVELOP-
MENT IN MERCER AND
OLIVER COUNTIES
(SWC Project No. 1898)**

A request from the Mercer County Water Resource District was presented for the Commission's consideration for cost share in the reconnaissance study for development of irrigation in Mercer and Oliver Counties.

The Mercer and Oliver Counties Water Resource Districts are interested in developing new expanded irrigation areas to increase the production of specialty crops to provide economic development in the counties. A reconnaissance study is required to determine if the land is suitable for irrigation, the possible water delivery systems, and an estimated cost of the project.

The total estimated cost of the reconnaissance study is \$20,000, all of which are eligible for cost share. Under the State Water Commission's policy and guidelines for cost share, 50 percent of the eligible costs qualify for cost share. The request before the State Water Commission is to cost share in the amount of \$10,000.

John Klein, Chairman of the Mercer County Water Resource District, provided information relative to the proposed project. Appreciation was expressed to the State Water Commission for its support.

It was the recommendation of the State Engineer that because of the increased interest in irrigation in the state, that the State Water Commission approve cost share of 50 percent of the eligible costs, not to exceed \$10,000 from the Contract Fund, for a reconnaissance study of irrigation development in Mercer and Oliver Counties.

It was moved by Commissioner Swenson and seconded by Commissioner Johnson that the State Water Commission approve cost share of 50 percent, in an amount not to exceed \$10,000 from the Contract Fund, for the reconnaissance study of irrigation development in Mercer and Oliver Counties. This motion is contingent upon the availability of funds.

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

APPROVAL OF REQUEST FROM CITY OF WAHPETON FOR COST

SHARE ASSOCIATED WITH DIGITAL AERIAL SURVEY OF BRECKENRIDGE-WAHPETON AREA

(SWC Project No. 1751)

area encompasses 14 lineal miles along the Red and Bois de Sioux Rivers and 3 miles either side of the cities. The data obtained from the survey will be used in conjunction with the existing infrastructure and planning documents, as well as individual property information to establish vertical contours. The contours would be at one-foot intervals and will be useful for redefining the floodplain and identifying flood-prone areas.

A request from the city of Wahpeton for cost share assistance to perform a

digital aerial survey in the Wahpeton-Breckenridge area was presented for the Commission's consideration. The

cities have entered into a joint effort to survey 65 square miles, of which the

The total cost is estimated at \$69,055, of which the city of Breckenridge and the state of Minnesota will provide a maximum of \$40,000. Under the State Water Commission's policy and guidelines for cost share, 50 percent of the remaining eligible costs qualify for cost share. The request before the State Water Commission is to cost share in the amount of \$14,756.

It was the recommendation of the State Engineer that the State Water Commission approve cost share assistance of 50 percent of the eligible costs, not to exceed \$14,756 from the Contract Fund, for the proposed digital aerial survey of the Wahpeton-Breckenridge area. He said the agency has an interest in determining the accuracy of the digital floodplain mapping imagery. The data will result not only in better floodplain management, but the technology could also be useful in other projects throughout the state.

Jerry Lien, Director of Public Works for the city of Wahpeton, provided information relative the proposed survey.

In discussion of the request, concern was expressed relative to setting a cost share precedence for future aerial contour mapping of floodplains. The State Engineer was directed to draft criteria for cost share for floodplain mapping by the Commission for its consideration at a future meeting.

It was moved by Commissioner Johnson and seconded by Commissioner Swenson that the State Water Commission approve cost share in 50 percent of the eligible costs, not to exceed \$14,756 from the Contract Fund, for costs associated with the proposed digital aerial survey of the Wahpeton-Breckenridge area. This motion is contingent upon the availability of funds.

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

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

On November 10, 1997, the North Dakota congressional delegation introduced legislation in the United

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

A field hearing on the Dakota Water Resources Act was held February 19, 1998 in Fargo, North Dakota. The hearing was convened to receive testimony from interested parties in North Dakota and the region on the legislation to complete the Garrison Diversion Project.

Warren Jamison, Manager of the Garrison Conservancy District, said discussions are ongoing with the administration officials to resolve the major issues in the legislation, and that a congressional hearing could be scheduled in June, 1998.

“The Dakota Water Resources Act of 1997 ... The Time Is Now!” brochure was provided to the Commission members. Mr. Jamison said “the Dakota Water Resources Act of 1997 is a solution that honors the history of the project, respects the priorities of a myriad of interests, places environmental and economic considerations at the forefront of the effort, and delivers, to the people of North Dakota, the water supplies they need to survive and prosper.”

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

Jeffrey Mattern, Coordinator for the MR&I Water Supply Program, provided the following program report:

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

Burleigh Water Users, Phase 2: The contractor, Northern Improvement Company, will complete project construction in July, 1998.

Dickey Rural Water: The contractor, Northern Improvement Company, will complete project construction in July, 1998.

Grand Forks Water Treatment: Computer programming is required on the controls, which will be completed in September, 1998.

Missouri West Rural Water, Phase 2: Northern Improvement Company is installing additional water distribution systems north and south of Mandan, and Maquire Iron is assembling the tank on the airport water storage tank. The construction contract is scheduled to be completed in 1999.

North Valley Water Association/Walhalla-Neché Branch: Phase 1 involves Peterson Construction pressure testing the pipeline to Walhalla, and Wick Construction is working on the reservoirs and the water treatment plant expansion. Phase 2 is the addition of the city of Neche and 160 rural water users, with an estimated cost of \$3.5 million.

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

**GARRISON DIVERSION PROJECT -
APPROVAL OF REVISION OF
FISCAL YEAR 1998 MR&I WATER
SUPPLY PROGRAM BUDGET
(SWC Project No. 237-03)**

On December 22, 1997, the State Water Commission passed a motion approving the proposed \$12.73 million Fiscal Year 1998 MR&I Water Supply program budget, contingent upon the availability of federal funds and subject to future revisions.

Secretary Sprynczynatyk stated bids were opened on the Rugby component of the Northwest Area Water Supply project for the water treatment plant on March 5, 1998, and the prices are valid until May 4, 1998. The project's overall costs were reviewed and an additional \$300,000 is eligible for 65 percent MR&I funding of \$195,000. The Rugby project is approved for MR&I funding of \$1.6 million. The overall 1998 MR&I allocation does not have additional funding to cover this \$195,000.

Secretary Sprynczynatyk explained the Minot component of the NAWS project has \$3 million in 1998 MR&I funding, of which \$195,000 could be transferred to the Rugby component. The adjustment of funds would allow the Minot segment to maintain the proposed schedule. The Northwest Area Water Supply advisory committee has indicated its support of the adjustment of funds. The Garrison Diversion Conservancy District Board of Directors approved this allocation transfer.

Secretary Sprynczynatyk presented the following breakdown for the revised proposed funding budget for the Fiscal Year 1998 MR&I Water Supply program for the Commission's consideration:

<u>Project</u>	<u>Activity</u>	<u>Approved</u>	<u>Proposed</u>
Southwest Pipeline	D&C	\$ 3,710,000	\$ 3,710,000
North Valley/Neché	D&C	1,920,000	1,920,000
Ransom-Sargent	F,D&C	1,523,725	1,523,725
Missouri West	D&C	1,400,000	1,400,000
NAWS (Minot component)	D&C	3,000,000	2,805,000
NAWS (Rugby component)	D&C	-	195,000
All Seasons (Benson/Interior)	D&C	1,000,000	1,000,000
Feasibility Studies	F	26,275	26,275
Administration	F	150,000	150,000
Total Available in Fiscal Year 1998		\$12,730,000	\$12,730,000

It was the recommendation of the State Engineer that the State Water Commission approve the revised proposed \$12.73 million Fiscal Year 1998 MR&I Water Supply program budget, contingent upon the availability of federal funds and subject to future revisions.

It was moved by Commissioner Olin and seconded by Commissioner Johnson that the State Water Commission approve the recommendation of the State Engineer of the revised proposed \$12.73 million Fiscal Year 1998 MR&I Water Supply program budget as presented, contingent upon the availability of federal funds and subject to future revisions.

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

**GARRISON DIVERSION PROJECT -
APPROVAL OF AGREEMENT TO
PERMIT ASSIGNMENT OF
WALHALLA/NECHE BRANCH
REVENUES**

(SWC Project No. 237-03)

and Phase II project will add 160 rural users, the Cavalier Air Station, the city of Walhalla, and the city of Neche.

North Valley Water Association is a rural water system which serves approximately 1,150 users in Cavalier and Pembina Counties and the communities of St. Thomas, Cavalier, Mountain, Milton and Osabrock.

The Walhalla/Neché Branch, Phase I

North Valley is proposing to add the Walhalla/Neché Branch, Phase II, addition to improve the water quality and reliability of service in the rural areas and to provide the city of Neche with bulk water service. Construction includes new wells, installation of additional filtration capacity at the Akra water treatment plant, two 200,000 gallon reservoir pump stations, and a distribution pipeline system. The estimated cost is \$3,522,000. Project funding will be provided through a MR&I grant of \$1,920,000, a Bank of North Dakota loan of \$500,000, and a Rural Development loan of \$1,102,000 from the Rural Utilities Service. The Rural Utilities Service loan requires that revenues generated from the Walhalla/Neché Branch, Phase II, of the project be divided ratably.

Secretary Sprynczynatyk explained that the State Water Commission has a loan with North Valley for an expansion project. The loan requires Commission approval of future North Valley expansion projects. A draft agreement was presented for the Commission's consideration that would allow all revenues generated on the Walhalla/Neché Branch, Phase II, to be divided ratably based upon the respective total amounts due and owing by North Valley to the North Dakota Municipal Bond Bank, the Bank of North Dakota, the North Dakota State Water Commission, and the Rural Utilities Service for all outstanding amounts. Secretary Sprynczynatyk said that the agreement will not affect the State Water Commission's loan repayment.

It was the recommendation of the State Engineer that the State Water Commission approve the proposed agreement, which would allow all revenues generated from the Walhalla/Neché Branch, Phase II, to be divided ratably based on all outstanding amounts and due to the parties of the agreement.

It was moved by Commissioner Swenson and seconded by Commissioner Thompson that the State Water Commission approve the agreement allowing that all revenues generated from the Walhalla/Neché Branch, Phase II, be divided ratably based on all outstanding amounts and due to the parties of the agreement. SEE APPENDIX "C"

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

**SOUTHWEST PIPELINE PROJECT -
CONTRACT AND CONSTRUCTION
STATUS; PROJECT UPDATE
(SWC Project No. 1736)**

James Lennington, Project Manager for the Southwest Pipeline Project, provided the following contract, construction and project status report:

Contract 2-4B - Transmission Line to Hettinger and Reeder: The contract is essentially complete. Administrative items left to be completed before the final payment is made and retainage is released include lien waiver forms.

Contract 4-4 - Jung Lake Pump Station: On October 29, 1997, Contract 4-4 was awarded to Moorhead Construction, Berger Electric, and Central Mechanical. The contractors are using this time to order materials and supply information on equipment. Construction is scheduled to begin in late April, 1998.

Contract 5-4 - Jung Lake Reservoir: The contract was awarded to Landmark Structures of Fort Worth, Texas, on September 11, 1997. The contractor poured the reservoir's foundation and the site was insulated for the winter. A pre-construction conference was held April 27, 1998 between the contractor, the utilities, and the State Water Commission staff. The completion date of the contract is September 20, 1998. Construction will resume in late April, 1998.

Contract 7-4/7-3A - Bucyrus and Three Pocket Service Area Rural Distribution Pipeline: Northern Improvement began construction activities on April 13, 1998 and is presently installing pipe to the east of Hettinger. Although work is progressing well on the contract, there have been several rock encounters.

At the July 22, 1997 meeting, the State Water Commission approved the modifications to the Southwest Pipeline Project Phased Development Plan, with the Hebron-Glen Ullin phase of the project next to be constructed. Mr. Lennington stated construction of this phase includes 31 miles of secondary transmission pipeline from Richardton-Hebron-Glen Ullin, a reservoir, and rural water distribution piping to serve rural connections in the areas around Hebron and Glen Ullin. Design on this phase has been completed and work continues on a supplement to the project's environmental assessment. A supplemental environmental assessment is necessary to include service to Glen Ullin. Construction is anticipated to begin in June, 1998. The current cost estimate for this phase, including engineering and contingencies, is \$4.3 million. Funding will consist of \$3.7 million in MR&I funds, with the remainder from the Resources Trust Fund collections from the Southwest Water Authority and South Dakota. This phase was divided into two contracts: contract 2-4H, the main transmission pipeline extending from Richardton-Hebron-Glen Ullin, and contract 7-5A, the rural distribution system. Bids on these contracts were advertised in March, 1998, with a bid opening date of April 28, 1998. The bid results and award will be discussed under a separate item in these minutes.

The city of Dickinson recently awarded a contract to Tooz Construction of Dickinson for the construction of the chloramination facility at the Dodge pump station. The construction of this facility will ensure adequate disinfection contact time for the project during peak

flow periods. The contract amount is \$201,750, and Resources Trust Fund revenues will be used to pay for the facility. Substantial completion of the contract is scheduled for July 15, 1998.

On April 14, 1998, the cities of Lemmon and Bison, South Dakota, held elections to determine their participation in the Perkins County rural water system, which plans to obtain water from the Southwest Pipeline Project. In Lemmon, the vote was 457 for and 367 against participating. In Bison, the margin was 64 percent in favor of participation. A similar election was held in Lemmon last year with the issue failing by 32 votes. Legislation funding the Perkins County rural water system is planned for introduction in the U.S. Senate in April, 1998. The Southwest Pipeline Project water service contract with Perkins County rural water system specifies that a payment of \$4.5 million be paid to the State Water Commission prior to the delivery of water.

Mr. Lennington discussed interior surface erosion problems that were encountered at the potable water reservoir tanks at New Hradec and Halliday. The tanks are covered by the manufacturer's warranty with the Halliday tank scheduled to be replaced this spring and negotiations are underway relative to compensation for the New Hradec tank.

**SOUTHWEST PIPELINE PROJECT -
APPROVAL OF ADDITIONAL
REIMBURSEMENT OF \$10,415 FROM
RESERVE FUND FOR REPLACEMENT
AND EXTRAORDINARY MAINTEN-
ANCE TO SOUTHWEST WATER
AUTHORITY FOR TELEMETRY
UPGRADE
(SWC Project No. 1736)**

On February 13, 1998, the State Water Commission passed a motion approving the reimbursement of \$16,405 from the Reserve Fund for Replacement and Extraordinary Maintenance to the Southwest Water Authority for the telemetry system upgrade.

James Lennington explained the original request from the Southwest Water Authority was \$26,820.29, but there were questions relative to the computer equipment. The issues have been resolved, and a request was presented for the Commission's consideration to approve an additional \$10,415.29 from the Reserve Fund for Replacement and Extraordinary Maintenance for the telemetry system upgrade.

It was the recommendation of the State Engineer that the State Water Commission approve the reimbursement of an additional \$10,415.29 from the Reserve Fund for Replacement and Extraordinary Maintenance to the Southwest Water Authority for the telemetry system upgrade. This action would increase the total reimbursement amount to \$26,820.29.

It was moved by Commissioner Olin and seconded by Commissioner Thompson that the State Water Commission approve the additional reimbursement of \$10,415.29 from the Reserve Fund for Replacement and Extraordinary Maintenance to the Southwest Water Authority for the telemetry system upgrade.

This action increases the total amount of reimbursement to the Southwest Water Authority of \$26,820.29 from the Reserve Fund for Replacement and Extraordinary Maintenance for the telemetry system upgrade.

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

**SOUTHWEST PIPELINE PROJECT -
APPROVAL OF AMENDMENTS TO
CITY OF HEBRON'S WATER
SERVICE AGREEMENT FOR SOLE-
SOURCE SERVICE AND CHANGE
IN POINT OF DELIVERY
(SWC Project No. 1736)**

A request from the city of Hebron to amend its water service agreement for the point of delivery and for sole-source service from the Southwest Pipeline Project was presented for the Commission's consideration.

James Lennington explained that under sole-source service, a user agrees to use pipeline water for all of its needs. In exchange, the provisions in the water service agreement requiring purchase of a minimum amount each month are waived. The user is billed for the actual amount of water used each month. Mr. Lennington said capacity to meet the city of Hebron's request will be available in contract 2-3H, which is scheduled for construction in 1998. The request has been approved by the Southwest Water Authority.

The city of Hebron's request to change the point of delivery from near old Highway 10 to just north of the city's water tower is more convenient for routing the transmission and rural water lines around the city, and the capacity and condition of the city's water lines near the old point of delivery are less favorable.

It was the recommendation of the State Engineer that the State Water Commission approve the above described amendments to the city of Hebron's water service contract relating to sole-source service and the point of delivery.

It was moved by Commissioner Bjornson and seconded by Commissioner Johnson that the State Water Commission approve the following amendments to the city of Hebron's water service contract:

- 1) to provide for sole-source service*
- 2) to change the point of delivery to "a point located along Maple Street near the northeast edge of the city's water tower"*

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

**SOUTHWEST PIPELINE PROJECT -
APPROVAL AND EXECUTION OF
RATIFICATION AND JOINDER OF
UNIT AGREEMENT STADIUM-
LODGEPOLE UNIT AREA, STARK
COUNTY, NORTH DAKOTA
(SWC Project No. 1736)**

The State Water Commission owns a little over two mineral acres under a portion of land that Duncan Oil, Inc. is proposing to include in a unit for the purpose of conducting secondary recovery operations. Duncan Oil estimates total primary production at 2,475,000 barrels of oil and that

secondary recovery operations will produce an additional 3,713,000 barrels of oil. Duncan estimates that 1,064,256 barrels of oil had been produced as of March, 1997. Formation of the unit should, therefore, increase the Commission's royalty payments.

Other state agencies, including the North Dakota Land Department, have minerals under the proposed unit. The Geological Survey has prepared a report which deems the unit is necessary and that the tract participation formulas and factors are fair.

It was the recommendation of the State Engineer that the State Water Commission approve and execute the Ratification and Joinder of Unit Agreement Stadium-Lodgepole Unit Area, Stark County, North Dakota.

It was moved by Commissioner Swenson and seconded by Commissioner Olin that the State Water Commission approve and execute the Ratification and Joinder of Unit Agreement Stadium-Lodgepole Unit Area, Stark County, North Dakota. SEE APPENDIX "D"

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

**SOUTHWEST PIPELINE PROJECT-
1997 ANNUAL OPERATING REPORT
(SWC Project No. 1736)**

The Southwest Water Authority presented the 1997 Annual Operating Report of the Southwest Pipeline Project. Following is a summary of the report:

The 1997 Legislature authorized the State Water Commission to bond up to \$15 million for funding the Southwest Pipeline Project construction. The Commission and bonding counsel developed a package of revenue bonds to match the United States Department of Agriculture - Rural Development grant of \$2.6 million and loan of \$3.4 million. This bond, loan and grant were used to provide service to the cities of Hettinger and Reeder. An additional 340 farms and ranches will receive water service in 1998 from these funding sources.

This was the first year funds were borrowed to continue construction. The fees collected by the Southwest Water Authority for capital repayment will be used to repay the bonds and loan, principal and interest, and to reimburse the Resources Trust Fund.

The Project now serves 17 cities: Belfield, Dickinson, Dodge, Dunn Center, Gladstone, Golden Valley, Halliday, Hettinger, Manning, Mott, New England, New Hradec, Reeder, Regent, Richardton, South Heart, and Taylor. The Assumption Abbey and Sacred Heart Monastery also receive potable water service. Raw water is delivered to Taylor Nursery, Sacred Heart Monastery, and Jurgens Farms.

Construction in 1997 also included completion of the Jung Lake service area with funds from the Garrison MR&I Water Supply program. MR&I funds will also be used for the construction of the Hebron-Glen Ullin phase in 1998. The Southwest Pipeline Project pumped and delivered over 833,000,000 gallons of water in 1997. Water service is provided to almost 26,000 people.

Funding is now at a crucial point. The State Water Commission and the Southwest Water Authority are committed to completion of the Southwest Pipeline Project. The completion of the Garrison Diversion Project, through the Dakota Water Resources Act of 1997, will benefit the Southwest Pipeline Project as well as all of North Dakota.

**SOUTHWEST PIPELINE PROJECT -
APPROVAL OF AWARD OF
CONTRACTS 2-3H/7-5A TO
KARAS CONSTRUCTION,
LARIMORE, ND,
(SWC Project No. 1736)**

On April 28, 1998, bids were opened for Southwest Pipeline Project contracts 2-3H, the main transmission pipeline from Richardton to Hebron and Glen Ullin, and 7-5A, the rural distribution system in the Hebron-Glen Ullin phase of the project.

Separate contract documents, plans and specifications, and bid schedules were prepared for each contract. A combined single bid was included within the contract documents to encompass all work for both contracts. Six bids were received for contract 2-3H, six bids were received for contract 7-5A, and five bids were received on the combined bid schedule.

James Lennington explained the bids, noting that the contract 2-3H bid package included an alternate bid schedule with an intermediate date for completion of the portion of the main transmission pipeline to Hebron so that service can be provided to Hebron by January, 1999. The contract documents stipulated that the owner reserves the right to award the contract, if awarded, on the bidder's proposal most advantageous to the owner. The award may be based on either the separate bid schedules or the combined single bid.

Mr. Lennington indicated the low bidder for all bid schedules, Karas Construction, Larimore, North Dakota, did not include a cost increase for the intermediate completion date for providing service to the city of Hebron. Based on the low bids received for the contract 2-3H bid schedules, he said it appears that it would be advantageous to select the Alternate Bid Schedule No. 1A as a basis to award the contract. Based upon a comparison of the separate and combined bid schedules, he said it also appears appropriate to award the contract based on the low bid received for the combined bid schedule.

The engineer has reviewed the bids, found the bids responsive, and recommended award of the contract based on the alternate schedule for the combined single bid. Mr. Lennington indicated that MR&I funds will be used on this contract, which requires approval by the Bureau of Reclamation. The award date and notice to proceed is dependent on the completion of the Environmental Assessment by the Bureau, which is anticipated on or before July 1, 1998.

It was the recommendation of the State Engineer that the State Water Commission approve the award of Southwest Pipeline Project contracts 2-3H/7-5A to Karas Construction, Larimore, North Dakota, based on the alternate bid schedule for the combined single bid.

It was moved by Commissioner Hillesland and seconded by Commissioner Johnson that the State Water Commission approve the award of Southwest Pipeline Project contracts 2-3H/7-5A for the main transmission pipeline from Richardton to Hebron and Glen Ullin, and for the rural distribution system in the Hebron-Glen Ullin service area to Karas Construction, Larimore, North Dakota, based on the alternate bid schedule for the combined single bid.

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

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

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

distributed to the Garrison Joint Technical Committee (GJTC) on January 22, 1998. Comments that were received on the *Draft Environmental Assessment* have been addressed and draft responses to comments from the Environmental Protection Agency, the Canadian Section of the Garrison Joint Technical Committee, and the Province of Manitoba have been sent to their respective contributors. The Joint Technical Committee held a meeting on April 23-24, 1998 in Bloomington, Minnesota to discuss the report and the NEPA review process.

The engineering team is preparing a time and cost schedule of engineering design tasks to bring the project to the point where a construction contract on the first segment of the pipeline to Minot can be advertised in the late fall of 1998. Mr. Lennington reviewed the time and cost schedule, which should allow the selected contractor to begin construction in the spring of 1999. Soil samples and corrosion analysis on all 45 miles of the proposed pipeline route to Minot have been completed.

Mr. Lennington reported that Lester Anderson, a longtime member of the Garrison Diversion Conservancy District and the District's representative on the Northwest Area Water Supply advisory committee, has resigned. Kenny Rogers, the District's board member from Bottineau County, has been appointed to replace Mr. Anderson on the NAWS advisory board.

At its April 2, 1998 meeting, the NAWS advisory board passed a motion recommending to the State Water Commission the transfer of up to \$195,000 in MR&I funding from the NAWS Phase II (Minot) allocation to the NAWS Phase I (Rugby) allocation.

**NORTHWEST AREA WATER
SUPPLY PROJECT -
APPROVAL OF PHASE I BOND**

On October 9, 1996, the State Water Commission adopted a Resolution of Intent creating the North Dakota

**DOCUMENTS AND AUTHORIZATION
(SWC Project No. 237-04)**

Water Development Revenue Bonding program. In this resolution, the

Commission stated its intent to issue and sell North Dakota State Water Development Revenue bonds in one or more series during the following four years for water supply projects in the state.

On December 1, 1997, the Commission approved a Resolution of Intent to Issue and Sell North Dakota State Water Development Revenue Bonds for the Northwest Area Water Supply Project, Rugby Works, Phase I. At its meeting on February 13, 1998, the Commission approved Northwest Area Water Supply Project contract 237-4 for the city of Rugby.

James Lennington indicated that discussions have been underway with Beauclair & Cook, Bond Counsel; Evensen Dodge, Financial Advisor; Dain Rauscher, Underwriter; and Norwest Bank, Trustee, on the structure of the bonding program for NAWS - Rugby Works, Phase I, and development of the necessary documents. On March 5, 1998, bids were opened on the project, with a 60-day award window ending on May 4, 1998.

On April 29, 1998, the Underwriter priced the Phase I bond issue of \$1,225,000 to determine the actual interest rate terms and the final debt service schedule. Mr. Lennington explained the bond pricing details, which are attached hereto as *APPENDIX "E"*, and presented the following bond documents for the Commission's consideration:

Bond Issuance Authorization Resolution: This document, sometimes called a "Wrap-Around Resolution", is the general authorization resolution, which, if adopted, will do the following:

- 1) Approve the execution, delivery, and sale of the bonds
- 2) Accept and approve the acts and proceedings with respect to the General and Series Resolutions
- 3) Authorize the issuance of bonds pursuant to the General and Series Resolutions
- 4) Authorize the execution of the Official Statement and the Bond Purchase Agreement
- 5) Describe the methods of executing the bonds
- 6) Authorize investment agreements between the Commission and the Trustee

General Bond Resolution: This is the base document for the North Dakota Water Development Revenue Bonding program for the Northwest Area Water Supply Project. It authorizes the issuance of bonds and describes

their general properties and purpose. It identifies the obligations and rights of the various parties in the process. It specifies what happens in cases of redemption, default, and defeasance.

1998 Series A Resolution: This resolution, under the provisions of the General Bond Resolution, describes the details of the 1998 Series A Bonds. These are the bonds, totalling approximately \$1,225,000, which will be purchased by investors. It provides all of the details relating to these series of bonds.

Preliminary Official Statement: This is the document which has been sent to potential purchasers. It summarizes information from the General and Series Resolutions and contains information about the project. When the information from the bond pricing is included, it will become the Official Statement and will be provided to the purchasers of the bonds.

Bond Purchase Contract: This is the contract between the State Water Commission and the Underwriter which governs the terms for the Underwriter's purchase of the bonds.

It was the recommendation of the State Engineer that the State Water Commission approve, ratify, and adopt the Bond Issuance Authorization Resolution, and approve the General Bond Resolution, the 1998 Series A Resolution, the Preliminary Official Statement, and the Bond Purchase Contract for the Northwest Area Water Supply Project, Rugby Works - Phase I.

It was moved by Commissioner Hillesland and seconded by Commissioner Thompson that the State Water Commission approve, ratify, and adopt the Bond Issuance Authorization Resolution, and approve the General Bond Resolution, the 1998 Series A Resolution, the Preliminary Official Statement, and the Bond Purchase Contract for the Northwest Area Water Supply Project, Rugby Works - Phase I. SEE APPENDIX "F"

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

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

Secretary Sprynczynatyk reported the current level of Devils Lake is 1444.3, which is the highest elevation ever recorded. The National Weather Service outlook calls for Devils Lake to peak between 1445.0 and 1445.5 in June or July. Devils Lake began the year at 1442.6, and the volume of water in the lake has increased approximately to 143,600 acre-feet. To reach the expected crest elevation of 1445.0, a total of 252,700 acre-feet will be required.

Devils Lake has risen over 21 feet since 1993. The volume of water has increased from approximately 568,000 acre-feet to over 2 million acre-feet. The years from 1993 through 1997 are five of the six largest inflow years on record. Secretary Sprynczynatyk said it appears that 1998 will become the sixth year of the seven largest events.

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

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

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

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

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

Secretary Sprynczynatyk noted that two new pumping stations will also be built at Devils Lake. A contract for the East Ditch pumping station was awarded on February 13, 1998 to Park Construction Company of Minneapolis for \$4.1 million.

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

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

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

On October 29, 1997, based on the additional information from the Corps of Engineers and the consultant, the State Water Commission reconsidered its endorsement (by motion of July 22, 1997) of the preliminary plan using a combination of pumped storage, pipeline, and open channel components, and endorsed a pipeline alternative.

Congress appropriated \$5,000,000 for preconstruction engineering and design and an environmental impact statement for an emergency outlet from Devils Lake to the Sheyenne River in the 1997 Emergency Supplemental Appropriations Act. Congress also appropriated \$5,000,000 to initiate construction of the emergency outlet. Before the Corps can utilize the \$5,000,000 appropriated by Congress for the construction of an outlet, the Corps must report to Congress that the construction is technically sound, economically justified, environmentally acceptable, and in compliance with the National Environmental Policy Act of 1969.

The Corps of Engineers is preparing an Environmental Impact Statement (EIS) for the emergency outlet. As part of this process, the Corps held public scoping meetings the week of March 23-27, 1998 to receive public comments to help define issues to be included in the EIS. The meeting format included a brief overview of the flooding problems in the Devils Lake area, followed by a public involvement session where individuals ranked issues they felt the Corps should include in the EIS.

Secretary Sprynczynatyk stated that if the proposed project is built, the earliest that construction could begin is in the spring of 1999. He said this is dependent upon the Corps requesting and receiving a variance under the emergency provisions of the National Environmental Policy Act (NEPA) by the Council on Environmental Quality. If the emergency provision is not invoked, the earliest possible time construction could begin is in the spring of 2000. Construction time is estimated to take 1.5 years.

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

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

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

The goal for the ASAP program is to hold 21,000 acre-feet of water in 1998, depending on the amount of evaporation and loss. Of this amount, approximately 20,000 acre-feet will be stored on land that was enrolled in the program in 1997, with the remaining 1,000 acre-feet being stored on new sites enrolled in 1998. Of the \$1.15 million allocated to the program for 1998, \$1.1 million will be used to renew 1997 ASAP contracts and \$50,000 will be used for new water storage sites.

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

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

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

Joe Belford briefed the Commission members on his efforts, which have included numerous meetings with city and county government entities, civic organizations, and regular appearances on television and radio shows to discuss the story of Devils Lake flooding problems and possible solutions.

**DEVILS LAKE UPPER BASIN
WATER MANAGEMENT
(SWC Project No. 1882-01)**

The water management plan developed by the Devils Lake Task Force in 1992, is the most current comprehensive guide to meeting the region's

water needs and addressing long-standing water issues. Implementation of that plan was put on the fast track when key political leaders made upper basin water management a critical component of the three-legged stool approach to addressing the Devils Lake flooding crisis.

In 1995, in response to the rapidly increasing water level in Devils Lake, a goal of 75,000 acre-feet of water storage in the upper basin was set to help reduce flooding at Devils Lake. An ad hoc committee including representatives of several state and federal agencies, local water managers and political leaders, the congressional staff and the Governor's staff have been developing and coordinating efforts to meet the storage goal. As a result, several agencies and non-governmental organizations have active programs aimed at water storage in the basin. Examples include the State Water Commission's ASAP program, the state Waterbank Program, the U.S. Fish and Wildlife Service's storage on public lands, and the North Dakota Wetlands Trust's efforts aimed at new storage on CRP tracts.

Significant debate exists on how much storage is available in the basin. The recently completed study of drainage in the Devils Lake basin identified approximately 23,000 drains affecting 41,000 acres of wetlands. An earlier statistical-based study completed by the Commission and the Fish and Wildlife Service suggested there were as many as 101,000 acres of wetlands drained. The Fish and Wildlife Service believes there may be nearly 200,000 acres drained. Of the 23,000 drains, approximately 1.5 percent were identified as potentially illegal under state law. This is still being reviewed by the water resource districts in the basin.

Each of the agencies with active programs in the basin have secured some portion of the 75,000 acre-feet of water stored goal. Although the goal has not been reached, an updated number is being generated and will be published in a new Devils Lake UPDATE newsletter. Efforts are being concentrated on obtaining the balance of the water storage goal on wetlands restoration on CRP tracts, the implementation of storage proposals on public lands, and voluntary storage on private land that is marginally productive. Success may depend on one-on-one meetings with the landowners to discuss options that are available to them.

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

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

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

The previous update to the plan in 1992 focused on water projects. The 1999 State Water Plan will focus on water management for the 21st century. It will outline current management policies, problems with those policies, and will help serve as a guide for decision-makers. It is intended to be a realistic vision of water management with emphasis on regional and local projects that are appropriate to the plan's goals and objectives.

The 1999 State Water Plan has three main goals: 1) to comprehensively illustrate how North Dakota water resources are currently managed and the responsibilities associated with that management; 2) to provide a vision or direction for how water could be managed into the 21st century; and 3) to reinforce the framework for implementation of the current water management plan and water development program, per the Fifty-fifth North Dakota Legislative Assembly Session laws, Chapter 15, Section 9, which reads as follows:

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

LeRoy Klapprodt, Director of the State Water Commission's Planning and Education Division, provided a status report on the development of the 1999 State Water Plan, which is attached to these minutes as *APPENDIX "G"*.

Mr. Klapprodt noted the planning process remains on schedule, anticipating a preliminary document in July 1998, including water management policy, potential projects with corresponding funding needs, and implementation time schedules. Mr. Klapprodt said periodic updates concerning the State Water Plan are available through a link from the State Water Commission's homepage at <http://water.swc.state.nd.us>.

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

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

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

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

The Red River Basin Board has established subcommittees to address watershed issues involving Devils Lake, the Pembina River flooding, and Lake Traverse flooding.

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

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

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

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

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

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

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

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

The International Red River Basin Task Force is undertaking studies to support preparation of its final report on the problems relating to flooding in the Red River in North Dakota, Minnesota, and Manitoba. The task force established three subgroups - Database, Tools, and Strategies to conduct or direct much of the data collection, model development, program evaluation, and prepare preliminary recommendations for its final report.

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

Secretary Sprynczynatyk explained that a marker has been placed in the Water Resources Development Act of 1998 (WRDA 98) for a flood control project for Grand Forks-East Grand

Forks. Project authorization will be requested subject to completion of an approved technical report by December, 1998. To meet this deadline, and to provide sufficient input to authorizing language, the local communities made the decision to support the preferred alternative involving the large setback levee/floodwall system aligned along both sides of the river.

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

Secretary Sprynczynatyk reported that for the past two years, the Missouri River Basin Association

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

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

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

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

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

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

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

The MRBA directors used input from the Kansas City conference to develop the recommendations, which were attached to the State Water Commission meeting minutes of February 13, 1998.

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

**CITY OF WILLISTON
WATER SUPPLY
(SWC Project No. 1315)**

Representatives from the city of Williston requested the opportunity to appear before the State Water Commission to discuss the city's water

concerns. *APPENDIX "H"* is the presentation made by Mayor Ward Koeser, and Monte Meiers, Williston City Engineer and Public Works Director:

**APPROVAL OF RESOLUTION
OF APPRECIATION TO
EDGAR W. SCHMIDT
(SWC Resolution No. 98-4-479)**

A draft Resolution of Appreciation to Edgar W. Schmidt was considered by the State Water Commission.

Mr. Schmidt served the State of North Dakota for 36 years; 16 years with the North Dakota Department of Transportation, and the following 20 years with the State Water Commission serving as the Dam Safety Engineer. Mr. Schmidt retired from the State Water Commission on March 31, 1998.

It was moved by Commissioner Johnson, seconded by Commissioner Olin, and unanimously carried, that the State Water Commission approve Resolution No. 98-4-479, Resolution of Appreciation to Edgar W. Schmidt. SEE APPENDIX "I"

**CLOUD MODIFICATION PROJECT
SURVEY, PRELIMINARY RESULTS
(SWC Files ACT/RES & AS/SWC/ARB)**

The Atmospheric Resource Board formulated a survey this spring to examine the knowledge and opinions of the statewide volunteer rainfall

observers regarding hail and cloud seeding. The Commission members were provided the preliminary results of the survey, attached hereto as *APPENDIX "J"*.

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

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

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

At its meeting on February 13, 1998, the Commission received a presentation relative to the feasibility study results from Matt Iverson, steering committee member, and farmer in northwest McKenzie County.

The committee petitioned for the creation of an irrigation district, which is being processed in accordance with state law. Secretary Sprynczynatyk indicated the process is anticipated for completion in June, 1998.

Secretary Sprynczynatyk indicated the Commission staff is reviewing a request for cost share for the project. Upon completion of the creation of the irrigation district and satisfaction of the required federal, state and local permits, a recommendation for cost share will be presented to the Commission for consideration.

There being no further business to come before the State Water Commission, Governor Schafer adjourned the meeting at 4:00 PM.

/S/ Edward T. Schafer
Edward T. Schafer
Governor-Chairman

SEAL

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

