

## **MINUTES**

### **North Dakota State Water Commission Grand Forks, North Dakota**

**August 13, 1998**

The North Dakota State Water Commission held a meeting at the Civic Auditorium, Grand Forks, North Dakota, on August 13, 1998. Governor-Chairman, Edward T. Schafer, called the meeting to order at 1:00 PM, and requested State Engineer, and Chief Engineer-Secretary, David A. Sprynczynatyk, to call the roll. The Chairman declared a quorum was present.

Pat Owens, Mayor, welcomed the State Water Commission to Grand Forks. Prior to this meeting, the Commission members and others toured the Grand Forks flood damage and protection areas.

#### **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**

the agenda approved, and requested Secretary Sprynczynatyk to present the agenda.

There being no additional items for the agenda, the Chairman declared

**CONSIDERATION OF MINUTES OF APRIL 30, 1998 STATE WATER COMMISSION MEETING - APPROVED**

The minutes of the April 30, 1998 State Water Commission meeting were approved by the following motion:

*It was moved by Commissioner Olin, seconded by Commissioner Bjornson, and unanimously carried, that the minutes of the April 30, 1998 State Water Commission meeting be approved as prepared.*

**CONSIDERATION OF MINUTES OF MAY 18, 1998 STATE WATER COMMISSION TELEPHONE CONFERENCE CALL MEETING - APPROVED**

The minutes of the May 18, 1998 State Water Commission telephone conference call meeting were approved by the following motion:

*It was moved by Commissioner Olin, seconded by Commissioner Bjornson, and unanimously carried, that the minutes of the May 18, 1998 State Water Commission telephone conference call meeting be approved as prepared.*

**FINANCIAL STATEMENT - AGENCY PROGRAM BUDGET EXPENDITURES**

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

Secretary Sprynczynatyk presented and discussed the Program Budget Expenditures for the period ending June 30, 1998, reflecting 50 percent of

**FINANCIAL STATEMENT - RESOURCES TRUST FUND**

obligated \$7.1 million from the Contract Fund, and has \$6.9 million available for other projects. Part of the \$6.9 million is earmarked as follows: \$2 million for Devils Lake bonding, \$2 million for the Maple River Dam, and \$700,000 for Devils Lake.

Secretary Sprynczynatyk reported that as of August 13, 1998, the State Water Commission has approved and

The oil extraction tax revenues for the first year of the biennium were \$3,005,149 and continue to decline. If revenues continue declining at this rate, Secretary Sprynczynatyk said the money available for general water projects will be reduced by \$1.6 million. A total reduction of \$3.4 million to the Contract Fund has been estimated for the biennium, which includes \$1.6 million because of declining oil revenues, \$1.2 million in Southwest Pipeline Project revenues due to bonding, and \$600,000 in reduced carryover. This leaves \$2.1 million available for other general projects. *SEE APPENDIX "B"*

**FINANCIAL STATEMENT -  
1999-2001 BUDGET**

The State Water Commission submitted its 1999-2001 budget to the Office of Management and Budget. The budget includes a five percent reduction in general funds as required from all state agencies. Secretary Sprynczynatyk provided a summary of the Agency Overview listing the future critical issues defined for the agency, and the Request Summary listing the major programs, line items and funding sources.

Secretary Sprynczynatyk indicated the State Water Commission will request optional adjustments to the budget to address items that were affected by the five percent reduction. One of the optional adjustments will be travel expenditures because of the greater need for travel due to projects such as Devils Lake, the Dakota Water Resources Act, the Missouri River basin and other interstate projects, and due to the increases in air travel expense in recent years.

A budget hearing is scheduled with the Office of Management and Budget on September 10, 1998.

**FINANCIAL STATEMENT -  
APPROVAL OF ADDITIONAL  
\$30,000 FOR DEVILS LAKE OUTLET  
AWARENESS PROJECT MANAGER  
(SWC Project No. 416-01)**

On December 22, 1997, the State Water Commission approved a cost share from the Contract Fund up to \$15,000 for the Devils Lake Outlet Awareness project manager's position for one year, contingent upon the availability of funds.

Secretary Sprynczynatyk explained that the total contract for a 12-month period is \$45,000, with the following cost share arrangement:

- 1) The State Water Commission shall pay up to \$15,000 (33 percent)
- 2) The Garrison Diversion Conservancy District shall pay up to \$15,000 (33 percent) to the Commission upon billing

- 3) The Devils Lake Joint Board shall pay up to \$10,000 (22 percent) to the Commission upon billing, plus provide up to \$5,000 of in-kind services
- 4) The Forward Devils Lake Corporation shall pay up to \$5,000 (12 percent) to the Commission upon billing

Because the State Water Commission is administering the program, Secretary Sprynczynatyk explained that the contract total of \$45,000 would be paid from the Contract Fund, and \$30,000 would be reimbursed to the Commission upon monthly billing to the above-mentioned parties. The original movement in December, 1997 was for the Commission's share of \$15,000.

It was the recommendation of the State Engineer that the State Water Commission approve an additional \$30,000 from the Contract Fund for the Devils Lake Outlet Awareness project manager. This will increase the total amount from the Contract Fund to \$45,000, of which \$30,000 will be reimbursed to the Commission upon monthly billing to the other cost share entities.

*It was moved by Commissioner Swenson and seconded by Commissioner Johnson that the State Water Commission approve an additional \$30,000 from the Contract Fund for the Devils Lake Outlet Awareness project manager.*

*This action increases the total amount allocated from the Contract Fund to \$45,000, of which \$30,000 will be reimbursed to the State Water Commission upon monthly billing to the other cost share entities.*

*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.*

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

Grand Forks and East Grand Forks. The information presented is attached hereto as *APPENDIX "C"*, relating to the Water Resources Development Act of

Mayor Pat Owens, and Ken Vein, Grand Forks City Engineer, provided a status report on the permanent flood protection project for the cities of

1998, flood protection project costs, and relocation of major components of the water treatment plant. The Mayor and Mr. Vein thanked the Governor, the State Water Commission, the State Engineer and staff for their flood fighting and recovery efforts from the 1997 flood.

**APPROVAL OF CHANGES  
TO COST SHARE POLICY  
FOR DRAINAGE PROJECTS  
(SWC File AS/SWC/POL)**

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

and 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.

Because of the water resource districts' involvement on cost share for drainage 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 its recommendations to the State Water Commission at its February 13, 1998 meeting.

The following lists the current policy items and the proposed changes to the drainage cost share policy:

**CURRENT**

**Eligible Items:**

1. Excavation
2. Erosion control devices
3. Cleaning and grubbing
4. Leveling spoil banks
5. Culvert inlets
6. Field drain inlets
7. Farmsteads, driveways  
or crossings
8. Moving of reconstructing  
fence lines

**PROPOSED**

**Eligible Items:**

- 1-8. Remain the same
9. Installation of bridges or  
culverts across section lines
10. Engineering costs for  
planning or design

**Non-Eligible Items:**

1. Installation of bridges or culverts across section lines
2. Administrative or legal expenses
3. Costs associated with court actions

**Cost Share Percentage:**

40 percent

**Funding Limit:**

None

**Non-Eligible Items:**

1. Administrative or legal expenses, such as land rights and acquisition
2. Costs associated with court actions

**Cost Share Percentage:**

35 percent

**Funding Limit:**

5 percent of new funding for general projects per biennium for any one project

It was the recommendation of the State Engineer that the State Water Commission approve the following proposed changes to the cost share policy for drainage projects:

- 1) Include county and township road crossing work as eligible costs
- 2) Cost share at 35 percent of eligible costs
- 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; the 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 have to be reassessed.
- 4) Include appropriate costs for engineering work as eligible costs, which excludes any land rights work

The proposed language in change No. 3 was discussed relative to defining "near the end of the biennium". Secretary Sprynczynatyk responded that normally some funds are held until the last three months of the biennium to ensure that funds are available in the event of a significant spring runoff and a disaster.

*It was moved by Commissioner Swenson that the State Water Commission approve the recommendation of the State Engineer for changes to the cost share policy for drainage projects as listed above, with the exception that language under change No. 3 "near the end of the biennium" be changed to "the last three months of the biennium".*

*The Chairman declared the motion died for a lack of a second.*

*It was moved by Commissioner Johnson and seconded by Commissioner Olin that the State Water Commission approve the recommendation of the State Engineer for the changes to the cost share policy for drainage projects as listed above.*

*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  
EMMONS COUNTY WATER  
RESOURCE DISTRICT FOR COST  
SHARE OF THE FEASIBILITY  
STUDY FOR HORSEHEAD  
IRRIGATION PROJECT  
(SWC Project No. 295)**

A request from the Emmons County Water Resource District was presented for the Commission's consideration for cost share of the feasibility study of irrigation development in the Horsehead area of Emmons County.

On July 22, 1997, the State Water Commission passed a motion to cost share up to \$10,000 from the Contract Fund for the reconnaissance study. The new study entitled "Horsehead Irrigation Reconnaissance Study", completed in early 1998, provided a review and analysis of irrigation feasibility for the original 18,200 acres previously identified by the Bureau of Reclamation, and an additional 40,000 acres of adjacent lands in the area. The primary purpose of the study was to review the opportunity for developing the land and water resources of Emmons County and to utilize the resources to develop value-added agricultural and irrigation products. The study investigated three alternatives with the Missouri River as the water source and a buried pipeline as the distribution system.

The total estimated cost of the feasibility study is \$180,000, all of which is 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 \$90,000.

The feasibility study will examine approximately 60,000 acres and will determine project alternatives for water sources, storage, and delivery facilities. The study will also include a crop analysis, an economic feasibility and impact review, and power requirements.

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 \$90,000 from the Contract Fund, of the feasibility study for the Horsehead irrigation project in Emmons County,

Herb Grenz, landowner, and representing the project, provided information and requested the Commission's favorable consideration of the cost share request of the feasibility study.

*It was moved by Commissioner Johnson and seconded by Commissioner Bjornson that the State Water Commission approve cost share of 50 percent of the feasibility study, not to exceed \$90,000 from the Contract Fund, for the Horsehead irrigation project in Emmons County. 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 NORTH DAKOTA  
WATER EDUCATION  
FOUNDATION FOR  
PARTICIPATION IN  
NORTH DAKOTA WATER  
MAGAZINE FOR 1998  
(SWC File No. AOC/WEF)**

A request from the North Dakota Water Education Foundation was presented for the Commission's consideration to continue its participation in the *North Dakota Water* magazine for 1998.

Secretary Sprynczynatyk stated that the State Water Commission contributed \$18,000 in 1995, 1996 and 1997 to support the magazine and its own pages, the monthly "Oxbow" section and the "Water Primer" section. He said with the Commission's support, the *North Dakota Water* magazine provides continued communication among people interested in North Dakota's water resources.

It was the recommendation of the State Engineer that the State Water Commission approve payment of \$18,000 from the Contract Fund to the North Dakota Water Education Foundation to assist in the publication of the *North Dakota Water* magazine in 1998.

*It was moved by Commissioner Bjornson and seconded by Commissioner Johnson that the State Water Commission approve payment of \$18,000 from the Contract Fund to the North Dakota Water Education Foundation to assist in publication of the North Dakota Water magazine in 1998. 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  
THE INTERNATIONAL COALITION  
FOR PAYMENT OF DUES FOR 1998  
(SWC File No. AOC/TIC)**

A request from The International Coalition was presented for the State Water Commission's consideration for payment of dues for 1998 in the amount of \$10,000.

Secretary Sprynczynatyk presented the request and stated that The International Coalition is a public interest group headquartered in Moorhead, Minnesota, dedicated to responsible water management in the Red River basin.

The Coalition intends to expand the development and dissemination of information and educational materials that includes the promotion of long-range watershed planning and management in the Red River basin through a comprehensive integrated watershed database to be used for decision-making and action evaluation. Contractual services to the State Water Commission includes development support of the database information, receive printed educational materials, and access to electronic data and materials collected and compiled.

It was the recommendation of the State Engineer that the State Water Commission approve the payment of dues to The International Coalition in the amount of \$10,000 from the Contract Fund for 1998 as a means of securing the services outlined above.

*It was moved by Commissioner Olin and seconded by Commissioner Bjornson that the State Water Commission approve the expenditure of \$10,000 from the Contract Fund for the payment of dues to The International Coalition for 1998 as a means of securing the services outlined by the State Engineer. 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  
UNIVERSITY OF NORTH DAKOTA  
FOR COST SHARE ASSISTANCE IN  
DENITRIFICATION RESEARCH  
IN ELK VALLEY AQUIFER  
(SWC Project No. 950)**

A request from Dr. Scott Korom of the University of North Dakota to cost share in a research project designed to measure rates of nitrate removal from the Elk Valley aquifer through denitrification was presented for the Commission's consideration.

Secretary Sprynczynatyk explained that nitrate contamination of aquifers from non-point (agriculture) sources is currently one of the most pressing water quality concerns. Previous research has indicated that some North Dakota aquifers may have the ability to remove substantial amounts of nitrate through a process called autotrophic denitrification. In 1997, an experiment to measure nitrate removal from the Elk Valley aquifer was initiated, which involved constructing and placing measuring devices, called microcosms, in the upper portion of the aquifer. The nitrate removal rates have been measured for one year and have indicated likely substantial rates of decontamination.

The State Water Commission and the State Health Department provided cooperative assistance in initiating this project. Dr. Korom has requested a total of \$13,777 to continue the experiment for a second year through August, 1999. The State Health Department has agreed to provide \$9,700. The request before the State Water Commission is to provide funding assistance of \$4,077.

It was the recommendation of the State Engineer that the State Water Commission authorize an expenditure from the Contract Fund not to exceed \$4,077 to implement the denitrification research experiment through August, 1999. Secretary Sprynczynatyk explained in order to obtain the maximum benefits, the experiment should be run for several years and, therefore, further cost share assistance may be requested in the future. He added that the results of this experiment are expected to provide information of direct and immediate utility in water resource management.

*It was moved by Commissioner Johnson and seconded by Commissioner Thompson that the State Water Commission approve cost share assistance up to \$4,077 from the Contract Fund to support continuation of the denitrification research project with the University of North Dakota and the State Health Department through August, 1999. 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  
DICKEY COUNTY WATER  
RESOURCE DISTRICT FOR  
ADDITIONAL COST SHARE OF  
\$13,100 FOR ELLIOTT DRAIN  
(SWC Project No. 1102)**

On September 4, 1996, the State Water Commission approved cost share participation of \$32,720 for the Elliott Drain, also referred to as Dickey County Drain No. 1. The project involved the rehabilitation/enhancement and extension of the drain, and

the installation of a control structure at Gemar Dam. The project has been completed and inspected by State Water Commission staff.

Secretary Sprynczynatyk explained that the project construction costs were estimated at \$81,800. The actual project costs are \$114,414, all of which are considered eligible for cost share. Under the State Water Commission's policy and guidelines for cost share, 40 percent of the eligible costs qualify for cost share. On July 31, 1998, a request was received from the Dickey County Water Resource District for additional cost share. The request before the State Water Commission is to cost share in an additional amount of \$13,100.

It was the recommendation of the State Engineer that the State Water Commission approve an additional cost share of 40 percent of the eligible costs, not to exceed \$13,100 from the Contract Fund, for the Elliott Drain project (Dickey County Drain No. 1). Commission approval would increase the State Water Commission's cost share to \$45,820. Secretary Sprynczynatyk said the overrun is due to additional construction and engineering costs not included in the original request.

*It was moved by Commissioner Swenson and seconded by Commissioner Olin that the State Water Commission approve an additional cost share in 40 percent of the eligible costs, not to exceed \$13,100 from the Contract Fund, for the Elliott Drain (Dickey County Drain No. 1) in Dickey County. This motion is contingent upon the availability of funds.*

*This action increases the State Water Commission's cost share contribution to \$45,820.*

*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 FEDERAL FUNDING  
THROUGH FLOOD MITIGATION  
ASSISTANCE PROGRAM FOR  
FISCAL YEARS 1997 AND 1998  
(SWC Project No. 1896)**

The National Flood Insurance Program initiated the Flood Mitigation Assistance Program (FMA) as a result of the National Flood Insurance Act of 1994. The purpose of the program is for acquisition of

structures meeting the repetitive loss or the substantial loss definitions by the National Flood Insurance Program. The State Water Commission has been designated by the Governor to administer the program. On an annual basis, program cost share funding will be available to the State Water Commission based on a formula of flood insurance policies in effect within the state.

Secretary Sprynczynatyk explained the following features of the Flood Mitigation Assistance Program:

Technical Assistance Grant - funding to be used by the State Water Commission to help administer the planning grant and the project grant implementation efforts

Planning Grant - funding to a community to develop or update a flood mitigation plan

Project Grant - funding to a community to implement a project based on the recommendations of the flood mitigation plan

Because the FMA money was made available since the last biennial budget cycle, acceptance of the program money for Fiscal Years 1997 and 1998 was considered by the State Water Commission.

The Federal Emergency Management Agency (FEMA) made available \$123,000 for Fiscal Year 1997 for the FMA program. Program cost share is 75 percent federal and 25 percent non-federal. The non-federal share is the state and community contribution, of which one-half can be in-kind services.

At its October 29, 1997 meeting, the State Water Commission passed a motion approving \$20,500 as one-half of the 25 percent non-federal cost share (\$41,000) for the federal Fiscal Year 1997 program for technical assistance in plan development and project implementation. To accept the federal portion (\$123,000) of the Fiscal Year 1997 money, an additional action was considered by the Commission.

Secretary Sprynczynatyk presented the following recommendations for the Commission's consideration for acceptance and expenditure of the federal funds for the program:

- Approval of an additional \$123,000 of federal funds for Fiscal Year 1997
- Approval of \$135,800 of federal funds for Fiscal Year 1998
- Approval of State Water Commission cost share of 50 percent of the eligible costs for Fiscal Year 1998, not to exceed \$22,634

*It was moved by Commissioner Johnson and seconded by Commissioner DeWitz that the State Water Commission approve the State Engineer's recommendations as presented above for the acceptance and expenditure of federal funds through the Flood Mitigation Assistance program for Fiscal Years 1997 and 1998.*

*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 WALSH COUNTY WATER  
RESOURCE DISTRICT FOR COST  
SHARE IN RURAL RING DIKE  
PROJECT, PHASE I  
(SWC Project No. 1312)**

A request from the Walsh County Water Resource District was presented for the Commission's consideration for cost share in the rural ring dike project.

Merlin Linstad, Chairman of the Walsh County Water Resource District, and Dennis Markusen, Walsh County Superintendent of Highways, presented the proposal and said that the primary area of concern is the health and safety of the citizens living along the Red River. Although most farmsteads had some form of ring dike protection or were built on "high-ground", many dikes would have been overtopped in 1997 had farmers and neighbors not worked together to raise the level of protection by sandbagging. Even with this effort, the dikes would not have held had the Red River not crested 1.5 feet below its predicted crest in 1997. The area is experiencing more frequent flooding with floodwaters cresting at higher levels in recent years.

Mr. Markusen indicated that ring dikes are probably the most acceptable and efficient way to protect farmsteads during a flood event. The intent of a ring dike would be to protect farmsteads, grain bins, and other developed areas. It is not the intent to provide protection to cropland. The proposed rural ring dike project involves the construction of 44 new ring dikes and raising 34 existing ring dikes. A majority of the dikes are located in Walsh County, with an additional dike being located in Pembina County. The total project cost is estimated at \$1,317,500. The proposed project has been prioritized, with Phase I consisting of those sites that are in the greatest need of immediate protection. Phase I has been estimated to cost \$350,000. The request before the State Water Commission is to cost share in 50 percent of the eligible costs for Phase I, in an amount of \$175,000.

Secretary Sprynczynatyk indicated the water resource districts were notified that the state is willing to consider providing cost share for the construction of ring dikes. To date, only the Walsh County Water Resource District has expressed an interest in writing in developing a ring dike project. Cass County has expressed interest, although a proposed plan has not been submitted.

The State of Minnesota is providing cost share assistance of 50 percent through Minnesota's watershed districts for construction of ring dikes in the Red River area. Manitoba has also been involved in projects to ring dike farmsteads or construct pads above known flood levels for farmstead development. The Natural Resources Conservation Service constructed several ring dikes using RC&D funds in Grand Forks County in the early 1980s. Numerous ring dikes have been constructed by private landowners, many of which have been overtopped or weakened during the large flood events experienced the last few years.

Secretary Sprynczynatyk indicated the proposed plan submitted by Walsh County has been reviewed by the Commission staff and the minimum design criteria is satisfactory. The District would be the local sponsor and responsible for obtaining the required permits in the name of the landowner and to ensure local matching funds. The District has been informed that the State Water Commission would not have sufficient funds to allocate at the present time for construction of all of the ring dikes presented in the preliminary dike plan. He said a ring dike plan which documents the need and specifies the minimum requirements and an estimate of costs would be beneficial in convincing the legislature of the need for state funding of ring dikes for flood control purposes. He said the project would reduce future flood damages in the Red River Valley and would demonstrate the effectiveness of a farmstead ring dike program.

It was the recommendation of the State Engineer that the State Water Commission approve cost share of 50 percent, not to exceed \$175,000 from the Contract Fund, for Phase I of Walsh County's proposed rural ring dike project.

*It was moved by Commissioner Hillesland and seconded by Commissioner Thompson that the State Water Commission approve cost share of 50 percent, not to exceed \$175,000 from the Contract Fund, for Phase I of the proposed rural ring dike project in Walsh County. This motion is contingent upon the availability of funds.*

Although the Commission members voiced general support for the project, they expressed concerns relative to future funding from the Contract Fund since the water resource districts' response to the program is uncertain at this time. The Commission members stressed the importance that the program needs to be addressed in the State Water Management Plan process, which will be used in the identification of potential projects and water resource management needs that will be presented to the legislature. Concerns were also heard regarding the ring dike issues related to the West Fargo diversion.

*An amendment to the motion was offered by Commissioner Johnson and seconded by Commissioner Swenson that the State Water Commission approve cost share of 25 percent, not to exceed \$175,000 from the Contract Fund, for Phase I of the proposed rural ring dike project in Walsh County. This motion is contingent upon the availability of funds.*

*Commissioners DeWitz, Johnson, Olin, Swenson, and Chairman Schafer voted aye. Commissioners Bjornson, Hillesland and Thompson voted nay. The Chairman declared the amendment to the motion carried.*

*The Chairman called the question on the motion as amended. Commissioners DeWitz, Hillesland, Johnson, Swenson, Thompson, and Chairman Schafer voted aye. Commissioners Bjornson and Olin voted nay. The Chairman declared the motion as amended carried.*

**CLARIFICATION OF STATE  
ENGINEER TO APPROVE  
CONTRACTS LESS THAN  
\$20,000  
(SWC File AS/SWC/POL)**

cost overruns, and temporarily waived Commission consideration and approval until the next meeting.”

At the December 13, 1985 meeting, the State Water Commission authorized the State Engineer “in situations where it is to the advantage of North Dakota ... to expend up to \$10,000 for small contracts, emergencies and

It was the recommendation of the State Engineer that the State Water Commission consider the following language to clarify the authority of the State Engineer to expend funds up to \$10,000:

In order to react to emergencies and cost overruns and to complete small projects in a timely manner, the State Engineer shall be authorized to approve and expend up to \$10,000 to develop and manage the water resources of the state. A report of any funds approved and expended under this authorization shall be made to the Commission at its next meeting.

Governor Schafer stated that in order to be consistent with the expending authority of other state agency directors, it would be appropriate to authorize the State Engineer to expend funds up to \$20,000.

*It was moved by Commissioner Johnson and seconded by Commissioner Olin that in order to react to emergencies and cost overruns and to complete small projects in a timely manner, the State Engineer shall be authorized to approve and expend up to \$20,000 to develop and manage the water resources of the state. A report of any funds approved and expended under this authority shall be made to the State Water Commission at its next meeting.*

*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.

Field hearings on the Dakota Water Resources Act were held February 19, 1998 in Fargo, North Dakota, and on August 11, 1998 in Minot, North Dakota. The hearings were convened to receive testimony from interested parties in North Dakota and the region on the legislation to complete the Garrison Diversion Project.

The Dakota Water Resources Act was heard before the Subcommittee on Water and Power of the United States Senate Committee on Energy and Natural Resources on July 14, 1998 in Washington, DC. The testimony provided by Governor Schafer is attached hereto as *APPENDIX "D"*. The bill will be heard before the House on September 29, 1998 in Washington, DC.

Secretary Sprynczynatyk provided a section-by-section summary of the amended bill and distributed the hearing portfolio relating to the Dakota Water Resources Act of 1998 to the Commission members.

**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 will provide water to rural residents and the city of Bisbee and will involve a reservoir/pump station, pipelines, and in-line booster stations. The estimated project cost is \$2 million. The Environmental Assessment is being reviewed.

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

**Dickey Rural Water:** The contractor, Northern Improvement Company, will complete project construction in September, 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 working on the airport water storage tank. American Engineering is working on the Flasher 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 installing a pipeline to Walhalla, and Wick Construction installing reservoirs and a water treatment plant expansion. Phase 2 is the addition of the city of Neche and rural water users to the system.

**Ransom-Sargent Rural Water:** The engineer is working on the feasibility study, and the National Environmental Protection Act (NEPA) requirements. The 1998 project involves an expansion in the Barnes rural water area. Conditional water permit No. 5119 was approved by the State Engineer.

**NAWS Phase I (NAWS Rugby Component):** Construction is scheduled to be completed in 1999.

**NAWS Phase 2 (NAWS Minot Component):** The project is being reviewed for compliance with the National Environmental Protection Act.

**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 that Missouri West has requested additional MR&I funding for adding water users. The additional 79 users have an estimated cost of \$460,000. The additional 65 percent MR&I grant, not to exceed \$300,000, would be funded from excess funding.

North Valley requested approval to add two pipeline bid alternatives to the Phase 2 contract. The increase in pipe size would provide capacity for the possibility of adding the city of Pembina. Secretary Sprynczynatyk said the current approved MR&I and Rural Development budgets are adequate to fund these two alternatives.

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:

<b><u>Project</u></b>	<b><u>Activity</u></b>	<b><u>Approved</u></b>	<b><u>Proposed</u></b>
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	1,700,000
NAWS (Minot component)	D&C	2,805,000	2,805,000
NAWS (Rugby component)	D&C	195,000	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
<b>Total Available in Fiscal Year 1998</b>		<b>\$12,730,000</b>	<b>\$13,030,000</b>

It was the recommendation of the State Engineer that the State Water Commission approve the revised proposed \$13.03 million Fiscal Year 1998 MR&I Water Supply program budget, contingent upon the availability of federal funds and subject to future revisions. It was also the recommendation of the State Engineer that the State Water Commission approve the request from North Valley to add two pipeline alternatives to the Phase 2 contract.

*It was moved by Commissioner Olin and seconded by Commissioner DeWitz that the State Water Commission approve :*

*1) the recommendation of the State Engineer of the revised proposed \$13.03 million Fiscal Year 1998 MR&I Water Supply program budget as presented, contingent upon the availability of federal funds and subject to future revisions*

*2) the request from North Valley to add two pipeline alternatives to the Phase 2 contract.*

*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 MISSOURI  
WEST WATER SYSTEM LOAN  
AND GRANT AGREEMENT  
AMENDMENT RELATIVE TO  
SPECIFIC DATE TO BEGIN  
ACCUMULATION OF RESERVES  
(SWC Project No. 237-03)**

The Morton County Water Resource District has a loan with the State Water Commission for construction of Phase I of the Missouri West water system project. The Board has requested clarification of the date that financial reserves for Phase I are to begin to accumulate. Because the

agreement does not list a specific date to begin accumulation of reserves, the accumulation starts on the date the agreement was signed, which was April 5, 1993. The Board requested starting the reserve account accumulation on April 15, 1995.

Phase I construction was completed in November, 1994, with the cash flow unsteady until the spring of 1995. The State Water Commission approved the delay of the system's second Resources Trust Fund payment to April 15, 1995. The interest was capitalized into the existing loan for payment over the period of the loan. The scheduled loan payments began April 15, 1995 and are due on April 15 and October 15 of each year. Secretary Sprynczynatyk explained that changing the start of the reserve accumulation will not affect the payment schedule, and will assist Missouri West in establishing a funding schedule based on cash flow on a new system.

It was the recommendation of the State Engineer that the State Water Commission approve an amendment to the loan and grant agreement (Section 2.08.) with the Morton County Water Resource District to start the reserve account accumulation on April 15, 1995.

*It was moved by Commissioner Swenson and seconded by Commissioner Olin that the State Water Commission approve an amendment to Section 2.08. of the loan and grant agreement with the Morton County Water Resource District for the Missouri West water system project to start the reserve account accumulation on April 15, 1995. SEE APPENDIX "E"*

*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)**

Todd Sando, Director of the State Water Commission's Water Development Division, provided the following contract, construction and project status report:

**Contracts 2-3H and 7-5A - Transmission Pipeline to Hebron and Glen Ullin and the Rural Distribution System in the East Taylor Service Area:** The contractor for both contracts, Karas Construction of Larimore, North Dakota, has completed approximately two-thirds of the work between Richardton and Hebron. Water is expected to be made available to Hebron in September and possibly to Glen Ullin by the end of the year. Completion for contract 2-3H is scheduled for July 18, 1999, and completion of the Richardton to Hebron segment is scheduled for January 15, 1999. The contractor is installing some of the service lines for rural connections under contract 7-5A as work is proceeding on contract 2-3H.

**Contract 2-4B - Transmission Pipeline Serving Hettinger and Reeder:** The contract is complete and final retainage was released to the contractor in late May when all administrative items were completed.

**Contract 4-4 - Jung Lake Pump Station:** The contractor has the underground piping and foundation work completed. The completion date on contract 4-4 is September 24, 1998.

**Contract 5-4 - Jung Lake Reservoir:** The contractor has completed pouring the concrete pedestal for the tank, which is 168 feet tall. Assembly of the tank bowl on the ground is underway in preparation of lifting it into position atop the pedestal. The completion date for contract 5-4 is September 20, 1998. The contractor is approximately four weeks behind the contract schedule and there is concern whether there will be adequate time for curing the paint on the tank, which is temperature dependent.

**Contract 7-4/7-3A - Bucyrus and Three Pocket Service Area Rural Distribution System:** The contractor for contract 7-4/7-3A, Northern Improvement, is working to the east of Hettinger on clean-up and reclamation of the pipeline trench. It is anticipated that water should be available to the east and south of Hettinger, as well as areas in the immediate vicinity of Hettinger within a few weeks. Rural distribution pipelines and service lines are currently being installed in the area between Hettinger and Reeder. Eminent domain was exercised in this area where an easement could not be obtained by other means. Road and railroad crossings, as well as some larger diameter pipelines are being installed in the three pocket areas around Mott, Regent and New England. The completion date for contract 7-4/7-3A is October 25, 1998.

The chloramination facility at the Dodge pump station is nearing completion. The construction of this facility will ensure adequate disinfection contact time for the project during peak flow periods. The contract the city of Dickinson had with the contractor, Tooz Construction of Dickinson, had an incentive clause for completion by July 15, 1998 to beat the anticipated peak water use season in late July and August. The contractor was unable to meet the schedule required to collect the incentive. Staff from Dickinson's water treatment plant modified the existing temporary chloramination equipment in such a way that higher flow rates could be accommodated without the new facility. This relieved the immediate need, but the facility is needed as a permanent fix.

Mr. Sando discussed the "frost spalling" problems encountered at the Halliday and New Hradec water reservoirs. The tanks are covered by the manufacturer's warranty. The Halliday tank was replaced this past spring, and the contractor has been requested to replace the New Hradec tank.

The city of Dickinson is beginning to run out of room for disposal of lime sludge generated by the softening and filtration processes. Currently, the sludge is disposed of in two lagoons across the Heart River to the south of the water treatment plant. These ponds are nearing capacity and have to be cleaned out if the city is to continue using them. If they are not cleaned out, either new ponds will need to be constructed or a mechanical sludge dewatering system will have to be constructed at the water treatment plant. The State Water Commission and Southwest Water Authority staffs are working with the city to find the best solution to the problem. The current ponds can be used for another year at the present rate sludge is generated.

At the February 15, 1998 meeting, the State Water Commission approved a monthly debt service credit of \$7,805 for the city of Dickinson contingent upon the city making a debt service payment to the Bureau of Reclamation for the bascule gates at Patterson Lake dam. Mr. Sando informed the Commission members that the city did not make its 1997 payment in December and there were indications that it may not make a payment in December, 1998. On May 13, 1998, a letter was sent to the city of Dickinson requesting that the city inform the Commission of its intentions concerning the bascule gate payments. The letter also requested that if the city did not intend to make the 1997 and 1998 payments, that the credit for 1997 and the first four months of 1998 be returned to the Commission, a sum of \$124,880.

The city is seeking a reduction, or forgiveness of the bascule gate debt, which requires an act of Congress. In June, 1998, Senator Conrad submitted a bill to reduce the bascule gate debt and Senators Conrad and Dorgan were successful in attaching language to an appropriations

bill to forgive the 1997 and 1998 payments. An agreement between the city of Dickinson, the State Water Commission and the Southwest Water Authority is being developed for the disposition of the returned credit.

Mr. Sando reported that of the \$6.83 million issued for the Series A bonds, approximately \$242,000 remains. The remaining amount will be expended in August, 1998, and the first Series B bonds will be issued. At this time, Mr. Sando said the contingencies on the Bucyrus service area contracts are lower than anticipated. The Series B bonds total \$3.4 million and after the bonds have been expended, a grant from the USDA in the amount of \$2.6 million will be used to complete construction of the Bucyrus service area.

The possibility of adding a small rural water "pocket" area to the project approved in the bond documents is being explored. The East Rainy Butte pocket would add about 39 rural connections to the project. The estimated cost of constructing this pocket is \$900,000. It is anticipated there will be approximately \$500,000 of the \$2.6 million USDA grant unspent at the conclusion of construction of the Bucyrus service area. An application has been submitted to USDA for an additional \$400,000 in funding, which would allow construction of the East Rainy Butte pocket, with service to this area next spring.

**SOUTHWEST PIPELINE PROJECT -  
APPROVAL OF \$27,617.25 FROM  
RESERVE FUND FOR REPLACEMENT  
AND EXTRAORDINARY MAINTEN-  
ANCE FOR BLOWOFF VALVES  
(SWC Project No. 1736)**

The Southwest Water Authority collects and maintains a reserve fund for "replacement and extraordinary maintenance". This fund exists because over the life of the project there will occur replacement and maintenance items that will exceed annually

budgeted amounts. These items need to be pre-funded. The expenditures from this fund are to be approved by the State Water Commission.

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

A request was received on July 23, 1998 from the Southwest Water Authority for consideration of reimbursement from the Reserve Fund for Replacement and Extraordinary Maintenance for

replacing blowoff valves which are leaking due to a manufacturing defect. Mr. Sando said replacement of the valves has been planned for some time and it will take several years to replace all of the valves which are leaking.

The budget submitted by the Authority this past year included the repair of some of the valves, with an estimated cost of \$38,000. Six valves were replaced this spring, with another five or six scheduled for replacement this fall. The total cost for replacing the six valves is \$27,617.25, for an average cost of about \$4,600.

Secretary Sprynczynatyk explained that in the 1996 criterion adopted by the Commission, staff time is not eligible for reimbursement. Based on the procedural review for replacement of the valves, it was recommended that staff time spent on replacement and extraordinary maintenance be considered eligible for reimbursement. The total cost of the valve repairs this past spring was \$27,617.25, of which \$6,822.88 are labor costs. Of this amount, \$2,284.66 are overtime costs.

It was the recommendation of the State Engineer that the State Water Commission approve reimbursement of \$27,617.25 from the Reserve Fund for Replacement and Extraordinary Maintenance to the Southwest Water Authority for the blowoff valve replacements.

*It was moved by Commissioner Johnson and seconded by Commissioner DeWitz that the State Water Commission approve reimbursement of \$27,617.25 from the Reserve Fund for Replacement and Extraordinary Maintenance to the Southwest Water Authority for the blowoff valve replacements.*

*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)**

Secretary Sprynczynatyk reported that the draft *Biota Transfer Control Facilities and Criteria* was distributed to the Garrison Joint Technical Committee (GJTC) on January 22, 1998. The Canadian comments were received on July 16, 1998, and draft responses have been prepared and several changes made to the report. One of the changes to the report is the inclusion of an emergency response plan describing the steps which would be taken in the event

of a pipeline failure along the pretreated water pipeline within the Hudson Bay basin. The revised report and the proposed final environmental assessment will be submitted to the GJTC in August, 1998, in anticipation of a meeting late in the month.

Concerns have been raised by the Environmental Protection Agency representatives on the GJTC over the ozonation of unfiltered Missouri River water. Secretary Sprynczynatyk said it is possible that this process may produce organic compounds for which future regulations are currently being developed. Samples of the lake water were collected in late June for testing to determine the levels of these compounds. The results of the water samples are expected the first week in August.

Construction is underway on the expansion and upgrade of NAWS Phase I, Rugby water treatment plant. The contractor, Swanberg Construction, Valley City, ND, has completed installation of helical screw piles supporting the foundation. Footings and the ground floor slab for the treatment plant expansion have been poured and the contractor is currently working on the concrete form work for the new basins.

**DEVILS LAKE  
HYDROLOGIC UPDATE  
(SWC Project No. 416-02)**

Secretary Sprynczynatyk reported that during the month of July, 1998, Devils Lake reached its all time recorded daily high of 1444.72 feet msl.

After reaching a previous high of 1444.69 earlier this year, the lake had begun to recede slightly until rains in July pushed it to the new record level. The current level of Devils Lake is 1444.35. At this elevation, Devils Lake has a surface area of 109,000 acres and a volume of approximately 2.1 million acre-feet of water. Inflow, as estimated by the volume change of the lake, is approximately 220,000 acre-feet thus far for 1998. This is the fifth largest inflow on record. The seven largest inflows recorded for the lake are:

<u>Rank</u>	<u>Year</u>	<u>Volume Change *</u>
1	1997	465,000
2	1995	343,000
3	1993	255,000
4	1979	248,000
5	1998	220,000
6	1996	207,000
7	1994	189,000

\* Estimated from freeze-up elevation of prior year to the peak elevation of given year and lake elevation capacity curve.

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

Secretary Sprynczynatyk reported the Corps of Engineers and their consultant, Barr Engineering, are continuing the engineering work on the

proposed emergency outlet for Devils Lake. The proposed outlet will follow the Peterson Coulee corridor and will consist of a pump station located on the shore of the west bay south of Minnewaukan, approximately 13 miles of pipeline, and an energy dissipation structure located adjacent to the Sheyenne River. The pipeline will have a maximum pumping capacity of 300 cubic feet per second, but the flow will be controlled to maintain the 450 mg/l sulfate standard and 600 cubic feet per second channel capacity in the Sheyenne River.

The State Water Commission staff continues to meet with the Corps and Barr Engineering to discuss the state's interests in the design of the outlet. Discussions have included the layout of the pump station, pipe material and pipeline design, easement acquisition, and power supply to the pump station.

The Corps of Engineers and Barr Engineering are working on a report to discuss the economic feasibility of the proposed outlet. The study will incorporate the U.S. Geological Survey model used to project future lake elevations. Future lake levels, or traces, and their associated damages will be assessed with and without the outlet to determine damages the outlet could prevent. Weighing the reduction of damage (benefits) to the cost of constructing and operating the outlet (costs) will help the Corps determine the benefit/cost ratio for the project. A preliminary draft of this report is being reviewed by the Commission staff.

The Corps continues to prepare an Environmental Impact Statement (EIS) for the emergency outlet. As part of this process, the Corps held scoping meetings the week of March 23-27 to receive public comments to help define issues to be included in the EIS. These issues have been rated and placed in a draft scoping document. The Corps will accept comments on the draft scoping document review until August 28, 1998.

Secretary Sprynczynatyk indicated that future milestones in the EIS process for the emergency outlet are currently set as:

July, 1998	Draft Scoping Document out for review
November, 1998	Final Scoping Document distributed
September, 1999	Draft EIS out for public review
October, 1999	Public review meetings
February, 2000	Final EIS distributed
May, 2000	Record of Decision

Secretary Sprynczynatyk said that based on the above schedule, the earliest possible construction would begin in the late spring of 2000 with operation beginning in the summer of 2001.

The August, 1998 newsletter *Update Flooding in the Devils Lake Basin*, prepared by the State Water Commission, was distributed to the Commission.

**DEVILS LAKE TO STUMP  
LAKE EMERGENCY OUTLET  
(SWC Project No. 416-01)**

Secretary Sprynczynatyk stated that if Devils Lake reaches an elevation of 1446.6 feet msl, it will begin to spill into Stump Lake. In an effort to reduce or delay flood damages around Devils Lake and to provide time for the Peterson Coulee outlet to be constructed, the State Water Commission staff has been investigating the possibility of an emergency plan to move up to four feet of floodwater from Devils Lake to Stump Lake. Secretary Sprynczynatyk said the intention is to raise Stump Lake to an elevation between 1441 and 1448 feet msl, depending on the inflow to Devils Lake over the next several years. Any increase in Stump Lake above approximately 1448 feet msl will occur whether or not the proposed project is constructed.

The project consists of excavating the channel between east Devils Lake and Stump Lake. The exact size of the channel has not yet been determined, but it is expected that the channel bottom will be at 1439 feet msl and approximately 50 feet wide. The channel will be capable of passing in excess of 1,000 cubic feet per second depending on the elevation of Devils Lake. It is assumed that the project will raise Stump Lake from its current elevation of 1406.6 feet msl to approximately 1445 feet msl.

Secretary Sprynczynatyk said the project will impact the Stump Lake National Wildlife Refuge, the Black Swan Game Management area, Old Settlers Park, and several wetland easement areas. Because of these impacts, the Corps of Engineers's 404 permit requirements, the Bureau of Reclamation's special use permit, and the National Environmental Policy Act (NEPA) will require an environmental assessment, which will perhaps lead to an environmental impact statement and the development of a mitigation plan. He said in order to move forward with NEPA compliance, a consultant will need to be hired to assist in coordinating the environmental permitting, cultural resource requirements, and to draft a mitigation plan.

The project will require compensating landowners around Stump Lake whose land will be inundated by the project. To establish the cost of the land, appraisals will need to be conducted. Secretary Sprynczynatyk said that while it is unknown at this time if the project

will be acceptable to the environmental interests and the local landowners, the additional information that will be generated by the appraisals and the environmental assessment is required to determine if the project can move forward.

A preliminary cost estimate of \$8 million has been developed for the project. Secretary Sprynczynatyk explained this is based upon a preliminary project design, an estimate of project mitigation requirements, a county-wide average of land values, and \$2 million to raise State Highway 1 east of Stump Lake.

**DEVILS LAKE AVAILABLE  
STORAGE ACREAGE PROGRAM  
(ASAP) -  
APPROVAL OF COST SHARE  
AGREEMENT WITH NORTH  
DAKOTA WETLANDS TRUST  
(SWC Project No. 1882-01)**

Secretary Sprynczynatyk reported the Devils Lake Available Storage Acreage Program (ASAP) contracts for 1998 have been completed. Approximately \$1 million will be spent for the 21,000 acre-feet of water stored. The average cost per acre-foot was about \$49 in 1998. Costs for water storage

include lease payments, structure costs, and two claims of crop damage from adjacent landowners. Unspent allocations from previous years and money not yet spent from this year's \$1.15 million allocation total approximately \$200,000. A portion of this balance will be held as a reserve fund to cover any contingencies that may arise. The State Water Commission staff has begun reviewing the current ASAP sites for their water storage potential in 1999.

In an effort to secure additional water storage in the Devils Lake basin, Secretary Sprynczynatyk said the Commission staff has been working with the North Dakota Wetlands Trust to integrate the respective water storage programs. The initial focus will be on landowners that have previously restored wetlands on land that is being enrolled into the Conservation Reserve Program (CRP).

Secretary Sprynczynatyk explained that the Trust offers up to a 10-year contract that pays \$10 per acre per year in exchange for the landowners keeping wetlands on CRP land. There are 13 landowners with 372 acres of wetlands that have been identified as meeting the program requirements, which could store up to 500 acre-feet of water for 10 years. It is proposed that the Trust will administer the program, including all administrative work, and pay 40 percent of the cost of the leases and the State Water Commission will pay the remaining 60 percent of the leases. The State Water Commission would pay their share to the Trust when the contracts are signed, allowing the Trust to make the annual payments to the landowners. He said that in order to be consistent with ASAP, the State Water Commission will

only cost share on those tracts that the water would otherwise contribute to Devils Lake and the landowner has the right to drain the water. The expected State Water Commission cost of this storage program is approximately \$16,000. A portion of the remaining balance from the ASAP program could be used to fund water storage under agreement with the Wetlands Trust.

It was the recommendation of the State Engineer that the State Water Commission authorize the State Engineer to enter into a cost share agreement with the North Dakota Wetlands Trust to help secure additional water storage in the Devils Lake basin and that a portion of the ASAP program's remaining balance be used as the funding source.

*It was moved by Commissioner Johnson and seconded by Commissioner Hillesland that the State Water Commission authorize the State Engineer to enter into a cost share agreement with the North Dakota Wetlands Trust to help secure additional water storage in the Devils Lake basin, and that a portion of the Available Storage Acreage Program's remaining balance be used as the funding source.*

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

Joe Belford, Devils Lake Outlet Awareness project manager, briefed the Commission members on his efforts, which have included tours

and numerous meetings with city and county government entities and civic organizations, and regular appearances on television and radio shows to discuss the story of Devils Lake flooding problems and possible solutions.

**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.*

Secretary Sprynczynatyk provided a status report on the development of the 1999 State Water Plan, which is attached to these minutes as *APPENDIX "F"*.

The planning process remains on schedule, with the first draft scheduled to be completed by October 31, 1998. The final revised version will be prepared by January 1, 1999 for the legislature. Final publication is scheduled to be completed during February, 1999.

Commissioner Olin reiterated the comments he expressed in discussion of the Walsh County rural ring dikes project relative to the importance that the program needs to be addressed in the State Water Management Plan process, which will be used in the identification of potential projects and water resource management needs that will be presented to the legislature.

**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

The Red River Basin Board was organized to develop and cause to be implemented, a comprehensive water

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.

The Board met on August 6, 1998 in Grand Forks, which included a Board-sponsored Devils Lake forum. The next meeting is scheduled for September 3, 1998 in Selkirk, Manitoba, which will include presentations on Devils Lake and the Dakota Water Resources Act.

**WATER EDUCATION FOR  
TEACHERS (WET) PROGRAM  
EDUCATIONAL EVENTS  
(SWC Project No. 1757-01)**

1998 program year, which are listed in a memorandum attached hereto as *APPENDIX "G"*. Secretary Sprynczynatyk serves on the Board of Directors for National Project WET.

Secretary Sprynczynatyk provided background information relative to the Water Education for Teachers (WET) program. Project WET was involved in 58 events during the 1997-

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

which identified a preferred alternative for the future operation of the Missouri River main stem reservoir system. As required by the National Environmental Policy Act, the draft EIS was subject to full public review. In response to the public comments, the Corps agreed to conduct additional technical studies, re-initiate the alternative analysis, and prepare a revised draft EIS. The Corps agreed that the revised draft EIS would present a preferred alternative for public review and comment.

In 1994, the U.S. Army Corps of Engineers circulated a draft Environmental Impact Statement (EIS),

Current efforts of the Missouri River Basin Association and other interest groups have shown considerable progress in regard for the potential for consensus building in the basin. To maximize the potential for consensus building regarding the operation of the reservoir system, the Corps of Engineers elected to prepare and circulate a preliminary revised draft EIS, which does not present a preferred alternative, but presents data on eight alternatives that represent the range of interests in the basin. The Commission members were provided the "Summary of the Preliminary Revised Draft Environmental Impact Statement Master Water Control Manual Missouri River", dated August, 1998.

Secretary Sprynczynatyk reported a six-month public coordination period will follow the release of the preliminary revised draft EIS, with a series of public workshops held throughout the Missouri River basin this fall.

**ATMOSPHERIC RESOURCE  
BOARD PROJECT STATUS,  
CONTINUATION OF RAINFALL  
INCREASE  
(SWC Files ACT/RES & AS/SWC/ARB)**

The Commission members were provided a status report relative to the North Dakota Cloud Modification project.

**NEXT STATE WATER  
COMMISSION MEETING**

The next meeting of the State Water Commission is scheduled for October 19, 1998, in Bismarck, North Dakota.

There being no further business to come before the State Water Commission, Governor Schafer adjourned the meeting at 4:10 PM.

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

SEAL

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



