

MINUTES

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

December 3, 1990

The North Dakota State Water Commission held a meeting at the Holiday Inn, Bismarck, North Dakota, on December 3, 1990. Chairman, Lieutenant Governor Lloyd Omdahl, called the meeting to order at 9:00 AM, and requested State Engineer and Chief Engineer-Secretary, David Sprynczynatyk, to call the roll.

MEMBERS PRESENT:

Lieutenant Governor Lloyd Omdahl
Sarah Vogel, Commissioner, Department of Agriculture, Bismarck
Joyce Byerly, Member from Watford City
Jacob Gust, Member from West Fargo
William Lardy, Member from Dickinson
Daniel Narlock, Member from Oslo, MN
Norman Rudel, Member from Fessenden
Jerome Spaeth, Member from Bismarck
David Sprynczynatyk, State Engineer and Chief Engineer-Secretary, North Dakota State Water Commission, Bismarck

MEMBER ABSENT:

Lorry Kramer, Member from Minot

OTHERS PRESENT:

State Water Commission Staff Members
Approximately 75 people in attendance interested in agenda items

The attendance register is on file in the State Water Commission offices (filed with official copy of minutes).

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

APPROVAL 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 OCTOBER 1, 1990 MEETING -
APPROVED**

The minutes of the October 1, 1990 meeting were approved by the following motion:

It was moved by Commissioner Vogel, seconded by Commissioner Lardy, and unanimously carried, that the minutes of the October 1, 1990 meeting be approved as circulated.

**INTRODUCTION OF JULIE KRENZ,
ASSISTANT ATTORNEY GENERAL**

Julie Krenz, Assistant Attorney General, was introduced. Julie has been assigned to the State Water Commission to replace Pat

Stevens, who accepted employment with the State Tax Department. Julie was employed with the State Legislative Council and has previous experience on water issues.

**AGENCY FINANCIAL STATEMENT -
1989-1991 APPROPRIATION STATUS**

Secretary Sprynczynatyk presented and discussed the Program Budget Expenditures and

Programs/Projects Authorized, dated October 31, 1990.

**AGENCY FINANCIAL STATEMENT -
1991-1993 BUDGET REQUEST STATUS**

At the Commission's October 1, 1990 meeting, copies of the summary document of the agency

budget for the 1991-1993 biennium were distributed. The budget request has been reviewed by the Governor's office and the final budget will be released on December 6, 1990. Secretary Sprynczynatyk stated it appears the agency's executive budget will remain about the same for the 1991-1993 biennium as it is for the current biennium.

**STATE WATER MANAGEMENT
PLAN UPDATE
(SWC Project No. 322)**

Gene Krenz, Planning Division Director for the State Water Commission, reported the State Water Management Plan Steering

Committee held its organizational meeting on November 26, 1990. Commissioners William Lardy and Lorry Kramer have been appointed to serve on the Steering Committee to represent the State Water Commission. Other members of the Committee include Howard Olson, Pam Dyer, Fletcher Poling, Alfred Underdahl, Robert Brodshaug, Leon Dubourt, Dr. Jay Leitch and Brenda Schilf.

The State Water Management Plan update will involve documenting the state's long-term water re-

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quirements and asserting to the extent possible North Dakota's claim to the waters of the Missouri River. Mr. Krenz said a greater emphasis will be placed on economic development than was done in the 1983 State Water Plan.

Mr. Krenz said the State Water Management update is scheduled for completion in May, 1992, and the final report will be presented to the 1993 Legislative Session. Copies of a map showing the public involvement regions of the state and the time frame identifying the critical elements of the updating process were distributed.

Commissioner Lardy commented he is pleased to be a member of the State Water Management Plan Steering Committee and looks forward to the challenges of the committee. He reiterated the overall objective of the State Water Plan to reconfirm North Dakota's commitment to water development for economic development and to again lay claim to the Missouri River water that flows through the State of North Dakota.

**SOUTHWEST PIPELINE PROJECT -
PROJECT CONSTRUCTION STATUS
(SWC Project No. 1736)**

Tim Fay, Manager of the Southwest Pipeline Project, presents the following construction status report:

Intake Pump Station: Contract 1-1/3-1A - The intake pump station received its pre-final inspection on October 24, 1990. The construction is complete with minor cleanup and repairs remaining. Two major items remain to be completed: two 600 HP pumps that have been returned to the factory for adjustment; and, a 24-inch valve that is yet to be added to the discharge line. Mr. Fay said both items will be completed some time this winter. Painting, hydrostatic testing, and installation of the cathodic protection system in the raw water reservoir have brought that component to completion.

Dodge Pump Station: Contract 4-1 - Mr. Fay reported that the foundation and structural concrete work at the Dodge pump station, Contract 4-1, are finished. The pump canisters are installed. The steel building was delivered to the site in mid-October. The main structural members were erected and then it was discovered that the shop-priming of the steel was defective. The steel was re-painted in place and is now in an acceptable condition. Work will continue on the steel building and it is hoped that it will be enclosed before winter sets in, allowing assembly and installation of the pumping equipment when it arrives.

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Richardton Pump Station:
 Contract 4-2/5-1 - Mr. Fay said the steel building at Richardton suffered the same defective painting as did the one at Dodge, although the building at Richardton had not yet been erected. Warehouse space was rented and the steel was re-painted inside. Work continues on the foundation and structural concrete. Mr. Fay said enough is in place to permit assembling the building and continuing the concrete work inside, which should allow construction to continue during the winter months. Assembly of the steel reservoir floor walls, and knuckle are complete. Work on the roof is nearly finished as well. Painting of this facility should be possible next spring whenever weather conditions permit.

East Dickinson Reservoir:
 Contract 5-2 - The pre-final inspection of this reservoir indicated some painting touch-up and required other minor items. Since the same contractor is currently working on the main transmission line segment in Dickinson, these items were transferred to that contract and Contract 5-2 was completed.

Main Transmission Line:
 Contract 2-3C - Mr. Fay reported work on the main transmission line has progressed very well. The contractor has less than one mile before connecting to Contract 2-3B on the east end. Connection may take place yet this year, but if it does not, there will be ample time to complete the contract next season. Problems with utilities have been much less numerous and serious than expected, mainly due to the cooperation between the contractor and the various utilities, including the City of Dickinson.

**SOUTHWEST PIPELINE PROJECT -
 SOUTHWEST WATER AUTHORITY
 (SWC Project No. 1736)**

Mr. Fay reported the Southwest Water Authority met on November 15, 1990 and discussed several items, including proposed legislation to create a permanent authority. Rural water service sign-up efforts have begun in the area between Dickinson and Medora.

**SOUTHWEST PIPELINE PROJECT -
 DESIGN OF FUTURE COMPONENTS
 (SWC Project No. 1736)**

Final design of the facilities between Dickinson and Medora is underway. Mr. Fay said the action of the State Water Commission at its October 1, 1990 meeting authorizing modification of the design standards is being implemented in this work.

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**SOUTHWEST PIPELINE PROJECT -
TELEMETRY CONTROL SYSTEM
(SWC Project No. 1736)**

The process of selecting a data handling and telemetry system has begun. The selection will be made by a selection committee, which met on November 13, 1990. A path study of the radio communications system has been completed and with that information, the final bidding documents can be prepared. Mr. Fay said the committee will meet again in early December to make final review of these documents. The goal of the committee is to have the control system functional, if not complete, by the fall of 1991.

**SOUTHWEST PIPELINE PROJECT -
FLUORIDE CONCENTRATIONS IN
MUNICIPAL WATER SUPPLIES
(SWC Project No. 1736)**

Mr. Fay indicated several communities in southwestern North Dakota were recently given "Notice of Violation" by the Environmental Protection Agency for the levels of fluoride in their water supplies. Some of these cities will eventually be served by the pipeline, however, they are expected by EPA to take some action sooner than the project can serve them under current expectations. These communities are: Dodge, Halliday, Gladstone and Mott. A treatment plant would be needed to serve Dodge, Halliday and Gladstone. Transmission lines to the Mott area are not included until Phase 6 under the current phased development plan. Mr. Fay said this subject will undoubtedly receive further consideration and discussion in the near future.

**SOUTHWEST PIPELINE PROJECT -
DISCUSSION RELATIVE TO
WATER TREATMENT
(SWC Project No. 1736)**

Secretary Sprynczynatyk discussed the Environmental Protection Agency's "Notices of Violation" for the levels of fluoride which have been issued to several municipalities in southwestern North Dakota. Although some of the cities will eventually be served by the Southwest Pipeline Project, they are expected by EPA to take some action sooner than the project can serve them under the current expectations. He said it will be necessary to make decisions in the near future relative to the water treatment facilities for the pipeline project in order to satisfy the requirements of EPA.

It was suggested, and agreed that the Water Treatment Committee for the Southwest Pipeline Project be reactivated.

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**GARRISON DIVERSION PROJECT -
PROJECT UPDATE AND FISCAL
YEAR 1991 BUDGET
(SWC Project No. 237)**

Secretary Sprynczynatyk reported on the activities of the Garrison Diversion Joint Technical Committee. The Committee consists of representatives of

the United States and Canadian Federal Governments for the purpose of addressing the issue of biota transfer from the Missouri River Basin to the Hudson Bay Drainage Basin. The committee completed its report in November, 1990 which has been presented to the two Governments. A meeting of the two governments is scheduled in Washington, DC next week to consider the report and, hopefully, make a recommendation for the project regarding biota transfer.

Secretary Sprynczynatyk stated Congress has appropriated \$35 million for the Garrison Diversion Project in its 1991 FY budget. The signing of the appropriation included a statement by the President addressing the Garrison Diversion Project. The statement said the administration had reviewed the project and only supports those portions of the project that are not related to the delivery of water for irrigation. The statement also indicated the policy of the administration is not to support any further irrigation development in the country that is subsidized by the Federal Government. Secretary Sprynczynatyk commented the statement is general and the intent is unclear at this time. He said "this is a disappointment because irrigation is the greatest and most important part of the Garrison Diversion Project."

Secretary Sprynczynatyk said one of the impacts of the reduced federal budget will be a reduced staff level at the project office of the Bureau of Reclamation in Bismarck.

The activities of the Garrison Diversion Conservancy District Executive Board were discussed, including negotiations for the operation and maintenance of the system as it now exists and in the future.

**GARRISON DIVERSION PROJECT -
MR&I WATER SUPPLY PROGRAM UPDATE
(SWC Project No. 237-3)**

Jeffrey Mattern, MR&I Water Supply Program Coordinator, reported there are 116 programs in the different phases of the

MR&I Water Supply Program. This includes 44 projects in the initial application phase, 34 projects in the preliminary engineering phase, 24 in the feasibility phase, 4 in the design and construction, and 10 projects completed.

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Mr. Mattern stated the most recent application was submitted from the Lake Sakakawea Water Users Association, involving 32 homes near Pick City. This cooperative has an intake on Lake Sakakawea, with a 3-inch pipeline running to the distribution system. The low levels of the lake have exposed approximately 40 feet of the pipeline and the water level is only a few feet over their pump and intake. They are currently working with Pick City to determine if a bulk service could be obtained by constructing a new 6-inch supply line, with a total cost of \$120,000.

Mr. Mattern stated the southern portion of the Missouri West Rural Water Project had the potential for a joint project with the Standing Rock Indian Reservation. After some additional review by the engineers, it was determined that providing a water supply from the Standing Rock Water Supply project would cost more than providing service from the Missouri West System. Mr. Mattern said, along with several other factors involved with the timing of the Standing Rock project, Morton County decided to drop the investigation of the joint project at this time.

Mr. Mattern reported that Ramsey County Rural Water has been cooperating with the Sioux Tribe at the Fort Totten Indian Reservation and the City of Devils Lake on developing a joint water supply project. The parties involved have decided a project evaluation report should be conducted on the benefits and cost of joint water supply facilities. Mr. Mattern said that the city of Devils Lake initially had second thoughts about the project but has recently decided to participate in the evaluation report. Mr. Mattern said the parties involved will be requesting funding assistance from the MR&I water supply project for the project evaluation report.

**GARRISON DIVERSION PROJECT -
CONTINUED CONSIDERATION OF
CONTRACT FUNDS FOR MCLEAN-
SHERIDAN RURAL WATER SUPPLY
(SWC Project No. 1782)**

serves the area of Turtle Lake, McClusky, Coleharbor, Denhoff and several rural water users.

The McLean-Sheridan Rural Water Supply Project, Phase I dedication was held on October 23, 1990. Secretary Sprynczynatyk said this phase of the project is essentially complete and

The McLean-Sheridan Joint Water Resource Board previously requested funds from the Contract Fund for the construction of the McLean-Sheridan Rural Water Supply Project. This request was presented at the December 6, 1989 Water Commission meeting, but due to the funding situation of the

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state at that time, action on the request was deferred. Secretary Sprynczynatyk stated the service area involved Coleharbor and Denhoff and their surrounding areas. Presently, the McLean-Sheridan project has received approval for \$502,750 from the State Water Commission. Final cost estimates indicate state eligible costs of \$1,271,700, with 50 percent being \$635,850. Secretary Sprynczynatyk stated this would require an additional grant of \$133,100 and would come from existing carryover funds that results from the repayment by the reduction of the subsequent grant.

It was the recommendation of the State Engineer that the State Water Commission approve 50 percent of the non-federal eligible costs, not to exceed \$635,850 from the Contract Fund, for the McLean-Sheridan Water Supply Project. The additional \$133,100 would be from the Contract Fund carryover funds and would be contingent upon the availability of funds.

It was moved by Commissioner Byerly and seconded by Commissioner Lardy that the State Water Commission approve 50 percent of the non-federal eligible costs, not to exceed \$635,850 from the Contract Fund, for the McLean-Sheridan Water Supply Project. The additional \$133,100 shall be from the Contract Fund carryover funds, and shall be contingent upon the availability of funds.

Commissioners Byerly, Gust, Lardy, Narlock, Rudel, Spaeth, Vogel, and Chairman Omdahl voted aye. There were no nay votes. The Chairman declared the motion unanimously carried.

**NORTHWEST AREA WATER SUPPLY
INTEGRATION STUDY UPDATE
(SWC Project No. 237-4)**

The Northwest Area Water Supply Integration Study Final Report was distributed to the Commission members for their information. Dale Frink, Director of the Engineering Division for the State Water Commission, briefed the members on the Executive Summary report, and the minutes of the Northwest Area Water Supply Advisory Committee meeting held on October 22, 1990.

Mr. Frink reported on a meeting held November 20, 1990 to discuss how to proceed with the project. He said it was decided by the Advisory Committee to introduce legislation this Legislative Session which would create

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a formal citizens advisory committee and layout the framework for the project. It was also decided that the State Engineer would recommend an allocation of \$200,000 from the Resources Trust Fund for the project.

CONSIDERATION OF ALLOCATION OF 1991-1993 RESOURCES TRUST FUND

Secretary Sprynczynatyk stated Section 57-51.1-07.1 of the North Dakota Century Code re-

quires that the State Water Commission develop a request for funding from the Resources Trust Fund. He stated he met with the Water Coalition in preparation of the request. The following is the request submitted by the Water Coalition for the 1991-1993 biennium from the Resources Trust Fund, which totals \$22.8 million:

Contract Fund:	
General Projects	\$ 4.1 Million
Hydrologic Investigations	0.5 Million
Southwest Pipeline Project	9.0 Million
Devils Lake Feasibility Study	1.2 Million
Souris River Flood Control Project	1.8 Million
MR&I Water Supply Program	2.0 Million
Northwest Area Water Supply Study	0.2 Million
Maple River Dam	4.0 Million
SWC Administration	0
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Total	\$22.8 Million

Secretary Sprynczynatyk said the funding report must be based on the actual anticipated revenues to the Resources Trust Fund. The Office of Management and Budget is currently estimating this at \$9.9 million; which includes \$7.1 million of oil tax revenues; \$600,000 of interest income; and \$2.2 million of carryover turnback. The carryover turnback includes funds for the Souris River Flood Control Project and the Stone Creek/White Spur Project. Secretary Sprynczynatyk said funds for these projects are still required and a reallocation will be necessary since funds can only be carried one biennium.

Secretary Sprynczynatyk presented for the Commission's consideration the following State Engineer's request for funding from the Resources Trust Fund for the 1991-1993 biennium:

Contract Fund:	
General Projects	\$ 1.8 Million
Hydrologic Investigations	0.5 Million
Southwest Pipeline Project	1.0 Million
Devils Lake Feasibility Study	0.8 Million
Souris River Flood Control	1.8 Million
MR&I Water Supply Program	1.0 Million
Northwest Area Water Supply Study	0.2 Million
Maple River Dam	0.5 Million
SWC Administration	2.3 Million
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Total	\$9.9 Million

Dale Frink provided the Commission members with a background briefing of each project for which funding from the Resources Trust Fund has been requested. He stated that the Office of Management and Budget directed the request to include an amount of approximately \$2.3 million to support a part of the functions of the State Water Commission, which would essentially go towards the involvement of the State Water Commission in project development.

In discussion of the State Engineer's recommendation to request \$2.3 million from the Resources Trust Fund for State Water Commission administration, concern was expressed there may be legal ramifications involved and that it may be appropriate to seek an Attorney General's opinion regarding expenditures from the Resources Trust Fund.

Fay Waxler, representing the Water Coalition, explained that the Coalition went on record in opposition to the \$2.3 million requested by the State Engineer to use Resources Trust Funds for State Water Commission administration. Mr. Waxler explained that the Water Coalition felt the intent of the June 6th, 1990 Constitutional Measure was to set aside all of the money in the Resources Trust Fund specifically for the construction of water resource projects and alternate energy sources. He said the Water Coalition does not believe that the money in the Resources Trust Fund is intended to go towards agency operation costs, which are generally provided for in the General Fund.

It was moved by Commissioner Vogel and seconded by Commissioner Gust that the State Water Commission direct the State Engineer to arrange for an Attorney General's opinion on whether money from the Resources Trust Fund, established pursuant to 1989

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House Concurrent Resolution No. 3022, as approved by the voters at the June 12, 1990 primary election, may be used for operational expenses of the State Water Commission.

The Chairman called for a voice vote on the motion. The Chairman stated the record shall indicate all members present voted aye; there was no opposition expressed; and declared the motion unanimously carried.

It was moved by Commissioner Lardy and seconded by Commissioner Byerly that the State Water Commission adopt the recommendation of the State Engineer for funding from the Resources Trust Fund for the 1991-1993 biennium. Resources Trust Fund Report attached hereto as APPENDIX "A".

Commissioners Byerly, Gust, Lardy, Narlock, Rudel, Spaeth, Vogel, and Chairman Omdahl voted aye. There were no nay votes. The Chairman declared the motion unanimously carried.

CONSIDERATION OF REQUEST FROM
TOWNER COUNTY WATER RESOURCE
DISTRICT TO COST SHARING IN
CONSTRUCTION OF HIDDEN
ISLAND COULEE
(SWC Project No. 1702)

A request received from the Towner County Water Resource District was presented for the Commission's consideration to cost share in the construction of the Hidden Island Coulee.

Cary Backstrand, Chief of the Regulatory Section of the State Water Commission, presented the project background. In 1980, the State Water Commission completed a preliminary engineering study and made a number of recommendations to alleviate flooding on the downstream reaches of Hidden Island Coulee in Towner County. The recommended alternative was construction of a flood control dam in Rolette County. Because of costs, Towner and Rolette Counties were not in a position to implement the recommended plan.

Mr. Backstrand explained a second alternative that would provide some flood relief at a much lower cost involving channelization along the lower end of Hidden Island Coulee. Rolette and Towner Counties have proceeded to develop a project in-line with this alternative. Since channel-

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ization will impact flows in Canada, the two county boards joined with the Canadian Municipality of Roblin in developing a project on both sides of the border. The project on the Canadian side of the border has been approved by Canadian authorities and is presently under construction. Rolette and Towner County Water Resource Boards agreed to participate in the necessary excavation in Canada to ensure an outlet for their project. The county boards agreed to provide \$75,000 toward the Canadian project. Since the \$75,000 is for excavation of an outlet, it is considered an eligible project cost under current State Water Commission guidelines.

The drain permit is currently being processed, however, the acres of wetlands that may be impacted by the project have not been determined. At the Canadian border, the Hidden Island Coulee crosses land under easement to the US Fish and Wildlife Service. The Towner County Water Resource Board is working with the US Fish and Wildlife Service to construct the project across easement lands. It is the intent of the Towner County Water Resource Board to develop replacement wetlands to mitigate any wetland losses, similar to the procedure they used in developing the Hurricane Lake project. Mr. Backstrand stated that until the US Fish and Wildlife Services completes their impact analysis, the drain permit process cannot be completed.

The total cost of the project, excluding land rights and administration, is \$180,000. Under current State Water Commission guidelines, approximately \$152,500 is eligible for 40 percent cost sharing. Forty percent of eligible costs would be \$61,000.

It was the recommendation of the State Engineer that the State Water Commission cost share in 40 percent of eligible costs, not to exceed \$61,000, in the Hidden Island Coulee project, contingent upon the availability of funds.

Kent Vesterso, Chairman of the Towner County Water Resource Board, indicated they have been working on this project for a long time. He said the project is worthy of the Commission's support and requested favorable consideration of their request for funding.

It was moved by Commissioner Spaeth and seconded by Commissioner Rudel that the State Water Commission approve cost sharing in 40 percent of eligible project costs, not to exceed \$61,000 from the Contract Fund, for the Hidden Island Coulee. This motion shall be contingent upon the availability of funds.

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The Chairman called for a voice vote on the motion. The Chairman stated the record shall indicate all members present voted aye; there was no opposition expressed; and declared the motion unanimously carried.

**CONSIDERATION OF REQUEST FROM
BARNES COUNTY WATER RESOURCE
DISTRICT FOR COST SHARING
IN SHEYENNE RIVER SNAGGING
AND CLEARING PROJECT
(SWC Project No. 1816)**

A request received from the Barnes County Water Resource District was presented for the Commission's consideration to cost share in a snagging and clearing project along the Sheyenne River.

Cary Backstrand stated the project involves snagging and clearing approximately 11 river miles. This project is following the recommendation of the 1981 State Water Commission's preliminary engineering report on the Sheyenne River. This winter's project would be the third phase. The District has completed approximately 20.2 river miles in the first two phases which were cost shared by the State Water Commission.

The cost estimate indicates construction costs of \$45,400 and engineering costs of \$7,600, for a total project cost of \$53,000. Mr. Backstrand stated all costs are eligible for 25 percent cost sharing, which would amount to \$13,250. Engineering and inspection will be done by the State Water Commission staff, therefore, those costs would be considered part of the State Water Commission's share. The amount required from the Contract Fund would be \$5,650.

It was the recommendation of the State Engineer that the State Water Commission approve 25 percent cost sharing of eligible project costs, including engineering and inspection, not to exceed \$13,250, with the amount from the Contract Fund not to exceed \$5,650, contingent upon the availability of funds.

Terry Bryn, Chairman of the Barnes County Water Resource Board, briefly discussed the project and urged the Commission's favorable consideration of the funding request.

It was moved by Commissioner Narlock and seconded by Commissioner Lardy that the State Water Commission approve cost sharing of 25 percent of eligible

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project costs, including engineering and inspection, not to exceed \$13,250, with the amount from the Contract Fund not to exceed \$5,650, for the Sheyenne River snagging and clearing project in Barnes County. This motion shall be contingent upon the availability of funds.

The Chairman called for a voice vote on the motion. The Chairman stated the record shall indicate all members present voted aye; there was no opposition expressed; and declared the motion unanimously carried.

**CONSIDERATION OF REQUEST FROM
RICHLAND COUNTY WATER RESOURCE
DISTRICT FOR COST SHARING IN
WILD RICE RIVER SNAGGING AND
CLEARING PROJECT
(SWC Project No. 1842)**

A request received from the Richland County Water Resource District was presented for the Commission's consideration for cost sharing in the Wild Rice River snagging and clearing project in Richland County.

Cary Backstrand presented the project, which involves snagging and clearing 36 river miles. In the fall of 1989, the State Water Commission entered into an investigation agreement with the Richland County Water Resource District for the investigation of existing conditions on the Wild Rice River and for the development of cost estimates for a project. Approximately 85 river miles were inventoried. Last winter, 48.5 river miles from the border with Cass County to the south end of Section 26-133-48 were completed. The remaining 36 miles will be completed this winter.

The cost estimates indicates construction costs of \$288,590 and engineering costs of \$26,410, for a total project cost of \$315,000. All costs are eligible for 25 percent cost sharing, which would amount to \$78,750. Engineering and inspection will be done by the State Water Commission staff, therefore, those costs would be considered part of the State Water Commission's share. The amount required from the Contract Fund would be \$52,340.

It was the recommendation of the State Engineer that the State Water Commission approve 25 percent of eligible costs, including engineering and inspection, not to exceed \$78,750, with the amount from the Contract Fund not to exceed \$52,340, contingent upon the availability of funds.

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William Krause, Chairman of the Richland County Water Resource Board, showed pictures of the project and requested the Commission's favorable consideration of their funding request.

It was moved by Commissioner Vogel and seconded by Commissioner Gust that the State Water Commission approve 25 percent cost sharing of eligible project costs, including engineering and inspection, not to exceed \$78,750, with the amount from the Contract Fund not to exceed \$52,340, for the Wild Rice Snagging and Clearing Project in Richland County. This motion shall be contingent upon the availability of funds.

The Chairman called for a voice vote on the motion. The Chairman stated the record shall indicate all members present voted aye; there was no opposition expressed; and declared the motion unanimously carried.

CONTINUED DISCUSSION OF REQUEST FOR COST SHARING FROM RESOURCES TRUST FUND FOR SHEYENNE RIVER FLOOD CONTROL PROJECT, PHASE II (SWC Project No. 1344)

Project. This is an increase of \$400,000 from prior allocations.

At the October 1, 1990 meeting, the State Water Commission approved a revised allocation from the Resources Trust Fund that included \$900,000 for the Sheyenne River Flood Control

Secretary Sprynczynatyk presented a request for the Commission's consideration from the Southeast Cass Water Resource Board that the remaining \$400,000 of the original \$900,000 request be approved for Phase II of the Sheyenne River Flood Control Project. Phase II consists of the Horace to West Fargo portion of the project currently under construction. The project incurred some additional costs due to a design change by the Corps of Engineers. The design change included a wider bottom width for the diversion channel, which increased the costs for bridges and land acquisition by an estimated \$530,000. Secretary Sprynczynatyk said this request would bring the total commitment from the State Water Commission to \$900,000 for Phase II. The State Water Commission also contributed \$2,358,000 for Phase I of the project.

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It was the recommendation of the State Engineer that the State Water Commission approve the additional expenditure of \$400,000 for Phase II of the Sheyenne River Flood Control Project, contingent upon the availability of funds.

Daniel Twichell, Southeast Cass Water Resource District, further discussed the project and requested the Commission's favorable consideration of the request.

It was moved by Commissioner Narlock and seconded by Commissioner Gust that the State Water Commission approve the additional expenditure of \$400,000 from the Resources Trust Fund for Phase II of the Sheyenne River Flood Control Project. This would bring the total commitment to \$900,000 for Phase II for the project. This motion shall be contingent upon the availability of funds.

The Chairman called for a voice vote on the motion. The Chairman stated the record shall indicate all members present voted aye; there was no opposition expressed; and declared the motion unanimously carried.

**CONSIDERATION OF INTERNATIONAL
COALITION MEMBERSHIP AND
APPROVAL OF DUES PAYMENT
(SWC Project No. 1588-1)**

the citizens of the Red River Basin in North Dakota, Minnesota and Manitoba to promote the wise use and management of the basin's water and related land resources.

Secretary Sprynczynatyk presented information relative to The International Coalition (TIC), which is a public interest group founded in 1979 by

Secretary Sprynczynatyk stated the Coalition provides important linkages that do not now exist between governments. It has become clear over the past several years that TIC is in the unique position of being a catalyst for interaction between local, state, federal groups and agencies throughout the Red River Basin. He said it is important that the State Water Commission become involved and participate in that process.

Currently, both the Province of Manitoba and the State of Minnesota pay dues amounting to \$10,000 each to the Coalition. The membership includes 20 municipalities in Manitoba and 12 counties in Minnesota and North Dakota.

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Approximately 30 cities, towns and villages on both sides of the Red River are members and nearly 70 watershed boards, water resource districts, conservation districts, businesses and organizations belong to the Coalition.

It was the recommendation of the State Engineer that:

- 1) The State of North Dakota become a dues-paying member of The International Coalition, effective in 1990;
- 2) Such dues, in the amount of \$10,000, be paid from the State Water Commission's Contract Fund; and
- 3) The Coalition provide certain services to the Commission as a consequence of payment of such dues. The specific services to be provided by TIC are the development, review, and publication of a Communications Plan for the North Dakota portion of the Red River Basin. The planning process to be used is one developed by the Commission's Planning Division.

It was moved by Commissioner Rudel and seconded by Commissioner Vogel that the State Water Commission approve the recommendation of the State Engineer that North Dakota shall become a dues-paying member of The International Coalition, effective in 1990; that such dues in the amount of \$10,000, shall be paid from the State Water Commission's Contract Fund; and, that the Coalition shall provide certain services to the Commission as a consequence of payment of such dues.

The Chairman called for a voice vote on the motion. The Chairman stated the record shall indicate all members present voted aye; there was no opposition expressed; and declared the motion unanimously carried.

**SOURIS RIVER FLOOD
CONTROL PROJECT UPDATE
(SWC Project No. 1408)**

Secretary Sprynczynatyk reported on the Souris River Project in Canada stating that the Federal Court recently ruled to

allow Saskatchewan to proceed on the project, since the Court believed halting the project now would far outweigh any possible damages that might occur when the project is completed. He said

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it is his understanding that the Federal Government in Canada may file an appeal to this decision. Construction is proceeding on the Rafferty and Alameda Dams in Canada.

Commissioner Vogel leaves the meeting at 11:15 AM.

**DEVILS LAKE MANAGEMENT
PROJECT UPDATE
(SWC Project No. 1712)**

Secretary Sprynczynatyk stated Congress appropriated \$600,000 for the US Army Corps of Engineers to do a reconnaissance

level study of an inlet and outlet for Devils Lake. This one-year study is a 100 percent federally-funded effort that will lead into a feasibility level study, if the reconnaissance study shows that there is at least one alternative that is justified to be pursued.

The feasibility study requires a 50 percent non-federal match; one-half of the non-federal match must be actual dollars and one-half can be in-kind services provided by a non-federal entity or organization. The feasibility study will include an environmental impact statement that will likely be rather extensive. The cost of the feasibility study is estimated to be \$2-4 million; and, as a result the non-federal match could be as high as \$2 million. Secretary Sprynczynatyk said \$800,000 has been requested to be allocated from the Resources Trust Fund for the 1991-1993 biennium. The remaining requirement could be in-kind services and local dollars.

Curtis Brekke, Co-Chairman of the Devils Lake Preservation Coalition, briefed the Commission members on the Coalition's activities of the past year and said the Coalition is looking forward to cooperating in project efforts in the future.

**RED RIVER DIKES UPDATE
(SWC Project No. 1638)**

Cary Backstrand briefed the Commission members on the status of the Red River dikes

issue. At the October 1, 1990 meeting, the Commission members were informed that the State Engineer and the Director of Minnesota's Department of Natural Resources were continuing efforts to resolve the natural ground issue. In 1989, the Corps of Engineers' inspection team was unable to get onto the land of two sites identified by Minnesota defendants as questionable areas because of North Dakota's interpretation and judgement on the natural ground issue. The Corps of Engineers completed its

December 3, 1990

inspections and surveys in October, 1990. Twenty-one (21) areas were inspected in 1989. Mr. Backstrand briefed the Commission members on the Corps of Engineers inspection results and indicated the results are favorable to North Dakota.

The Red River Dikes Technical Committee is continuing its efforts to develop scenarios for different flood events. The Committee is working with the Corps of Engineers to build a computer model of the Red River dikes area using Section 22 funds. The computer model would be extremely useful for the complex situations in the dikes area but it could also be used in other areas of the state.

**UNITED STATES VS SARGENT
COUNTY LAWSUIT
(SWC Project No. 1222)**

contends the Sargent County Water Resource District is in violation of a Section 404 permit on Sargent County Drain No. 11.

Julie Krenz reported on the lawsuit involving the United States vs Sargent County Water Resource District. The lawsuit

Ms. Krenz stated the lawsuit is still in the "discovery" phase at this time. Several depositions and interrogatories of potential witnesses have been held and it could be approximately six months before a motion is filed for the case.

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

the Commission members on the proposed plan and stated that comments were submitted to the Corps of Engineers prior to November 1, 1990.

In October, 1990, the US Army Corps of Engineers released its proposed 1991 Annual Operating Plan for the Missouri River. Secretary Sprynczynatyk briefed

Annual Operating Plan has been finalized. Secretary Sprynczynatyk stated the Corps has agreed to sharing the inflow in the basin between Lake Oahe and Lake Sakakawea so that the impact on one lake would not be sacrificed for the other lake. The Corps also agreed to shorten the navigation season by approximately five weeks and the winter releases will be maintained at approximately 9,000 cubic feet per second during ice-free periods.

the Commission members on the efforts of the Missouri Basin

Secretary Sprynczynatyk briefed

December 3, 1990

States Association in its attempt to reach a consensus on the Corps of Engineers 1991 Annual Operating Plan for the Missouri River.

Secretary Sprynczynatyk stated efforts are continuing among the upper basin states in reviewing the decision on the lawsuit, further litigation, and a review of a recent legal opinion by the Corps of Engineers which indicates recreation has a lesser priority for use than does navigation. The legality of the winter releases is also being reviewed.

Phase I of the Corps of Engineers Master Manual review has been completed for the operations of the Missouri River system and Phase II will involve a more in-depth review and will take approximately two years to complete.

**GARRISON DIVERSION PROJECT -
CONTINUED DISCUSSION ON
FINANCING OPTIONS FOR MR&I
WATER SUPPLY PROJECTS
(SWC Project No. 237)**

Dakota and develop recommendations for the Commission's consideration.

At the July 6, 1990 meeting, the State Water Commission directed the State Engineer and staff to continue to study the financing options for water supply development in North

Secretary Sprynczynatyk stated he has met with representatives of several bonding firms and information is being developed for presentation to the Commission.

PROPOSED LEGISLATION

Julie Krenz presented the following legislation, which will be introduced by the State Water Commission during the 1991 Legislative Session:

- 1) A bill allowing the State Engineer to correct errors in water permits or applications for water permits relating to the quantity of water after written notice to the holder of the affected permit, but without publication of notice.
- 2) A bill requiring the State Engineer to approve contracts regarding the sale of water rights.
- 3) A bill authorizing the State Engineer to modify, in addition to existing authority to remove, unsafe or unauthorized works, including wells, if the landowner fails to do so upon notice from the State Engineer.

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- 4) A bill increasing the amount of the cost of building or constructing projects that can be built by institutional personnel (or on a competitive bid or time and material basis) from \$25,000 to \$50,000.

In discussion of bill No. 3, concern was expressed if this legislation would apply to the public health of an existing well. Secretary Sprynczynatyk responded that if this issue were brought to the attention of the State Engineer it would be referred to the State Health Department because it is their responsibility to monitor and ensure water quality for public health. It was agreed that the State Engineer and staff would research this matter.

Secretary Sprynczynatyk briefed the Commission members on the Governor's proposal to transfer the activities of the Atmospheric Resources Division to the State Water Commission. The proposal includes: 1) that the Atmospheric Resources Division budget be included with the State Water Commission budget; 2) that the three-person agency be co-located within the offices of the State Water Commission; and 3) that the actual administration of that agency fall under the State Engineer.

**CONTINUED DISCUSSION OF
URBAN DEVELOPMENT WATER
MANAGEMENT PROGRAM**

At the October 1, 1990 meeting, the Commission heard a proposal by Mayor Jon Lindgren of Fargo for an Urban Development Water Management Program. The program would allow participating cities to declare specific amounts of raw water and/or water plant output available for purposes which local governments consider of the highest public interest. The Commission adopted a resolution in support of the program.

Secretary Sprynczynatyk reported the staff is in the process of soliciting input from the larger North Dakota communities and a report will be presented to the Commission at a future meeting.

**CONSIDERATION OF PAST DUE
ACCOUNT RECEIVABLE FOR
CITY OF EDGELEY
(SWC Project No. 1576)**

Secretary Sprynczynatyk stated that as a result of a recent audit of the State Water Commission, a recommendation was made to write-off, by Commission action, a past due account receivable for the City of Edgeley. The original amount on record was \$5,850, dated March, 1976, and has been reduced by payments to \$2,850. The \$2,850 balance dates back to March, 1982.

December 3, 1990

Secretary Sprynczynatyk explained the costs were incurred by a 50 percent share agreement between the city and the Commission for a water supply investigation, construction of a test well, and subsequent aquifer testing. The city remitted \$3,000 in installments, but have indicated the financial problems resulting from the entire water supply project.

Several written and telephone contacts have been made and two previous audits recommended the write-off.

Secretary Sprynczynatyk stated after the 1990 recommendation, the city agreed by telephone to a proposal to pay one-half of the remaining account amounting to \$1,425, with the understanding that a request would be presented to the Commission to consider write-off approval of the remaining \$1,425.

It was the recommendation of the State Engineer that the State Water Commission approve the proposal that the City of Edgeley pay one-half of the remaining account amounting to \$1,425 and that the Commission write-off the remaining balance of the account in the amount of \$1,425.

In discussion, concern was expressed relative to setting a precedence for similar situations in the future. The Commission members discussed the possibility of obligating the Water Resource District as a co-signer of loan contracts, and discussed the procedure for handling requests for new loans once a past debt has been forgiven.

The State Water Commission directed the State Engineer and staff to provide information regarding the existing loan contract policy and to research methods relative to accounts receivable that could be considered for future loan contracts.

It was moved by Commissioner Lardy and seconded by Commissioner Narlock that the State Water Commission approve the recommendation of the State Engineer that the City of Edgeley shall pay one-half of the remaining past due account receivable in the amount of \$1,425; and that the State Water Commission shall write-off the remaining \$1,425 of the past due account.

December 3, 1990

Commissioners Gust, Lardy, Narlock, Rudel, Spaeth, and Chairman Omdahl voted aye. Commissioner Byerly voted nay. Recorded vote was 6 ayes; 1 nay. The Chairman declared the motion carried.

**CONSIDERATION OF PAST DUE
ACCOUNT FOR CITY OF ZEELAND
(SWC Project No. 815)**

Secretary Sprynczynatyk indicated that as a result of a recent audit of the State Water Commission, a recommendation was made to write-off, by Commission action, a past due account receivable from the City of Zeeland. The amount on record is \$8,555, dating back to January, 1977.

Secretary Sprynczynatyk explained the costs were incurred by a 50 percent share agreement between the city and the Commission for a water supply investigation, construction of a test well, and subsequent aquifer testing. The city was also in the process of constructing a new water delivery system which was financed by a loan. The total project resulted in a problem for them to keep current on their financial obligations.

Several written and telephone contacts have been made relative to the account. Previous audits did recommend the write-off.

After the 1990 recommendation, Secretary Sprynczynatyk stated the city agreed by letter to a proposal to pay one-half of the account amounting to \$4,277, with the understanding that a request would be presented for the Commission's consideration for write-off approval of the remaining \$4,277.

It was the recommendation of the State Engineer that the State Water Commission approve the proposal that the City of Zeeland pay one-half of the past due account amounting to \$4,277 and that the Commission agree to write-off approval of the remaining \$4,277.

It was moved by Commissioner Lardy and seconded by Commissioner Narlock that the State Water Commission approve the State Engineer's recommendation that the City of Zeeland shall pay one-half of the past due account in the amount of \$4,277; and, that the State Water Commission approve the write-off of the remaining \$4,277 balance.

December 3, 1990

Commissioners Gust, Lardy, Narlock, Rudel, Spaeth, and Chairman Omdahl voted aye. Commissioner Byerly voted nay. Recorded vote was 6 ayes; 1 nay. The Chairman declared the motion carried.

NOTICE OF RETIREMENT -
MATT EMERSON, ASSISTANT
SECRETARY FOR THE STATE
WATER COMMISSION

Secretary Sprynczynatyk stated Matt Emerson, Assistant Secretary for the State Water Commission has submitted his letter of retirement, effective December 31, 1990.

NEXT STATE WATER
COMMISSION MEETING

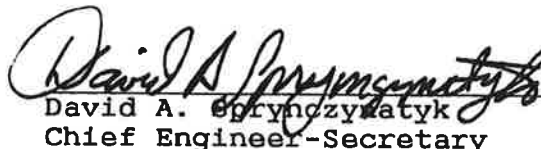
Secretary Sprynczynatyk stated the next meeting of the State Water Commission has been scheduled for January 15, 1990 at the Radison Inn in Bismarck.

There being no further business to come before the State Water Commission, it was moved by Commissioner Lardy, seconded by Commissioner Byerly, and unanimously carried, that the State Water Commission meeting adjourn at 12:00 noon.



Lloyd B. Omdahl
Lieutenant Governor-Chairman

SEAL



David A. Sprynczynatyk
Chief Engineer-Secretary

December 3, 1990

NORTH DAKOTA STATE WATER COMMISSION

REGISTER

ATTENDANCE AT State Water Commission
 DATE December 3, 1990 PLACE Bismarck, ND
 PROJECT NO. _____

Your Name	Your Address	Who do you Represent? (Or Occupation)
<i>Don Lutz</i>	<i>RR1 Box 75 Path</i>	<i>Rolla city water Board</i>
<i>Roger Beaver</i>	<i>RR1 Box 73 Rollett</i>	<i>Rollette County Water Bd</i>
<i>Ronald Herz</i>	<i>RR-2 Box 75 Rollette</i>	<i>Rollette Co WRD</i>
<i>Temp Burn</i>	<i>RR1 Box 69 Dargy</i>	<i>Barnes Co WRD</i>
<i>Clauston Johnson</i>	<i>Valley City</i>	<i>Barnes Co WRD</i>
<i>HANK TRANGSRUD</i>	<i>Rt2 Box 261 KINDRED</i>	<i>HOUSTON ENGINEERING</i>
<i>Jon Lennington</i>	<i>410 East St Bis</i>	<i>SWC</i>
<i>CHRIS MILLER</i>	<i>7801 Dogwood Bis</i>	<i>SWC</i>
<i>JF Wadler</i>	<i>RR1 Box 34 C</i>	<i>Bismarck ND Rural Water</i>
<i>Mike Gille</i>	<i>112 4th St SW Sargis</i>	<i>Richland Co water Resource</i>
<i>Jürgen Haugen</i>	<i>McLeod N.D.</i>	<i>Richland Co WRD.</i>
<i>William Kraus</i>	<i>Sargis ND</i>	<i>" " "</i>
<i>Andey Keilb</i>	<i>Wahpeton</i>	<i>" " "</i>
<i>Glenn Wunderlich</i>	<i>Voltaire</i>	<i>McHenry Co WRD</i>
<i>DAVE LEAS</i>	<i>Rock Lake</i>	<i>TOWNER Co. WRD</i>

NORTH DAKOTA STATE WATER COMMISSION
REGISTER

ATTENDANCE AT _____

DATE _____ PLACE _____

PROJECT NO. _____

Your Name	Your Address	Who do you Represent? (Or Occupation)
Bill Hardy	W alkalla	Cavalier Co WRB
Don Morchus	Cathay	Wells Co WRO
7/1/84 Underhill	Nebron	MORTON CO WRO
RICHARD ANDERSON	BISMARCK	ULTEIG ENGINEERING
Ken Leivings	Binford	MDCD
Ed Lemitt	Elgin	Grant County water
Walter E. Sailer	Hazen	Mercur County
Lloyd Tucker	New Salem	Morton Co.
Henry S. Hart	Dickinson	WR. Water Supply
Bob Othman	Bis.	NODAK Bonds
MARCE L. HUNTER	DEVIL LAKE, ND	RAMSEY COUNTY WATER
Jeff Volk	West Fargo	Maurer Eng Inc
Martin Auek	Munch	CCWRB
Al Beggs	Laerwoit	RD WRB
Matt Jordan	Jonestown	GACD

NORTH DAKOTA STATE WATER COMMISSION

REGISTER

ATTENDANCE AT _____

DATE _____ PLACE _____

PROJECT NO. _____

Your Name	Your Address	Who do you Represent? (Or Occupation)
Travis A. Linstad	Fordville	WC WRB
09801	P.O. 98 St. Michael ND 58070	Dev-Lake Sioux
Iron Bar	Truitt Lake N.D.	McKenzie Sheidan water
Charles Richter	New Rockford	G D C D
Harry Voller	Strasburg	Emmons WRB
Demosthly		Bismarck
Travis Harlock	Oslo MN	Walsh Co
Jim McLaughlin	Fargo	SE Cass WRB
J.T. Ferry	Bism.	SWC
LeRoy Klapprodt	Bismarck	State Water Commission
Glenn K. Swanson	615 E 51st St Bismarck ND	Oak Creek Water Resource Dist & public
Byron Bullinger	" "	" "
RONALD FRENCH	GRAND FORKS	KBM, INC.
Rich Schiff	New Town	TAT-NDID
Gene Krenz	Bismarck	SWC

NORTH DAKOTA STATE WATER COMMISSION
REGISTER

ATTENDANCE AT _____

DATE _____ PLACE _____

PROJECT NO. _____

Your Name	Your Address	Who do you Represent? (Or Occupation)
Karl Vasters	Lead (Dunk)	Towner County WRD
Warren Anderson	Leeds	" " "
Phyllis Hayes	Walton	R.C. Water Reserve
Walter Mastel	Dickinson	Wood River Supply District
John Carlson	Park River	Walsh Co WRD
Ben Varnson	Lakota	Nelson Co WRB
Mike Donohue	Rekin	Nelson Co WRB
Milo Panfiliak	Coyne, ND Sargent Co	Sargent CRB
Jim Boser	Cogswell	Sargent Co WRB
Waymond Lien	Melnes	" " "
Dan Jacobson	Fermon	" "
Gilman Altland	Portland, N.H.	Trail
Lance Yoh	Moorhead, MN	The Int'l Coalition
Bruce F. McLellan	Bismarck	BW/BEC
Lily Feltner	Minto	WC WRB

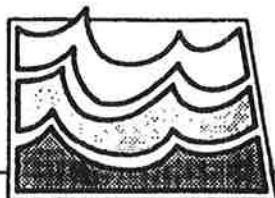
NORTH DAKOTA STATE WATER COMMISSION
REGISTER

ATTENDANCE AT _____

DATE _____ PLACE _____

PROJECT NO. _____

Your Name	Your Address	Who do you Represent? (Or Occupation)
H.A. Wenzinger	Newtown No Del	A.R.B. Board
Herb Spranger	Denhoff N.D.	L.U.T.D.
V.J. Lien	Grand Forks	County Water R. Board
C.W. Shness	Grand Forks	G.F. County Water R. Dist
Tom Shook K&A	St MOURE	CARRISON R.C.O.
Bill Boase	Seywell	S.D.C.D.
Selvia Felice	White Shield	TAT MK+1 Water Project
Claus Schuth	Havana N.D.	P.S.R. Milnor N.D.



North Dakota State Water Commission

900 EAST BOULEVARD • BISMARCK, ND 58505-0187 • (701)224-2750 • FAX (701)224-3696

TO: Governor George A. Sinner
Lieutenant Governor Lloyd Omdahl
North Dakota State Water Commission Members

FROM: *DAV* David A. Sprynczynatyk, State Engineer

SUBJECT: SWC Project #C-5 - 1991-93 Resources Trust Fund Request

DATE: November 21, 1990

Enclosed is the request for funding from the Resources Trust Fund for the 1991-93 biennium. Section 57-51.1-07.1 of the North Dakota Century Code, requires that this report be prepared by the State Water Commission.

I have met with members of the Water Coalition in preparing this request. The Water Coalition provided a funding request for projects totaling \$22.8 million. However, this funding report must be based on the actual anticipated revenues to the Resources Trust Fund. OMB is currently estimating this at \$9.8 million; which includes \$7.1 million of oil tax revenues; \$600,000 of interest income; and \$2.2 million of carryover turnback. The carryover turnback includes funds for the Souris River flood control project, and the Stone Creek/White Spur project. Funds for these projects are still required and a reallocation will be necessary since funds can only be carried one biennium. The Water Coalition's recommendation and my \$9.8 million recommendation, are provided below. In my recommendation, \$2.3 million is provided for State Water Commission administration, which was guidance given to me by OMB. The State Water Commission will be asked to consider its recommendation on December 3rd. In view of recent development, it may be necessary to alter this recommendation after the first of January.

Project or Funding Requirement	Water Coalition Recommendation \$ millions	State Engineer Recommendation \$ millions
Contract Fund		
General Projects	\$ 4.1	\$1.8
Hydrologic Investigations	0.5	0.5
Southwest Pipeline Project	9.0	1.0
Devils Lake Feasibility Study	1.2	0.8
Souris River Flood Control	1.8	1.8
MR&I	2.0	1.0
NAWS	0.2	0.2
Maple River Dam	4.0	0.5
SWC Administration	0	2.3
	<u>\$22.8</u>	<u>\$9.9</u>

GOVERNOR GEORGE A. SINNER
CHAIRMAN

DAVID A. SPRYNCZYNYATYK, P.E.
SECRETARY & STATE ENGINEER

REQUEST FOR FUNDING

FROM THE

RESOURCES TRUST FUND

FOR THE

1991-93 BIENNIUM

DECEMBER 1990

STATE WATER COMMISSION

Section 57-51.1-07.1(2) of the North Dakota Century Code requires that "Every legislative bill appropriating moneys from the Resources Trust Fund pursuant of subsection one must be accompanied by a State Water Commission report."

The following allocations represent the recommendation from the Water Coalition and the allocation based on income to the Resources Trust Fund of \$9.9 million during the 1991-93 biennium. Background information and other data needed to satisfy these requirements are included in the attached report.

<u>Project or Funding Requirement</u>	<u>Water Coalition Recommendation</u> \$ millions	<u>State Engineer Recommendation</u> \$ millions
Contract Fund		
General Projects	\$ 4.1	\$1.8
Hydrologic Investigations	0.5	0.5
Southwest Pipeline Project	9.0	1.0
Devils Lake Feasibility Study	1.2	0.8
Souris River Flood Control	1.8	1.8
MR&I	2.0	1.0
NAWS	0.2	0.2
Maple River Dam	4.0	0.5
SWC Administration	<u>0</u>	<u>2.3</u>
	\$22.8	\$9.9

I. STATE WATER COMMISSION CONTRACT FUND

A. Project Description and Related Engineering Studies:

The State Water Commission's contract fund is used to cost-share with local sponsors on engineering construction projects and on the hydrologic data collection program. The engineering construction projects include flood control projects, water supply projects, recreation projects, irrigation projects, and drainage projects. Investigations and extraordinary maintenance are also cost-shared. Depending on the project type, 25 to 50 percent is provided by the State Water Commission. The contract fund has been used as the state's primary water resource development fund since 1943.

Based on a survey of the 64 water resource districts in the state, it was determined that over \$54 million of projects potentially could be developed in the next biennium. Under current cost-share guidelines, it was determined that \$4.1 million would be necessary to cost-share on the projects that were likely to start in the next two years. Due to funding restraints, \$1.8 million is requested for general projects. This amount does include reallocation of \$144,664 for the Stone Creek/White Spur project. Funds for this project are currently authorized as carryover, but project delays will probably not allow the project to be completed before June 30, 1991. Since carryover funds cannot be carried over again, the funds must be reallocated.

The contract fund also supports the State Water Commission's U.S. Geological Survey Cooperative program. The hydrologic data collection part of the program consists of the streamflow gaging network, monitoring ground water levels and quality. This program is an essential element in the ongoing process of managing the state's water resources. The request to support this program is \$486,446.

Contract services to support hydrologic investigations include test drilling and related work, surveying, water level measurements, stream gage measurements, soil classifications, and other services as may be required.

B. State Water Plan:

The majority of the potential projects are included in the State Water Plan. The State Water Commission does review the projects individually, as specific requests are made, to determine whether the projects are compatible with water management plans.

C. Description of Project Need:

As previously indicated, the contract fund is used to cost-share on all types of water resource projects in the state. The 64 water resource districts have several projects that are ready for development and many more in the preliminary development stage. These projects individually are not extremely comprehensive or costly, but the projects are very important to

specific areas and often have a higher benefit to cost ratio than larger projects. The \$1.8 million requested would be used to cost-share with other agencies and entities for general project purposes.

The \$486,446 requested for hydrologic data collection will be used to cost-share with the U.S. Geological Survey. This program is based on a 50/50 cost-share.

D. Alternative Funding Sources:

Alternative funding sources for the smaller projects funded from the contract fund is generally nonexistent. Federal funding is essentially not available, therefore funding is left up to state and local sources. Without state assistance, the locals would not be able to develop the small projects.

The hydrologic data collection program with the U.S. Geological Survey is based on a 50/50 cost split. Discontinuance of state funds would essentially eliminate this Coop program.

E. State Water Commission Recommendation:

The State Water Commission requests \$1.8 million for General Contract Fund projects, and \$500,000 for Hydrologic Investigations.

II. SOUTHWEST PIPELINE PROJECT

A. Project Description and Related Engineering Studies:

The Southwest Pipeline Project is a water supply system to furnish Missouri River water to 19 cities and 3 rural water organizations in southwestern North Dakota. The water will be diverted from Lake Sakakawea at Basin Electric Cooperative's intake structure located on Renner Bay northwest of Beulah. The project includes 324-mile pipeline system and several other principal features, including a 15-million gallon per day water treatment plant located north of Zap; 11 booster stations; 12 storage and control reservoirs; an operating and control headquarters facility at Dickinson; and a telemetry system for centralized control of the project.

The project is essentially designed and construction began in 1986. It has continued at a pace set by availability of funds. At present all components necessary to deliver raw water to Dickinson are either complete or under construction.

Following is a summary of past studies related to the Southwest Pipeline Project:

In 1971, the State Water Commission was directed to determine the future water requirements of southwestern North Dakota and the feasibility of diverting water from the Missouri River into the area for multiple uses. This study, called the West River Study, was conducted from July 1971 to July 1975.

The 1977 State Legislative Assembly authorized the Southwest Area Water Supply Study (SAWS). Unlike the multiple use West River Study, the SAWS was limited to municipal and rural water delivered in a pipeline. The SAWS study area included all of North Dakota south and west of Lake Sakakawea and the Missouri River. This report evaluated several alternative plans to provide potable water to the study area and recommended a particular plan.

The 1981 Legislative Assembly appropriated \$983,000 to be used by the State Water Commission to contract for the pre-final design. At this time, the project's name was changed to the Southwest Pipeline Project.

In 1983, the Legislative Assembly of the state of North Dakota authorized the construction of the Southwest Pipeline Project and appropriated \$6 million for the final design and to acquire the necessary right-of-ways. These activities were essentially completed by June 30, 1985.

The 1989 Legislative Assembly appropriated \$29,591,404 to the Southwest Pipeline Project. Of this amount, \$3,600,000 were state funds (Resources Trust Fund and Land and Minerals Trust Fund). The remainder represented authority to spend federal funds.

B. State Water Plan:

The Southwest Pipeline Project is an integral part of the State Water Plan. The State Water Plan was developed around the assumption that the Southwest Pipeline Project would meet the water needs of 27 cities and the surrounding rural areas in southwestern North Dakota. Of those 27 cities, 19 have executed water service contracts.

C. Description of Project Need:

The need for the project is well documented. The area's surface water supplies are erratic and cannot be relied upon as a dependable water supply. The ground water aquifers are extremely limited and those that do exist contain water of very poor quality. Many cities obtain their water supplies from wells 1,000 to 1,500 feet deep. Many farms obtain their water from lignite coal aquifer seams that yield water of a dark brown color resembling coffee. Many other farms and ranches are forced to haul water often at distances of 15 to 20 miles.

The city of Dickinson receives its water supply from a dam and reservoir on the Heart River. Because of the erratic flows of the Heart River, the city has faced severe water rationing programs in recent years. The situation became so critical that the city was forced to run a pipeline from their sewage lagoon to the water treatment plant and actually recycled their sewage to meet the water demands. Even in years of adequate reservoir

storage, the city has serious water treatment problems due to the colloidal bentonite and algae in the reservoir water.

The \$1 million requested would be used to continue design of the next phase of the project, and to prepare to receive additional federal funds.

D. Local Sponsorship and Direction:

In early 1990, the "Southwest Water Authority" was formed. This body was formed as an interim entity to provide local sponsorship for the Southwest Pipeline Project until a permanent entity is created by the legislature.

The Southwest Water Authority also serves as the local advisory body, and in that function, supersedes the Southwest Pipeline Project Advisory Committee. Southwest Water Authority includes representatives of the water resource districts, the city of Dickinson, and the rural water districts in the area.

One of the Southwest Water Authority's first acts was to produce a listing of the order in which remaining components of the project should be completed. Their preference is to build the components serving the Dickinson, Belfield, and Medora areas first, and then to build the components serving the New England, Mott, and Bowman areas.

A major decision remains to be made regarding treatment of the water. Besides the authorized plan with a water treatment plant north of Zap, there is an alternate proposal to use Dickinson's treatment plant for uses west and south of Dickinson, and to build smaller treatment plants to serve areas between Lake Sakakawea and Dickinson.

The Southwest Water Authority prefers to defer the decision on the treatment plant at this time.

E. Alternative Funding Sources:

About one-half of funds expended to date on Southwest Pipeline Project have been state funds. The majority of the state funds were appropriated from the Resources Trust Fund. In addition, 1.8 million from land and minerals trust fund was used in 1989. The other main source of money invested in Southwest Pipeline Project to date is from the Municipal, Rural and Industrial Water Supply fund of the Garrison Diversion Project.

The current budget request for the Southwest Pipeline Project seeks the authority to build (if sufficient federal funding is available) most components of the system which can be served by the Dickinson Water Treatment Plant. This amounts to approximately \$26.5 million in construction costs and \$3.4 in support costs. Of this amount, \$1 million is requested from the Resources Trust Fund. In spite of the availability of federal money, state money is still needed for the following reasons: 1)

The federal funding is determined on an annual basis and has been highly variable in the past. Certain administration and maintenance costs must be provided for in the event of inadequate federal funding; 2) The current level of state funding (\$23 million) is not yet at the 25 percent level required for the entire project (\$148 million); and 3) Continued state commitment to Southwest Pipeline Project makes an important statement of support, not only to the federal government, but also to the people the project is meant to serve.

F. State Water Commission Recommendation:

The State Water Commission requests \$1 million for the Southwest Pipeline Project.

III. DEVILS LAKE

A. Project Description and Related Engineering Studies:

The dramatic decline in Devils Lake water levels, caused by the ongoing drought, has created an immediate need to develop a plan to implement the lake's highly valued recreation resources. The U.S. Army Corps of Engineers is currently preparing a reconnaissance level study of an inlet and outlet for Devils Lake. This one-year study is a 100 percent federally funded effort that will lead into a feasibility level study, if the reconnaissance study shows that there is at least one alternative that is justified to be pursued. The feasibility study, however, requires a 50 percent nonfederal match; one-half of the non-federal match must be actual dollars and one-half can be in-kind services provided by a nonfederal entity or organization. The feasibility study will include an Environmental Impact Statement that will likely be rather extensive. The cost of the feasibility study is estimated to be \$2-4 million. As a result, the nonfederal match could be as high as \$2 million. It is requested that \$800,000 of this amount be allocated from the Resources Trust Fund. The remaining requirement could be in-kind services and local dollars.

B. State Water Plan:

An inlet and outlet for Devils Lake has been an integral part of several State Water Plans. Originally, the Garrison Diversion Project included a canal inlet and outlet, along with a detailed operating plan for the lake. While the ongoing Corps

studies may change the specific details, the ultimate goal remains the same - a project to stabilize the level of Devils Lake.

C. Description of Project Need:

The drought which has afflicted a large portion of the Northern Great Plains during the past three years, has caused significant declines in water levels of lakes and reservoirs throughout the region. Devils Lake has receded from an elevation of 1428.9 msl in 1987, to 1424.7 msl in early 1990. The volume lost between these two elevations is approximately 225,000 acre-feet. Since Devils Lake is replenished almost entirely by spring runoff, the lack of significant snowmelt and the forecast of below median spring rains, suggest the water level may continue to drop through 1990.

Continued declines in Devils Lake water levels pose a very serious threat to this highly valued natural resource. Devils Lake has, in recent years, become a nationally acclaimed sport fishery and it contributes substantially to North Dakota's water-based recreational opportunities.

A creel census of the 1988 summer sport fishery and 1988-89 winter ice fishery conducted by the ND Game and Fish Department, reported almost 938,000 angler hours were spent fishing on Devils Lake. Using this creel census data, it was estimated that anglers spent \$27.4 million to fish on Devils Lake during the

1988-89 fishing season. Using the multiplier for recreation and tourism contained in the Input/Output Economic Model developed at North Dakota State University, the gross business volume generated by fishermen in the region exceeds \$90 million. This level of business activity supports almost 1,400 jobs. Recreation on Devils Lake has become a growing and extremely valuable resource to the state's economy.

While the current water level conditions are drought related, it is recognized that flood control is also a long-term problem. The fluctuation from low to high water levels is cyclic and the overall longer term objective is to stabilize both types of fluctuations. Thus, many of the project features were designed to address both low lake levels and flood control. Combining project features for both purposes results in economic efficiency.

D. Alternative Funding Sources:

The federal government requires a 50 percent nonfederal cost-share for feasibility studies. This nonfederal cost-share must be at least 50 percent cash and the remaining portion can be in-kind services.

There are several state and local agencies that can and will contribute in-kind services. The feasibility studies will require substantial analysis of existing water quality data and possibly will require additional water quality samples. The

State Health Department is well equipped to provide assistance in this area. The Game and Fish Department can provide significant inputs regarding creel census and past histories of the fishery of Devils Lake. Local assistance will also be required in several areas.

The feasibility study will require, however, anywhere from \$1 to \$2 million in cash. This contribution could come from a combination of several state and local entities. The Devils Lake Joint Board is probably in the best position to provide a cash contribution at the local level. A large contribution will likely be required from both the state and locals if the project proceeds into the construction phase.

E. State Water Commission Recommendation:

The State Water Commission requests \$800,000 for the Devils Lake Feasibility Study.

IV. GARRISON DIVERSION MUNICIPAL, RURAL AND INDUSTRIAL WATER SUPPLY PROJECTS

A. Project Description and Related Engineering Studies:

The Garrison Diversion Unit Reformulation Act of 1986 re-authorized a modified version of the Garrison Diversion Unit. Section 5 of this act includes provisions for the planning and construction of municipal, rural, and industrial water supply systems to serve cities and rural areas statewide. The act authorized the sum of \$200 million of federal funds with the stipulation that the total project costs be shared by the federal government (75 percent), and state and/or local entities (25 percent). The federal funds can only be expended as the money is appropriated annually from Congress and if there is a 25 percent up-front, nonfederal match.

The requested \$1.0 million appropriation from the Resources Trust Fund will be combined with local/city money for the 25 percent match.

At present, nearly 120 applications have been received for MR&I funding. Ten projects have been completed and six are in the design and/or construction stage. Approximately \$37 million of federal money was received between 1986 and 1990, with \$25 million spent on the Southwest Pipeline project.

At this time, the federal funding during the 1991-93 bien-nium is unknown. The Congressional authorization varies from

year to year and federal funding is becoming more difficult to obtain. It is anticipated that \$9 to \$10 million will be obtained during FY '91. It is hopeful that like amounts will be available in future years.

B. State Water Plan:

The State Water Plan does not specifically include any municipal water supply projects. The State Water Plan does include water supply development as a general statewide goal.

C. Description of Project Need:

As part of the process of developing a MR&I plan, all cities in the state were contacted for their interest and need in obtaining a new water supply. Nearly 120 cities and rural water systems have applied for funding from the program. Each of these cities have been given a priority rating based on a system approved by the State Water Commission.

D. Alternative Funding Sources:

It is the intent that state funds from the Resources Trust Fund be used to supplement the 25 percent match requirements of the federal MR&I funds. If federal funds do not materialize, the need for state funds would also be reduced.

It is the intent, however, to utilize to the maximum extent possible, funds from all sources, to satisfy the 25 percent requirements. It is anticipated, but not guaranteed, that the

state will receive between \$15 to \$25 million of federal MR&I during the next biennium. This will require between \$5 and \$8 million of nonfederal match. As a result, the \$1 million requested from the Resources Trust Fund will only supplement other funding sources. FmHA loans are eligible to meet the 25 percent nonfederal match and many communities have utilized FmHA funds. Many communities are also utilizing local funds for part of the match.

E. State Water Commission Recommendation:

The State Water Commission requests \$1 million for the Garrison Diversion MR&I Program.

**V. NORTHWEST WATER SUPPLY PROJECT
(EAST NAWS)**

A. Project History and Description:

The NAWS/Fort Berthold integrated water supply project would provide a MR&I water supply to six counties in north-central North Dakota. Originally the project included all the counties in the northwest corner of the state, but after further investigations, it was determined more feasible to divide the area into at least two general areas: 1) The west NAWS area (Williston), and 2) The east NAWS area centered around Minot. The east NAWS project has been separated from the other MR&I projects for basically two reasons: First of all, the \$181 million estimated cost is larger than what can be supported by the current MR&I program. Secondly, since east NAWS could serve areas on the Fort Berthold Indian Reservation, it seemed advantageous to integrate the east NAWS project with the MR&I projects on the Reservation.

Federal funding will be sought as a joint project with the Fort Berthold Indian Reservation. A reconnaissance level has been prepared for this purpose. A project need at this point is a project manager to coordinate the project efforts at the local, state, and federal levels. There are many requirements for developing a project of this scope and a full-time staff coordinator is needed.

The integrated report also may need to be updated and expanded in several areas. In addition, if federal monies are obtained, a nonfederal match will also be required. As a result, a \$200,000 allocation from the Resources Trust Fund is requested to advance the project during the 1991-93 biennium.

The NAWS/Fort Berthold integrated water supply project can be defined as a piped, potable water distribution system for the project area. Except for two sub-areas on the Fort Berthold Reservation, Mandaree and Twin Buttes, the system is supplied from one source. This source is an intake on Lake Audubon. The Twin Buttes and Mandaree areas have separate intakes on Lake Sakakawea due to their physical location with respect to the rest of the integrated water distribution system.

The service area of the proposed integrated NAWS/Fort Berthold water supply system includes the northern part of McLean County; most of Ward County, and all of McHenry County, Renville, and Bottineau Counties; and most of Mountrail County. The major users on this system would include Minot (which also services Minot Air Force Base and North Prairie Rural Water); Upper Souris and All Seasons Rural Water Districts; the larger cities of Garrison, Kenmare, Mohall, Bottineau, New Town, Stanley, and Parshall; all of the Fort Berthold Indian Reservation; and several small cities not presently served by rural water.

Components of the proposed integrated system would include an intake at Lake Audubon and a 32-million gallon per day (mgd) conventional water treatment plant located near the water source at Lake Audubon. In addition, water could also be treated at Minot, if additional softening is required by the city. Approximately 525 miles of pipeline (ranging from 4 inches to 48 inches in diameter), 13 pumping stations, 13 storage reservoirs, and three pressure reducing stations would be required to serve the area.

B. State Water Plan:

The NAWS project is not specifically included in the 1983 State Water Plan. However, it is included in the state's current MR&I plans, and as a regional water system does promote the Water Commission's preference for joint facilities.

C. Description of Project Need:

Municipalities, farms, and ranches in the project area use existing ground water and surface water sources to varying degrees. Many farms and ranches also haul water for domestic consumption and livestock use. In most cases, it is apparent that the available water supply does not meet established water quality standards set by the Safe Drinking Water Act. Published reports by the U.S. Bureau of Reclamation and the Three Affiliated Tribes have also identified problems with both the municipal and rural water supplies on the Fort Berthold Reservation. During the formulation of the NAWS study, a needs

survey was conducted in the study area during March and April of 1988. The survey consisted of contacting all of the cities, communities, and rural water districts in the study area. The results of the survey indicate that nearly all water supplies need some form of treatment to meet the current and/or proposed standards of the Environmental Protection Agency Safe Drinking Water Act.

D. Alternative Funding Sources:

There are several other sources that could contribute to the funding of this request. The Souris River Joint Water Resource Board, the city of Minot, the Fort Berthold Indian Reservation, and the Garrison Diversion Conservancy District are all possibilities. Federal funding, through the MR&I program, is also a possibility. All of these sources will be explored as a funding source for cost-sharing.

E. State Water Commission Recommendation:

The State Water Commission requests \$200,000 for the Northwest Water Supply Project.

**VI. SHEYENNE/MAPLE RIVER FLOOD CONTROL
PHASE III**

A. Project Description:

The Sheyenne/Maple River Flood Control, Phase III, consists of a dam and reservoir on the Maple River. The proposed dam would be located in the NE1/4, Section 14, Township 137 North, Range 54 West, on the Maple River in Cass County. The dam site is approximately eight miles northeast of Enderlin. The flood control pool would encompass all the land upstream of the dam below an elevation of 1055.0 feet. The project area can best be described as river bottom land characterized by riverine wetlands, lowland hardwoods, grasslands, and cropland. The total project area is approximately 2,860 acres. The embankment would be compacted earthfill with top of dam elevation at 1060.0 feet, top width of 30 feet, maximum height of 70 feet, and length of 1,850 feet. The side slopes would be 1:4 upstream, and 1:3 downstream. The outlet works consist of a 9-foot diameter conduit and the 500-foot uncontrolled concrete ogee spillway. The conduit would be used for normal discharges, and the spillway would be designed to pass the probable maximum flood peak outflow of 62,000 cfs.

B. State Water Plan:

The Maple River Flood Control Dam is a recommended project in the North Dakota State Water Plan.

C. Description of Project Need:

The need for the project is to control flooding and/or provide recreational opportunities. Flooding, which is almost an annual event, follows the typical pattern of the rest of the Red River basin. The primary areas affected by the flooding throughout the subbasin's floodplain are urban, agricultural, and environmental in nature. Enderlin, Durbin, and Mapleton, North Dakota, are the only communities in the subbasin that are subject to recurrent flooding. The Maple River flows have a high velocity, but as the river enters the plains area to the north and east of Leonard, the velocities decrease greatly, causing siltation and a lowering of the stream capacity. Shallow channels and diminished gradients in this area cause floodwaters to overflow existing channels into the surrounding lacustrine plain, damaging cropland, farmsteads, transportation facilities, and urban areas. The Maple River also increases the flood problem on the Sheyenne River. Flows on the Maple River discharge into the Sheyenne River above the communities of Rivertree Park, Harwood, and Brooktree Park.

D. Alternative Funding Sources:

The economic analysis performed by the U.S. Army Corps of Engineers indicate that building a dam on the Maple River to control flooding is economically not justified and is not in the federal interest. The cost of construction by the Corps was estimated at \$26 million. The average annual benefits for such a project would vary from \$528,000 for the dry dam alternative, to

\$962,000 for the recreation pool alternative. These benefits and costs result in benefit/cost ratios of 0.2 to 0.36.

The Southeast Cass Water Resource District estimates that the dam can be constructed for about \$12.0 million by either the state or local water resource district. The District has requested funding from the Resources Trust Fund in the amount of \$4 million during the 91-93 biennium, and \$4 million for the 1993-95 biennium. Due to funding restraints, it is requested that \$500,000 be requested from the Resources Trust Fund during the 1991-93 biennium for engineering design only.

E. State Water Commission Recommendation:

The State Water Commission requests \$500,000 for the Maple River Flood Control Project.

VII. SOURIS RIVER FLOOD CONTROL PROJECT

A. Project Background and Description:

In 1985, the State Legislature appropriated \$905,000 to the Souris River Flood Control Project. The State Water Commission allocated another \$1 million to the project during the 1987-89 biennium. Due to project delays, \$1,858,692 of these funds were approved as carryover during the 1989-91 biennium. While considerable progress is currently being made on the project, it is not likely that these funds will be spent by June 30, 1991. While the need still exists for these funds, it is not possible to carryover funds more than one biennium. It is estimated that \$1,772,872 will become turnback dollars to the Resources Trust Fund, and it is therefore requested that these dollars be reallocated to the project for the 1991-93 biennium.

The Souris River Flood Control Project includes several features:

1. Rafferty and Alameda Dams in Saskatchewan;
2. Levees and channel improvements at Burlington, Minot, and Velva;
3. Floodproofing of several rural residences;
4. Improvements to Lake Darling Dam and to other refuge structures; and
5. Miscellaneous roads and railroad relocations.

The Corps of Engineers is responsible for the project features in North Dakota, and the Province of Saskatchewan is responsible for the two Canadian dams.

Rafferty and Alameda Dams are both under construction in Saskatchewan, but these projects have been under extensive legal scrutiny regarding environmental concerns. This has delayed the completion of the dams, and in turn, the need for payments to Canada as part of the US/Canadian cost-share agreement. Rafferty Dam is currently about 90 percent complete, and the construction of Alameda began in October 1990. Hopefully, both of the projects will be completed within the next two years.

B. State Water Plan:

The State Water Plan does not specifically recommend Rafferty and Alameda Dams, but flood control was listed as a primary need in the Souris River. The water plan did recommend continuing studies on the Lake Darling compromise plan.

C. Description of Project Need:

The need for flood control on the Souris River has been apparent for many years. Major floods have caused substantial damage to Minot and Velva. Many farms experience flooding problems nearly every year.

The Souris River flood control project, as currently design, is a multi-feature approach to the flooding problems along the Souris River. A major obstacle to past plans was the objections of local residents to Burlington Dam and the lack of a suitable alternative that would significantly reduce major flooding along the Souris River. The Rafferty and Alameda Dams in Saskatchewan

apparently are the missing link to the long-awaited solution for Souris River flood control.

\$1.8 million is needed to meet the obligation to the project made by previous legislative action. This money would come from unexpended funds from previous appropriations.

D. Alternative Funding Sources:

The funding requirements for the Souris River flood control project has been established for several years. Although the project has incurred some delays, it is important that all parties continue to support the original agreements.

E. State Water Commission Recommendation:

The State Water Commission requests \$1.8 million for the Souris River Flood Control Project.