

MINUTES

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

September 17, 1991

The North Dakota State Water Commission held a telephone conference call meeting in Bismarck, North Dakota, on September 17, 1991. Chairman, Lieutenant Governor Lloyd Omdahl, called the meeting to order at 12:30 PM, and requested State Engineer and Chief Engineer-Secretary, David Sprynczynatyk, to call the roll. The Chairman declared a quorum was present.

MEMBERS PRESENT:

Lieutenant Governor Lloyd Omdahl, Chairman
Sarah Vogel, Commissioner, Department of Agriculture, Bismarck
Joyce Byerly, Member from Watford City
Lorry Kramer, Member from Minot
Daniel Narlock, Member from Grand Forks
Norman Rudel, Member from Fessenden
Jerome Spaeth, Member from Fargo
David Sprynczynatyk, State Engineer and Chief Engineer-Secretary, North Dakota State Water Commission, Bismarck

MEMBER ABSENT:

Jacob Gust, Member from West Fargo

OTHERS PRESENT:

State Water Commission Staff Members

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.

**GARRISON DIVERSION PROJECT -
CONSIDERATION AND APPROVAL
OF FEDERAL GRANT AND STATE
LOAN FOR NORTH VALLEY WATER
ASSOCIATION PROJECT AND CITY
OF CAVALIER WATER PROJECT
(SWC Project No. 237-15)**

Secretary Sprynczynatyk indicated that the Bureau of Reclamation has approved a \$2.1 million drought assistance grant to the North Valley Association and the City of Cavalier. These funds were added to the 1991 MR&I Water Supply Program. The

projects involve connecting Cavalier to the North Valley system, as well as adding several miles of pipeline which will allow the more reliable Akra aquifer to serve the majority of the system.

The North Valley project, including the Cavalier extension, was approved for a 65 percent MR&I grant and a 35 percent State Water Commission loan. The loan interest rate would be at 3 5/8 percent and a maximum term of 25 years.

Secretary Sprynczynatyk explained that in order to maximize the use of drought funding and to strive for consistency within the MR&I Water Supply Program, the grant should be increased to 75 percent, not to exceed \$1,490,400, and a 25 percent loan of \$496,800. To make the repayment from the 25 percent loan the same as for a 35 percent loan, the interest rate should be increased to 7 percent with a term of 25 years. Secretary Sprynczynatyk said this approval would be contingent upon the availability of funds and that the sponsor continue to meet the MR&I Water Supply Program requirements.

The Bureau of Reclamation has indicated that these funds are available only for North Valley and Cavalier, and any excess funds would be made available to other drought projects. Secretary Sprynczynatyk indicated that a project involving the City of Stanley connecting to the Ray-Tioga water supply system has been submitted for drought funding. The maximum grant is 75 percent and funds above that amount may have to be returned.

It was moved by Commissioner Spaeth and seconded by Commissioner Rudel that the State Water Commission approve the recommendation of the State Engineer to increase the federal MR&I grant to 75 percent, not to exceed \$1,490,400, and reduce the State Water Commission loan from the Contract Fund to 25 percent at \$496,800, at an interest rate of 7 percent with a term of 25 years, for the North Valley Water Association and the City of Cavalier.

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

**GARRISON DIVERSION PROJECT -
CONSIDERATION AND APPROVAL
OF FEDERAL FISCAL YEAR 1992
PROJECT ALLOCATIONS
(SWC Project No. 237-3)**

Secretary Sprynczynatyk said the total 1992 MR&I Program is estimated at \$19,440,390. This includes \$15 million from the Fiscal Year 1992 Garrison Diversion budget, \$3.6 million

of Fiscal Year 1991 funds received as state reimbursement, and \$836,000 of Fiscal Year 1991 funds that became available when the drought assistance dollars were approved.

Due to the large amount of federal dollars available, Secretary Sprynczynatyk indicated there will be a shortage of state funds for the 35 percent loan program. The current allocation from the Resources Trust Fund is \$4 million for the MR&I Program and \$5.2 million is required.

It was the recommendation of the State Engineer that the difference, \$1,219,490, be taken out of the \$3.6 million state reimbursement for the Southwest Pipeline Project and that the allocations for the projects as recommended in APPENDIX "A" be approved for the Fiscal Year 1992 Garrison Diversion MR&I Water Supply Program.

Secretary Sprynczynatyk said the project allocations have been approved by the Garrison Conservancy District Executive Board.

It was moved by Commissioner Byerly and seconded by Commissioner Kramer that the State Water Commission approve the transfer of \$1,219,490 from Fiscal Year 1991 state reimbursement funds, which have been allocated for the Southwest Pipeline Project, to the 35 percent state loan program; and that the Fiscal Year 1992 Garrison Diversion MR&I Water Supply Program allocations as recommended by the State Engineer, and as follows, be approved:

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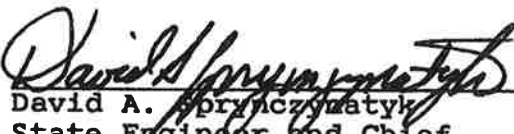
<u>Project</u>	<u>GDU</u> <u>MR&I</u>
Southwest Pipeline Project	\$ 9,700,000
Ramsey County Rural Water, Phase I	3,900,000
Missouri West, Phase I	2,275,000
Tri-County Rural Water	183,950
Stanley-Ray-Tioga	1,878,500
Kindred	85,800
State Reimbursement	1,219,490
Feasibility Study	25,000
Administration	172,650
Total	\$19,440,390

Commissioners Byerly, Kramer, Narlock, Rudel, Spaeth, Vogel, and Chairman Omdahl voted aye. There were no nay votes. The Chairman declared the motion unanimously carried. SEE APPENDIX "A".

There being no further business to come before the State Water Commission, it was moved by Commissioner Byerly, seconded by Commissioner Spaeth, and unanimously carried, that the State Water Commission telephone conference call meeting adjourn at 12:55 PM.


 Lloyd B. Omdahl
 Lieutenant Governor-Chairman

SEAL


 David A. Sprynczyk
 State Engineer and Chief
 Engineer-Secretary

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NORTH DAKOTA STATE WATER COMMISSION

REGISTER

ATTENDANCE AT State Water Commission Meeting Conference Call

DATE Sept. 17, 1991 PLACE Bismarck, ND

PROJECT NO. _____

Your Name	Your Address	Who do you Represent? (Or Occupation)
Lloyd Aundahl	Bismarck	SWC
Sarah Vogel	"	"
Jerome Spatch	Fargo	"
Lorrey Kramer	Minot	"
Joyce Beyerly	Hatford City	"
Dan Narlock	Grand Forks	"
Norm Rudel	Fessenden	"
Jeffrey Mattson	Bismarck	"
Dave Sprenyngdyk	"	"
Dale Link	"	"
Sharon Locken	"	"

APPENDIX "A"

SWC: #237-3

Garrison Diversion Unit
 MR&I Water Supply Program
 FY92 Funding of \$19,440,389

Date: 9-5-91

Ranking Points	Project	Description	Estimated Cost	Federal MR&I	Cumulative MR&I Funds	State Loan	Cumulative State Funds
55	Southwest Pipeline	D&C	\$9,700,000	\$9,700,000	\$9,700,000	\$0	\$0
52	Ramsey Co Rural Water Ph 1	C	\$6,000,000	\$3,900,000	\$13,600,000	\$2,100,000	\$2,100,000
50	Missouri West Phase 1	D&C	\$3,500,000	\$2,275,000	\$15,875,000	\$1,225,000	\$3,325,000
43	Tri-County Rural Water	D&C	\$283,000	\$183,950	\$16,058,950	\$99,050	\$3,424,050
42	Stanley-Ray-Tioga	D&C	\$2,890,000	\$1,878,500	\$17,937,450	\$1,011,500	\$4,435,550
41	Kindred	D&C	\$132,000	\$85,800	\$18,023,250	\$46,200	\$4,481,750
	State Reimbursement		\$0	\$1,219,490	\$19,242,740	\$0	\$4,481,750
	Feasibility Study		\$100,000	\$25,000	\$19,267,740	\$0	\$4,481,750
	Administration		\$230,200	\$172,650	\$19,440,390	\$0	\$4,481,750
		Total	\$22,835,200	\$19,440,390	1992 Loans	\$4,481,750	
	Estimated FY'92 funds						
	Federal FY'92		\$15,000,000		1991 RTF Loans	\$737,740	
	Federal FY'91 (State Reimbursement)		\$3,603,709		Total Loans	\$5,219,490	
	Federal FY'91 (year end)		\$0				
	Drought Assistance funds		\$836,680		Resource Trust Fund	\$4,000,000	
		TOTAL	\$19,440,389		Required loan funds	\$1,219,490	
			- \$1				

Description
 F = Feasibility Study
 D = Design
 C = Construction

1991 RTF Loans
 Agassiz Water \$204,750
 Grandin \$36,190
 North Valley \$496,800

R - M
 D - BUDGET
 DC - GD 92 R