

MINUTES

North Dakota State Water Commission Williston, North Dakota

June 19, 1996

The North Dakota State Water Commission held a meeting at the Little Beaver Creek Lutheran Church, Williston, North Dakota, on June 19, 1996. Governor-Chairman, Edward T. Schafer, called the meeting to order at 9:50 AM, and requested State Engineer, and Chief Engineer-Secretary, David A. Sprynczynatyk, to call the roll. The Chairman declared a quorum was present.

Ward Koeser, Mayor, welcomed the State Water Commission to Williston.

MEMBERS PRESENT:

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

OTHERS PRESENT:

State Water Commission staff members
Approximately 50 people interested in agenda items

The attendance register is on file with the official minutes.

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

CONSIDERATION OF AGENDA

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

**CONSIDERATION OF MINUTES
OF APRIL 29, 1996 STATE WATER**

COMMISSION MEETING -

APPROVED

The minutes of the April 29, 1996
State Water Commission meeting

were approved by the following
motion:

*It was moved by Commissioner Vogel, seconded by
Commissioner Ames, and unanimously carried, that
the minutes of the April 29, 1996 State Water
Commission meeting be approved as prepared.*

**CONSIDERATION OF MINUTES
OF MAY 24, 1996 STATE WATER
COMMISSION TELEPHONE
CONFERENCE CALL MEETING -
APPROVED**

The minutes of the May 24, 1996 State
Water Commission telephone confer-
ence call meeting were approved by
the following motion:

*It was moved by Commissioner Vogel, seconded by
Commissioner Ames, and unanimously carried, that
the minutes of the May 24, 1996 State Water Commission
telephone conference call meeting be approved as
prepared.*

**FINANCIAL STATEMENT -
AGENCY OPERATIONS**

reflecting 42 percent of the 1995-1997 biennium. *SEE APPENDIX "A".*

Secretary Sprynczynatyk presented
and discussed the Program Budget
Expenditures, dated April 30, 1996,

**FINANCIAL STATEMENT -
RESOURCES TRUST FUND**

Secretary Sprynczynatyk reviewed
and discussed the Contract Fund for
the 1995-1997 biennium. *SEE
APPENDIX "B".*

Secretary Sprynczynatyk stated that
the unallocated balance of the Resources Trust Fund is \$450,706. The State Water
Commission has deferred \$194,170 for three projects. Deferral is being
recommended at this meeting for two additional projects. If the State Water
Commission concurs with the recommendation, the deferred projects will total
\$407,890. There are several other potential projects in various stages of
development.

Secretary Sprynczynatyk stated revenues into the Resources Trust Fund continue to be higher than projected. The Office of Management and Budget is expected to release a forecast of projected revenues into the Resources Trust Fund in July, 1996. He noted that the allocation of funds in excess of the agency's appropriation would require approval of the Emergency Commission. It was the State Engineer's recommendation that until Emergency Commission approval is obtained, the State Water Commission continue to defer action on most cost share requests, and fund only those projects of high priority.

**FINANCIAL STATEMENT -
1997-1999 BIENNIUM BUDGET**

On March 20, 1996, the Office of Management and Budget presented the guidelines for preparation of the

1997-1999 biennium budget requiring state agencies to prepare a 97 percent general fund budget.

The Commission members were provided copies of the preliminary information for the 1997-1999 biennium budget. Secretary Sprynczynatyk said the budget reflects a 3 percent cut in general funds for the agency, which amounts to a reduction of \$163,729 from the present biennium general funding level for the agency of \$5,457,627. The deadline for submitting the budget request to the Office of Management and Budget is July 15, 1996.

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

Dale Frink, Director of the State Water Commission's Water Development Division, provided the following contract and construction status report:

Contract 2-3G - Cathodic Protection: Progress on this contract has been satisfactory, with completion of the contract expected in June, 1996.

Contract 2-4A/7-3 - Jung Lake Service Area Rural Distribution and Transmission Lines: The contractor has installed approximately 15 miles of distribution piping. The 12-inch and 14-inch transmission piping is on site, although no pipe has been installed to date.

Contract 4-1A - Raw Water Line Upgrade: The contractor has completed the piping near the Zap reservoir site. Delivery of the surge tanks and the pumps were delayed by load limits and the supplier's schedules which, at this time, neither delay appears serious. In the meantime, the contractor has installed the isolation

valves in the pump station so that when the pumps arrive they can be installed without again de-watering the pump stations. The surge tanks will be installed when they can be delivered to the site. The only remaining component will be the electrical switch gear, for which the stations will need to be de-energized.

Contract 7-1B - Davis Butte, Taylor, and New Hradec Rural Service Areas: Construction of this segment of the pipeline is essentially complete, although the clean-up work is incomplete. A meeting with the contractor was held on February 29, 1996 to discuss the outstanding issues of the contract.

The contractor was requested to provide a schedule of plans for completion of the clean-up items on the contract. The contractor claimed they were finished with the clean-up and was not responsible for trench settlement.

Onsite Improvements of Gladstone has been hired to clean-up the area that was left incomplete. The clean-up work will be paid from the retainage account for this contract.

Contract 7-2 - New England Rural Service Areas: Work on this contract is progressing well, with completion anticipated in June, 1996.

Water Treatment Plant Renovation: Progress on this contract has been satisfactory, with completion anticipated in June, 1996.

**SOUTHWEST PIPELINE PROJECT -
ALTERNATIVE FUNDING
(SWC Project No. 1736)**

At its April 26, 1995 meeting, the Commission members passed a motion to file a pre-application with the Rural Economic and Community

Development Service (RECDS) for funding for the Southwest Pipeline Project, contingent upon legal advice, and to continue to explore this option for continued development of the project.

The Commission members were informed at its July 19, 1995 meeting that the RECDS had reviewed the information provided to them and determined that the State Water Commission was eligible to participate in the program and that the pre-application was being processed.

At the November 29, 1995 meeting of the State Water Commission, Ray Scheetz, Director of the RECDS, presented a letter which stated the pre-application had been approved.

On January 26, 1996, an application conference was held with the RECDS and the State Water Commission staff. The purpose of the conference was to begin the process of preparing a formal application for funding for the Bucyrus service area, which is the next component of the phased-development plan. The process will require different agreements for engineering and legal services, as well as the services of a bond counsel, which will be brought to the Commission as necessary.

At the April 29, 1996 State Water Commission meeting, the current efforts with the USDA-Rural Development (formerly the Rural Economic and Community Development Services) to develop an application for funding for the Bucyrus service area were discussed. As part of the application, standard documents requiring the Commission's execution were considered in order for the USDA-Rural Development to proceed with the application.

Potential funding sources for the completion of the Southwest Pipeline Project were discussed. One of the alternative funding sources being explored is the issuance of bonds up to the State Water Commission's statutory limitation of \$2 million. Legislative approval would be required for the issuance of bonds beyond the statutory limitation, similar to the Northwest Area Water Supply project.

The Commission passed a motion at its April 29, 1996 meeting, authorizing the State Engineer to proceed with the application for USDA-Rural Development funding; and the Commission also authorized the State Engineer to explore the issuance of bonds up to the statutory limitation for construction of the Southwest Pipeline Project.

Dale Frink explained the process of preparing the application for USDA-Rural Development funding, and he said it was necessary to verify that no other means of funding was available. In addressing this question, a preliminary assessment of several bonding scenarios was requested from Evensen Dodge, Inc. financial consultants. Mr. Frink said the results of that assessment indicated commercial bonding for continued construction of the Southwest Pipeline Project was practical.

Secretary Sprynczynatyk said the consequence of the assessment is that the pipeline may not be eligible for funding from USDA-Rural Development. He said USDA-Rural Development will be informed of this finding, and the issuance of commercial bonding will continue to be explored as an alternative funding source. In order to implement either USDA-Rural Development or commercial bonding, Secretary Sprynczynatyk said it will be necessary to dedicate a portion of the capital repayment revenues to servicing the bond debt. He said it will also be necessary to receive legislative

approval to issue bonds in an amount greater than \$2 million. If it appears that bonding is a satisfactory approach, it will be necessary to approach the 1997 Legislative Assembly with requests for those two actions.

On May 29, 1996, the State Engineer received a letter from the Southwest Water Authority urging the State Water Commission to consider alternative sources of funding to continue construction of the Southwest Pipeline Project.

**SOUTHWEST PIPELINE PROJECT -
APPROVAL OF OPERATIONS FOR
NEW HRADEC RESERVOIR
(SWC Project No. 1736)**

Dale Frink briefed the Commission members relative to freezing and icing problems which had occurred the past winter to the New Hradec

reservoir. He explained that the reservoir structure is very tall and has a small diameter and, therefore, there is danger of freezing the entire contents which could cause extensive damage. The structural measures are costly and involve concerns with the manufacturer's warranty.

Efforts to resolve this issue to prevent freezing in this type of tank have been discussed by the State Water Commission staff, the Southwest Water Authority, and the engineer. Management of the operating levels during the winter conditions appear to be essential, and Mr. Frink said this alternative has been recommended for immediate implementation. If icing conditions continue, he said additional measures will need to be explored, which may be considered eligible for funding from the Southwest Pipeline Project's reserve fund for replacement and extraordinary maintenance.

It was the recommendation of the State Engineer that the New Hradec reservoir be operated and monitored in the future under the guidelines provided by the engineer.

It was moved by Commissioner Swenson and seconded by Commissioner Thompson that the New Hradec reservoir be operated and monitored in the future under the guidelines provided by the engineer.

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

**SOUTHWEST PIPELINE PROJECT -
APPROVAL OF FUNDS FROM
RESERVE FUND FOR REPLACEMENT
AND EXTRAORDINARY
MAINTENANCE FOR MAIN
TRANSMISSION LINE AIR
VALVES REPLACEMENT
(SWC Project No. 1736)**

Dale Frink explained that due to the extended cold weather experienced in early 1996, the main transmission lines for the Southwest Pipeline experienced considerable damage to the air valves. The Southwest Water Authority has not identified the total repair and replacement costs of the air valves, but Mr. Frink said it is

anticipated the costs will be in excess of \$10,000. The Southwest Water Authority has requested approval to use the Southwest Pipeline Project's reserve fund for replacement and extraordinary maintenance. Mr. Frink stated the engineer has developed a new airflow restricter which should prevent recurrence.

Mr. Frink explained the Southwest Pipeline Project's reserve fund for replacement and extraordinary maintenance. Mr. Frink said this fund exists because replacement maintenance requirements will occur that will exceed annually budgeted amounts and, therefore, must be pre-funded. He said the distinction between ordinary maintenance and extraordinary maintenance has not been defined, nor have the items eligible for replacement from this fund. Therefore, the State Water Commission is required to approve the expenditures from the reserve fund.

Secretary Sprynzynatyk stated that in observing the scope of the operating budgets for the Southwest Pipeline Project, it appears that a single event which has a repair or replacement cost of \$10,000 or more should be considered eligible for funding from the reserve fund.

It was the recommendation of the State Engineer that the Southwest Water Authority calculate the total cost of the repair and replacement of the air valves, contingent upon the State Engineer's review. If the eligible items exceed \$10,000, the State Water Commission should consider payment for the repair and replacement of the air valves from the Southwest Pipeline reserve fund for replacement and extraordinary maintenance.

It was moved by Commissioner Swenson and seconded by Commissioner Thompson that the total cost of repairing and replacing the air valves shall be calculated by the Southwest Water Authority. Based upon the State Engineer's review, if the eligible items exceed \$10,000, the State Water Commission shall authorize the expenditure of funds for the repair and replacement of the air valves from the Southwest Pipeline Project's reserve fund for replacement and extraordinary maintenance.

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

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

Jeff Riedesel, Administrative Officer for the Garrison Diversion Conservancy District, provided a status report on the proposed plan for the completion of the Garrison Diversion project.

Mr. Riedesel made reference to a letter from Warren Jamison, Manager of the Garrison Diversion Conservancy District, dated June 3, 1996, to the Manager of Capital Electric Cooperative. The letter made reference to the resolution passed by the Garrison Diversion Conservancy District Board of Directors supporting an inquiry into the availability of hydropower revenues for water projects in North Dakota. The letter made mention of Ottertail Power Company's proposal to take over operation of the Pick Sloan Eastern Division hydropower system for a period of five years, which was presented to the Board of Directors on October 13, 1995. No action on the proposal has been taken by the board.

Mr. Riedesel provided a summary of a meeting held on May 24, 1996 with representatives of the Western Area Power Administration, Bureau of Reclamation, Standing Rock Sioux Tribe, Three Affiliated Tribes, Devils Lake Sioux Tribe, Garrison Diversion Conservancy District, North Dakota Water Users, North Dakota Rural Water Systems, State Water Commission, North Dakota Municipal Electrics, and the North Dakota Rural Electric Cooperatives. The purpose of the meeting was to discuss the Garrison Diversion Conservancy District's proposal to complete the Garrison Diversion project using a combination of appropriated funds and power revenues from the Pick Sloan system, and how the various entities might be affected by the proposal.

The meeting included an exchange of ideas, historical perspectives and concepts. While no immediate agreement was reached, Mr. Riedesel said the parties agreed to further "digest" the information that was provided and continue the discussions.

At its meeting on May 22, 1996, the Garrison Diversion Conservancy District Board of Directors authorized the execution of a contract between the North Dakota State Water Commission, the Garrison Diversion Conservancy District, the Devils Lake Basin Joint Board, and the Lake Emergency Management Committee for funding the Lake Emergency

Management Committee. The purpose of the contract is to provide financial support to the Devils Lake Joint Board to carry-out the following objectives:

- **Contact counties, cities, townships, water resource districts, other groups and organizations, and individual property owners located downstream of Devils Lake along the Sheyenne River and Red River, including such entities or individuals located in Canada.**
- **Identify the concerns of the entities and individuals identified above with regard to an outlet from Devils Lake to the Sheyenne River.**
- **Compile response information into a data base for use by the U.S. Army Corps of Engineers, Commission, District and Board in developing flood control plans for Devils Lake.**

In discussion of the proposed plan for the completion of the Garrison Diversion project, Commissioners Ames and DeWitz expressed concerns relative to the importance of strengthening the efforts of focus on irrigation development in North Dakota.

Secretary Sprynczynatyk responded that an objective in the proposed plan for the completion of the Garrison project, would allow for a water and power fund for further MR&I development as well as economic and irrigation development.

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

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

Burleigh Water Users: Northern Improvement is working on the water pipeline contract and Advanced Tank and Construction is working on the water storage tank contract. Construction is scheduled to be completed this fall.

Dickey Rural Water Project: The water treatment plant is near the testing stage with work continuing on the 500,000 gallon water reservoir. Construction of the water pipeline distribution system and booster stations is progressing. The raw water pipeline is installed and near the testing stage.

Grand Forks Water Treatment: The project is anticipated to be completed this summer.

Missouri West Rural Water Project: The system design is complete with final water connection details being discussed with the city of Mandan.

North Valley Water/Walhalla-Neché Branch: The engineer is working on the feasibility study.

Northwest Area Water Supply Project: See Northwest Area Water Supply project section in these minutes for complete status report.

Ransom-Sargent Rural Water Project: The engineer is working on the feasibility study.

Southwest Pipeline Project: See Southwest Pipeline Project section in these minutes for complete status report.

**GARRISON DIVERSION PROJECT -
MR&I SUBCOMMITTEE REPORT
(SWC Project No. 237-3)**

The Municipal, Rural and Industrial Water Supply Program (MR&I) has been in existence since 1986, with the original funding authority of \$200 million. The MR&I subcommittee, composed of State Water Commission members and Garrison Diversion Conservancy District members, held a series of meetings in 1995 to review the amount of money that remained in the MR&I program, which was approximately \$88 million. In September of 1995, a recommendation was made by the North Dakota Water Coalition on how the remaining MR&I money should be allocated. After this was done, there were several other projects that came forward and indicated they did not have an opportunity to be involved in some of the previous meetings.

On March 28, 1996, the MR&I subcommittee held a meeting where representatives from the Williams Rural Water Association, Stutsman Rural Water Users, Benson Rural Water Users, and other project sponsors were provided an opportunity to present their projects.

Jeffrey Mattern stated that the 1986 authorization of \$200 million for the MR&I program is not adequate to meet North Dakota's water supply needs across the state. He said there are efforts underway, through the State Water Commission and the Garrison Diversion Conservancy District, to increase the authorization and it is important that the Congressional Delegation be made aware of the needs as well, since Congress is where the final action will be taken.

The MR&I subcommittee passed a motion at its March 28, 1996 meeting that Secretary Sprynczynatyk and Warren Jamison review the material that was presented at the subcommittee meeting and present a recommendation for the subcommittee's consideration at a future meeting.

Mr. Mattern stated the anticipated funding for the Garrison MR&I program is \$16 million for Fiscal Year 1997 and it appears that reductions from that level are possible. Due to the uncertainty of the 1997 funding, three funding level tables were created to reflect the possible outcomes. On May 30, 1996, the MR&I subcommittees held a telephone conference call with project sponsors to discuss the impacts of potential reductions. Discussion involved funding levels of \$16 million, \$12 million, and \$9 million. The subcommittee took no action.

**GARRISON DIVERSION PROJECT -
APPROVAL OF EXPENDITURE OF
MR&I INTEREST FUNDS FOR VALUE
ENGINEERING STUDY
(SWC Project No. 237-3)**

At its June 11, 1996 meeting, the Garrison Diversion Conservancy District Executive Board passed a motion to proceed with an independent value engineering study for MR&I projects and approved the expenditure of up to \$30,000 from the MR&I program interest account.

It was the recommendation of the State Engineer that the State Water Commission approve the expenditure of \$30,000 from the MR&I program interest account for the value engineering study. He said the study would be conducted by an independent engineering firm for the purpose of reviewing MR&I projects.

It was moved by Commissioner Olin and seconded by Commissioner Swenson that the State Water Commission approve the expenditure of up to \$30,000 from the MR&I Water Supply program interest funds to conduct a value engineering study for MR&I projects.

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

**GARRISON DIVERSION PROJECT -
APPROVAL OF CITY OF GACKLE
TO DICKEY RURAL WATER PROJECT
(SWC Project No. 237-3)**

Jeffrey Mattern presented a request for the Commission's consideration from the Dickey Rural Water system for the city of Gackle and 14 households to be added to the rural

water system. The estimated cost is \$700,000, with a 65 percent MR&I grant being \$455,000. Rural Development would provide the non-federal share of \$245,000 as a loan.

The current project is able to include the city of Gackle by the up-sizing of a planned water transmission pipeline and extending a pipeline to the city. The contractor has not started construction in the service area of the Dickey project. Mr. Mattern said the contractor can order the larger pipe size at a good unit price. Once the contractor orders the planned pipe or does the construction in the Gackle service area, the cost will be greater to add the city of Gackle. Adding Gackle at this time appears to be the most cost effective way to bring the residents an affordable quantity and quality water supply.

The project had low construction bids and the addition of the city of Gackle would not require an increase in the MR&I grant allocation. The city had an election on June 11, 1996 where the residents approved the contract for bulk water service from the Dickey Rural Water system.

It was the recommendation of the State Engineer that the State Water Commission approve the addition of the city of Gackle to the Dickey Rural Water project. This approval is contingent upon the availability of funds.

It was moved by Commissioner Olin and seconded by Commissioner Ames that the State Water Commission approve the addition of the city of Gackle to the Dickey Rural Water project. This motion is contingent upon the availability of funding.

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

**DEVILS LAKE -
HYDROLOGIC UPDATE
(SWC Project No. 1712)**

Secretary Sprynczynatyk reported the level of Devils Lake is 1437.75 and rising slowly. The National Weather Service forecasts the lake to reach 1438 with below normal precipitation, and 1438.5 with normal precipitation by early July.

On May 16, 1996, the basin received between two and five inches of rain, which resulted in the National Weather Service increasing the below normal forecast from 1437.5 to 1438. At this time, Secretary Sprynczynatyk stated the inflows to the lake are steadily declining, but future lake levels are highly dependent on precipitation and temperatures. The staffs of the State Water Commission, U.S. Geological Survey, National Weather Service, and the Corps of Engineers discuss the Devils Lake forecast every two weeks via telephone conference call.

**DEVILS LAKE EMERGENCY
RESPONSE PLAN -
UPPER BASIN STORAGE
COMPONENT
(SWC Project No. 1882)**

Secretary Sprynczynatyk stated that a very critical part of the Devils Lake Emergency Response Plan includes the upper basin water storage component. Upper basin storage will be obtained from landowners willing to participate in a voluntary program.

The Available Storage Acreage Program (ASAP), which was designed in the Devils Lake Water Management Plan to control floodwaters in areas upstream from Devils Lake, was discussed. The 1996 goal for the program was 75,000 acre-feet of storage, with about half of that to be obtained by holding the water levels a foot or two higher in the basin's larger upstream lakes. The balance would be gained on smaller tracts of the basin that contribute runoff to Devils Lake. Secretary Sprynczynatyk said it appears the ASAP will only meet a small percentage of its goal in 1996, however, storage sites that are implemented this year may become a catalyst to encourage others to participate next year, since it is expected that Devils Lake will continue to rise.

The response to upper basin storage increased significantly during March and April, and currently, over 107 applications have been received. Secretary Sprynczynatyk said presently 7,750 acre-feet of storage have been put into place in the basin, with the possibility of developing another 800 acre-feet this year. The State Water Commission staff is processing the applications and offering contracts to those with sites that meet the program criteria, are within the approved compensation range, and can hold water in early 1996.

The program guidelines remain the same since the program was developed. The water storage sites must hold water beyond normal or previous levels (i.e. drained wetland would have no previous level, therefore, any water could count) and drain into Devils Lake. Not pumping from permitted pumping sites also qualifies for the program if it will keep water out of Devils Lake.

The compensation paid to landowners for water storage has ranged from \$25 per acre for a site also enrolled in CRP to \$125 per acre for a high-water capacity site with low construction costs. Secretary Sprynczynatyk stated that presently a justifiable payment threshold for storage sites is approximately \$60 per acre-foot, although exceptions may be made. This price includes the cost to lease the land and the cost of building any water retention structures. A threshold price based on acre-feet (volume) allows the sites with the ability to hold more water to receive a higher per-acre payment.

At the April 18, 1996 Commission meeting, a motion was passed approving the obligation of an additional \$175,000 from the Contract Fund for the ASAP to complete water storage sites on applications that can be in place to catch and hold water in the spring of 1996. The Commission also passed a motion approving the re-allocation of \$50,000 from the Contract Fund to the ASAP, which was previously approved to the Devils Lake Joint Water Resource Board for the storage of water on CRP land in the Devils Lake basin.

On May 24, 1996, the Commission passed a motion approving an additional allocation of \$200,000 for the ASAP program, of which \$150,000 was to be allocated from the funds earmarked for the Sheyenne and Maple River Flood Control project, and \$50,000 was to be re-allocated from the Stump Lake component of the State's Emergency Response Plan.

**DEVILS LAKE UPPER BASIN
WATER RETENTION PROGRAM
IN UPPER CHAIN OF LAKES
(SWC Project No. 1882)**

Secretary Sprynczynatyk explained that as the peak elevation of Devils Lake for 1996 approaches, efforts are continually being explored to minimize the potential damages by

holding more water in the upper basin. Although 8,500 acre-feet of storage in small holding areas throughout the basin will be developed for 1996 with the funds allocated thus far, there is still the potential for holding an additional 15,000 acre-feet of water in the upper chain of lakes. He said the proposal for holding water in the upper chain of lakes is possible by operating the existing structures at higher elevations than in the past. Landowners would be compensated a price equivalent to cash rent for the land if they are willing to hold the water at the higher elevation until October 15, 1996. He said it is estimated that approximately \$100,000 would be required for compensation to the landowners.

Secretary Sprynczynatyk said it is the responsibility of the Devils Lake Joint Water Resource Board to take the lead in this effort. In a letter to the chairman of the Joint Board, dated May 17, 1996, Secretary Sprynczynatyk informed the board that a successful effort will help prevent damages to homes, roads, public utilities and private land. In order for this to occur, it is imperative for the Joint Board, which represents all of the basin, to become more involved in working with landowners around the chain of lakes, in order to help landowners around Devils Lake. Such an effort and the resulting storage clearly will show that people throughout the basin are ready and willing to be a part of the solution to address the Devils Lake flood problems. The effort is necessary for downstream communities, conservationists, the state and federal government, and other interested parties to support an outlet as part of the overall solution in the basin. He said the State Water Commission staff will continue to work with the Joint Board by providing technical assistance and financial assistance.

Secretary Sprynczynatyk reported that staff recently met with the Ramsey County Water Resource Board and, as a result of the discussion, a letter was sent to each landowner around the chain of lakes in Ramsey County. A decision is expected soon on additional storage, which could mean 5,000 acre-feet at Dry Lake and 10,000 acre-feet among Lake Irvine, Lake Alice, Chain Lake, Mike's Lake, Sweetwater Lake, and Morrison Lake. He said he is optimistic that additional storage will be obtained, and that if the water can be held in the chain of lakes, the peak lake level could be lowered by six inches. Landowners around these lakes are still very concerned about flooding of their cropland if a large rainstorm should occur this summer.

Secretary Sprynczynatyk provided background information relative to Channel A. He made reference to a letter dated June 13, 1996, from Michael N. Steffan, Attorney at Law, representing clients who are concerned with raising Dry Lake and the operation of Channel A.

**DEVILS LAKE -
FEDERAL EMERGENCY
MANAGEMENT ASSOCIATION
INTERAGENCY TASK FORCE UPDATE
(SWC Project No. 1712)**

Secretary Sprynczynatyk briefed the Commission members on an Inter-agency Task Force effort underway through the Federal Emergency Management Association (FEMA). The effort involves identification of

the Devils Lake problems and to propose solutions to the various flooding impacts in the basin which could be implemented within five years.

The final report of the FEMA Devils Lake Interagency Task Force has been completed, and copies provided to the Commission members. The report includes six tasks that should be done in order to lay the ground work for 18 action items to help alleviate flooding.

The task force has scheduled a telephone conference call meeting on June 28, 1996. Secretary Sprynczynatyk said monthly meetings are held to ensure there is adequate coordination and communication at the federal, state, and local levels on the efforts to provide flood control at Devils Lake.

**DEVILS LAKE -
UNITED STATES-CANADA
JOINT TECHNICAL COMMITTEE
(SWC Project No. 416-1)**

Secretary Sprynczynatyk provided historical background on the Devils Lake basin, which has been considered a closed sub-basin of the Hudson Bay drainage for many

centuries. In the past, the Devils Lake chain of lakes overflowed through Stump Lake and Tolna Coulee to the Sheyenne River. A transfer of water from Devils

Lake, via a constructed outlet to the Sheyenne River (Hudson Bay drainage) is one of the proposals being considered to relieve serious flooding concerns. Complicating the situation is a concern that hydrologic, water quality, and biological effects of a transfer could extend down the Sheyenne River into the Red River of the North and ultimately into Lake Winnipeg, potentially affecting Canadian interests throughout the Nelson River system.

A United States-Canadian Joint Technical Committee (JTC), composed of federal, state, and provincial officials, has been investigating the technical aspects of potential impacts to Canada relative to the Boundary Waters Treaty of 1909.

In January, 1996, the JTC convened a 12-member United States-Canada working group to evaluate the hydrologic, water quality, and biological effects of a proposed outlet from Devils Lake, and the potential for various violations of Article IV of the United States-Canada Boundary Waters Treaty of 1909, which states "that water flowing across the boundary will not be polluted to the injury of health or property of the other country."

Secretary Sprynczynatyk reported the Devils Lake working group completed its efforts, and a report has been provided to the JTC.

The Canada and United States governments are continuing negotiations for the terms of reference to further guide the work of the JTC.

**CORPS OF ENGINEERS
EMERGENCY OUTLET
PLAN FOR DEVILS LAKE
(SWC Project No. 416-1)**

The Corps of Engineers has been directed to develop an emergency outlet study for Devils Lake. The plan, requested by the North Dakota Congressional Delegation, will describe major features and costs of an outlet and will demonstrate the degree to which an outlet would help moderate the rising lake levels. Reaching consensus of an emergency outlet plan could also expedite authorization for final design and construction of a permanent outlet as part of a comprehensive stabilization for Devils Lake.

The Corps of Engineers is currently analyzing an outlet route that originates in the west bay of Devils Lake. The proposed route continues through Twin Lakes, crosses the Devils Lake Sioux Indian reservation, and eventually empties into the Sheyenne River about five miles northeast of the city of Sheyenne, North Dakota. He said this route was selected based on the information gathered from the

ongoing feasibility study and the February, 1996, Contingency Plan. He said it represents the best balance of key issues including cost, water quality, tribal coordination, design and construction considerations, and environmental impacts.

The estimated cost of the study is \$75,000, which will come from the feasibility study allocations. One-half of the cost is required from the State Water Commission and will be a part of the Devils Lake Long-Term Feasibility Study allocation previously approved by the Commission.

The plan is expected to be presented to the people of the Devils Lake basin and to the downstream communities along the Sheyenne River in August, 1996. The outlet report will also be used in consultations on Devils Lake with affected local communities, the states of North Dakota and Minnesota, the Devils Lake Sioux Indian community, and the governments of the United States and Canada.

**DEVILS LAKE CITY
LEVEE RAISE
(SWC Project No. 416)**

Secretary Sprynczynatyk reported the Corps of Engineers has completed the flood design for the five-foot levee raise for the city of Devils Lake,

increasing protection to elevation 1445.0. The cost is estimated to be approximately \$7.5 million, with a \$1.88 million non-federal cost share. The decision to proceed at this point lies with the city of Devils Lake.

Secretary Sprynczynatyk addressed the concerns the city has with the cost and limited available local funds, the fact the levee raise is not a permanent solution and would protect a small part of the entire Devils Lake community, the fact that depending on when the project work has to be done, it may be more difficult to assure "certifiable" protection for flood insurance purposes, and a raised city levee reduces the benefit cost ratio of the permanent solution including watershed management and an outlet.

Secretary Sprynczynatyk informed the Commission members he has recommended the Corps phase in the project beginning this fall. He said initial construction would only be in those areas that must be done now to stay ahead of any potential rise in the lake level next year. The Corps is developing the plan at an estimated first phase cost of \$2 million.

**DEVILS LAKE HAZARD
IDENTIFICATION MAP
(SWC Project No. 416)**

Secretary Sprynczynatyk informed the Commission members that a hazard identification map for Devils Lake has been developed. The map

identifies areas where there are hazards, which could pose risks to people accessing the lake.

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

James Lennington, Project Coordinator for the Northwest Area Water Supply project, reported on the testing of the effectiveness of the

chloramination of raw water from Lake Audubon and Lake Sakakawea. Canadian representatives to the Garrison Joint Technical Committee (GJTC) have agreed that if chloramination can satisfy the disinfection requirements of the Environmental Protection Agency, then the project is potentially acceptable to Canada from the technical standpoint of biota transfer, but will still have to be reviewed for final consideration. Samples of Lake Audubon and Lake Sakakawea water were collected on November 7, 1994, January 9, 1995, March 12, 1995, May 16, 1995, and August 11, 1995.

The draft report of the test results was received on December 18, 1995. The report was presented to the GJTC at its January 19, 1996, meeting in Minneapolis. The test results show that both chloramination and ozonation can inactivate 99.9 percent of Giardia cysts and 99.99 percent of the virus present in the water by the time the water reaches the Continental Divide. This was the technical criteria established by the United States-Canadian Consultative Group for the project's acceptance by Canada.

Mr. Lennington reported that the comments on the Chloramination/Ozonation Report were received from the Canadian representatives to the Garrison Joint Technical Committee on May 2, 1996. He said the most serious comment questions whether the standards of the Environmental Protection Agency's Surface Water Treatment Rule were met during testing since turbidity limits in the rule were exceeded by the raw water samples. Mr. Lennington reported the State Water Commission staff is currently preparing a response to the Canadian comments, and it is expected a meeting will be scheduled later this summer with the Garrison Joint Technical Committee.

**NORTHWEST AREA WATER
SUPPLY PROJECT -
EXECUTION OF CONTRACT
WITH HOUSTON ENGINEERING
FOR FINAL DESIGN ENGINEERING
AND CONSTRUCTION SERVICES
(SWC Project No. 237-4)**

At the January 12, 1996 meeting, the Commission passed a motion accepting the recommendation of the selection committee that Houston Engineering was the most qualified firm to do the final design engineering and construction services for the Northwest Area Water Supply

project, and directed the State Engineer to initiate negotiations with Houston Engineering for a contract for the proposed engineering work. In the event a contract cannot be negotiated with Houston Engineering, the negotiations would then be initiated with the second most qualified firm, John Corollo Engineers.

The Commission passed a motion on April 29, 1996, authorizing the State Engineer to execute the contract with Houston Engineering for the final design engineering and construction services for the Northwest Area Water Supply project, contingent upon the successful negotiations between the state and the engineer on the issues of indemnification and insurance.

James Lennington reported an agreement was reached on the issues of indemnification and insurance, and the contract was executed by Houston Engineering and the State Engineer for the final design engineering and construction services for the Northwest Area Water Supply project.

**NORTHWEST AREA WATER
SUPPLY PROJECT -
FINANCIAL ADVISOR
(SWC Project No. 237-4)**

services of the Industrial Commission's financial advisor on the Northwest Area Water Supply project.

At its October 16, 1995 meeting, the State Water Commission passed a motion to enter into an arrangement with the North Dakota State Industrial Commission to utilize the

James Lennington made reference to a letter dated May 28, 1996 from the Industrial Commission addressing this use of its financial advisor. The Financial Advisor Services Agreement between the Industrial Commission and Evensen Dodge, the financial consultant, was provided to the State Water Commission, as well as a draft amendment to the agreement allowing the State Water Commission to use the services of Evensen Dodge at the same hourly rates as charged to the Industrial Commission. Mr. Lennington indicated that the services of Evensen Dodge will be used to explore options for financing the local share of construction costs including bonding.

**NORTHWEST AREA WATER
SUPPLY PROJECT -
APPROVAL OF NAWS PROJECT
MANAGER POSITION
(SWC Project No. 237-4)**

administer design and construction of the project, Mr. Lennington said the creation of a project manager position is essential. A realty officer and construction inspector will be needed in the next biennium and would only be filled as required. He said this is the same process followed on the Southwest Pipeline Project in the early 1980s, and the project manager position would be similar in function to the Southwest Pipeline project manager position.

James Lennington stated execution of the final design engineering and construction services contract moves the Northwest Area Water Supply project into the final design and construction phase. To effectively

When the operations and maintenance responsibilities of the Southwest Pipeline Project were transferred to the Southwest Water Authority in January, 1996, seven full-time equivalent (FTE) positions were vacated. Mr. Lennington said three of the seven vacated positions could be transferred to the Northwest Area Water Supply project without creating new FTEs.

It was the recommendation of the State Engineer that the State Water Commission approve the creation of the Northwest Area Water Supply project manager position, and that \$50,000 allocated from the Contract Fund to the Northwest Area Water Supply project be obligated for the project manager's salary.

It was moved by Commissioner Ames and seconded by Commissioner Hillesland that the State Water Commission authorize the creation of the Northwest Area Water Supply project manager position, and that \$50,000 allocated from the Contract Fund to the Northwest Area Water Supply project be obligated for the project manager's salary.

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

**NORTHWEST AREA WATER
SUPPLY PROJECT -
APPROVAL OF BUDGET FOR
FINAL DESIGN AND
CONSTRUCTION OF PROJECT
(SWC Project No. 237-4)**

Secretary Sprynczynatyk presented the following proposed budget for the Commission's consideration for the final design and construction of the Northwest Area Water Supply project:

| | <u>July, 1996 - June, 1997</u> | <u>July, 1997 - June, 1999</u> |
|------------------------|--------------------------------|--------------------------------|
| Salaries | \$ 55,000 | \$ 300,000 |
| Operating Expenses * | 1,540,000 | 3,290,000 |
| Equipment | 5,000 | 10,000 |
| Capital Improvements * | <u>700,000</u> | <u>19,900,000</u> |
| Total | \$2,300,000 | \$23,500,000 |

* Includes \$1.2 million in 1996 and 1997, and \$2.5 million in 1997-1999 biennium for engineering services.

Secretary Sprynczynatyk explained that long-term funding for the Northwest Area Water Supply project will be sixty-five (65) percent federal Garrison MR&I funds and thirty-five (35) percent special funds. Short-term funding will be primarily from federal funds, as the pre-final design cost, which will be paid by the Garrison Diversion Conservancy District, will count as a non-federal cost share.

It was moved by Commissioner Ames and seconded by Commissioner Hillesland that the State Water Commission approve the Northwest Area Water Supply project budget as recommended by the State Engineer.

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

**DEFERRAL OF REQUEST FROM
DICKEY COUNTY WATER
RESOURCE DISTRICT FOR COST
SHARING FOR ELLIOTT DRAIN
(DICKEY COUNTY DRAIN NO. 1)
(SWC Project No. 1102)**

A request from the Dickey County Water Resource District was presented for the Commission's consideration for cost sharing for the rehabilitation, enhancement and extension of the Elliott Drain project, also referred to as the Dickey County

Drain No. 1, and the installation of a control structure in the Gemar Dam.

Dale Frink presented the request.

The project begins at the confluence of the existing drain with the Maple River in the NW1/4 of Section 24, Township 131 North, Range 62 West, and extends upstream approximately three miles, terminating at the Gemar Dam in the NW1/4 of Section 1, Township 131 North, Range 62 West. The Dickey County Water Resource District has retained Interstate Engineering to design the project. The purpose of the project is to rehabilitate and enhance the existing drainage ditch to handle additional water precipitated by the lengthening of the drain, which will be extended up to the Gemar Dam. The district is installing a control structure in the dam enabling the water to be temporarily held while allowing the Maple River to drop before adding additional water and flooding downstream occurs.

The estimated cost of the project is \$81,800, with eligible costs of \$81,800. Under the State Water Commission's policy and guidelines for cost sharing, 40 percent of the eligible project costs qualify for cost sharing. The request before the State Water Commission is to cost share in the amount of \$32,720.

It was the recommendation of the State Engineer that due to the revenue situation in the Resources Trust Fund, the State Water Commission defer action on the request for cost sharing for the Elliott Drain project (Dickey County Drain No. 1).

**DEFERRAL OF REQUEST FROM
NORTH CASS WATER RESOURCE
DISTRICT FOR COST SHARING
FOR CASS COUNTY DRAIN NO. 13
OUTLET IMPROVEMENTS
(SWC Project No. 1063)**

A request from the North Cass Water Resource District was presented for the Commission's consideration for cost sharing for outlet improvements to Cass County Drain No. 13.

Dale Frink presented the request. The project is located along a transect that is adjacent to the SW1/4 of Section 1, Township 142 North, Range 49 West. The proposed work consists of cleaning and reshaping the outlet of Cass County Drain No. 13 at the Red River. The District will approve the drain permit at its June 10, 1996 meeting. A sovereign lands permit has been applied for and is in the process of review. Because the state determined the drain was not of interdistrict nor statewide significance and that no wetlands will be drained, the board approval constitutes a permit to construct the project.

The estimated cost of the project is \$395,000, with eligible costs of \$377,500. Under the State Water Commission's policy and guidelines for cost sharing, 40 percent of the eligible project costs qualify for cost sharing. The request before the State Water Commission is to cost share in the amount of \$151,000.

Morris Melander, Chairman of the North Cass Water Resource District, provided additional information relative to the project, which is anticipated to be completed this summer. On behalf of the Board, Mr. Melander expressed appreciation to the State Water Commission for its support.

It was the recommendation of the State Engineer that due to the revenue situation in the Resources Trust Fund, the State Water Commission defer action on the request for cost sharing for the Cass County Drain No. 13 outlet improvements.

**STATE WETLANDS CONSERVATION
PLAN, FY 1996 EPA GRANT -
APPROVAL FOR STATE ENGINEER
TO ENTER INTO AGREEMENTS TO
IMPLEMENT FY 1996 PROPOSAL**

LeRoy Klapprodt, Director of the State Water Commission's Planning and Education Division, provided a status report on the State Wetlands Conservation Plan. The Fiscal Year 1996

(SWC Project No. 1500-1)

**grant agreement has been finalized
by the Environmental Protection**

- 22 -

June 19, 1996

Agency. The grant budget totals \$410,365, of which \$307,772 are federal funds matched by \$102,593 non-federal cash or in-kind services. The tasks funded by the Fiscal Year 1996 grant, and the responsible agency, include:

- **North Dakota State Water Commission's GIS program and GPS survey demonstration in the Devils Lake basin - State Water Commission**
- **Wetlands grant administration - State Water Commission**
- **North Dakota Wetlands Institute's State Wetlands Regulatory program - North Dakota Water Education Foundation**
- **North Dakota Game and Fish Department's Private Lands Initiative program - North Dakota Game and Fish Department**
- **Wetlands Water Quality Standards Development Project/Ecoregion Integration - North Dakota Health Department**
- **Devils Lake Basin Coordinator - the State Water Commission contracts for services with the required match split between the State Water Commission, State Health Department, Garrison Diversion Conservancy District, State Game and Fish Department, and the Devils Lake Joint Board**
- **Grand Harbor Watershed Demonstration project - Ramsey County Water Resource District**
- **North Dakota Department of Agriculture's Project Safe Send - Agriculture Department**
- **North Dakota Game and Fish Department's CRP Prioritization - State Game and Fish Department**

It was recommended that the State Water Commission authorize the State Engineer to execute the agreements with the U.S. Environmental Protection Agency and the appropriate agencies to implement the Fiscal Year 1996 Wetlands Conservation proposal.

Commissioners Hillesland and Thompson provided comments relative to the tasks identified under the North Dakota Wetlands Institute's State Wetlands Regulatory program. Interest was expressed in the establishment of the Governor's Wetlands Coordinating Committee, and the importance of developing consensus among the agriculture, water, and conservation interests.

It was moved by Commissioner Olin and seconded by Commissioner Ames that the State Water Commission authorize the State Engineer to execute the agreements with the U.S. Environmental Protection Agency and the appropriate agencies to implement the Fiscal Year 1996 Wetlands Conservation proposal.

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

**DICKINSON DAM/
PATTERSON LAKE TITLE
TRANSFER UPDATE
(SWC Project No. 263)**

At the October 14, 1994 meeting, the Commission members were advised the city of Dickinson was interested in assuming ownership and responsibility of the Dickinson Dam and Patterson Lake from the U.S. Bureau of Reclamation.

The State Water Commission staff and representatives of the city of Dickinson completed a plan titled "Patterson Lake Area Recreation and Environment Enhancement Project," which addressed the issues associated with the transfer of Dickinson Dam and Patterson Lake from the Bureau to the city. The plan was provided to the Congressional Delegation for their information in preparing federal legislation that would transfer the dam and the lake to the city. The city was hoping last spring that legislation for transferring the title would be introduced in November of 1995. That legislation was not written, primarily because the Bureau of Reclamation published guidelines in August, 1995 regarding the transfer process. The transfer process is now proceeding following the Bureau's transfer guidelines.

Eleven steps are outlined in the Bureau's transfer guidelines. These steps include conducting public forums, defining transaction costs involved with the transfer, negotiating the price of the dam/lake for transfer, and ensuring compliance with federal laws.

On April 8, 1996, the first public forum was held in Dickinson to solicit stakeholders' views and to explain the transfer process and status of discussions to the public.

The city of Dickinson and the Bureau of Reclamation must agree on a Memorandum of Understanding to specify who pays for the transaction costs of the transfer before the process can proceed. After the Memorandum of Understanding has been executed, a cultural resource

evaluation will begin. An open house is planned to show the public some cultural resource site digs. Preliminary information generated from that evaluation, along with information from a scoping process, will be used to complete environmental compliance requirements. The estimated cost to conduct the cultural resource evaluation and the environmental compliance review is \$150,000. The city has been informed by the Bureau of Reclamation that the Bureau does not have funds for these evaluations, thus, the city or other entities will be responsible for the cost.

One of the last major steps is to negotiate the price for the transfer. The negotiation sessions will be between the city and the Bureau of Reclamation, but will be open to public observation and comments.

The State Water Commission staff continues to aid Dickinson officials through the transfer process. The city is now hoping that legislation for transferring the title can be introduced in August or September of this year.

**DICKINSON DAM/
PATTERSON LAKE
TITLE TRANSFER
PRESENTATION BY
CITY OF DICKINSON
REPRESENTATIVES
(SWC Project No. 263)**

Henry Schank, Mayor, City of Dickinson; William Foster, Dickinson City Commission; and Greg Sund, Dickinson City Administrator, requested an audience before the State Water Commission to discuss transferring the title of Dickinson Dam and Patterson Lake.

Mayor Schank stated that the city is anticipating approximately \$566,000 in costs to accomplish the land transfer from the Bureau of Reclamation, which include the following:

| | |
|--------------------------------------|-------------------|
| Transfer Costs | \$ 241,000 |
| Study Costs | 200,000 |
| December, 1996 Bascule Gates Payment | <u>125,000</u> |
| Total | \$ 566,000 |

The transfer cost of \$241,000 is a number estimated by the Bureau of Reclamation based on the present asset value of the bascule gates, less the estimated costs of operation and maintenance of the lake in the future and other costs. The study costs, \$200,000, include a cultural/archeological study by the North Dakota State Historic Preservation office, an environmental impact study conducted by the Bureau of Reclamation, title searches, and transfer documents. Mayor Schank explained that the Bureau

of Reclamation is requiring that the city advance the money for the study costs prior to authorizing the work. The Bureau of Reclamation will require the city to pay the current bascule gates contract payment due in December, 1996, of \$125,000.

Mayor Schank explained it is the city's understanding that, upon approval of the title transfer, the State of North Dakota will no longer supplement the city's water bond indebtedness costs of \$93,654 per year beginning in 1997 and continuing through 2001. With the elimination of the bascule gates obligation, the state will save approximately \$468,270. Mayor Schank requested that the State Water Commission consider assisting the city with a portion of the transfer costs.

Mayor Schank discussed options that are being considered for use of the dam in the future. He said even though the water quality is poor, there is the potential for recreational aspects.

Comments of appreciation were expressed to the State Water Commission staff for its efforts in the process of transferring the title of Dickinson Dam and Patterson Lake from the Bureau of Reclamation to the city of Dickinson.

1996 FLOOD UPDATE

Secretary Sprynczynatyk reported flooding continues in the Devils Lake basin and the confluence of the Missouri and Yellowstone Rivers. The State Water Commission staff is working with the local people and other agencies to provide assistance in alleviating damages in the flooded areas.

MISSOURI RIVER UPDATE (SWC Project No. 1392)

Secretary Sprynczynatyk reported that since May, 1995, the Missouri River Basin Association has been working with a team of consensus-building experts to reach agreement on issues that have divided the basin's states and tribes in the past. Over the past winter, various issues have been discussed in depth, papers have been presented which outlined the problems and possible solutions, and the aid of several agencies and committees have been enlisted.

In February, 1996, the Missouri River Basin Association directors decided to initiate a basin-wide monitoring program, which would document the current hydrological and biological conditions of the river system and would track the effectiveness of programs designed to improve the basin's fish and wildlife resources. The directors also decided to recommend that the Corps of Engineers drop the idea of a spring rise and acknowledge in the Master Manual that tribal water rights exist. The Association directors reached agreement on these issues and discussed various other issues as part of their

continuing efforts to exert a stronger influence over water policy decisions by presenting a united front to the federal government. The Association directors plan to deliver a list of recommendations to the Corps and other federal agencies later this summer.

During the past several months, the Missouri River Basin Association has developed a planning process to recommend the best methods for maximizing basin water uses and interests. The planning effort will involve representation of the basin's primary water interests with state and tribal representatives in a search for ways to obtain maximum benefits for all water uses. The following goals have been identified to meet the needs of the water users and guide the management and operation of the Missouri River:

- **Recreation Goal.** Promote the stability and growth of recreational use of the river through water management, economic assistance, and recreational planning.
- **Navigation Goal.** Promote the stability and growth of navigation on the Missouri River system through water management, economic assistance, and transportation planning.
- **Water Supply Goal.** Enhance water supply in the basin for municipal, rural, industrial, irrigation, and agricultural use.
- **Habitat Goal.** Identify a comprehensive set of programs, both new and existing, that can enhance habitat within the basin.
- **Bank and Shoreline Integrity Goal.** Maintain the integrity of river banks and lake shoreline where appropriate throughout the system to protect present and future water uses.
- **Flood Control Goal.** Operate the Missouri River system to maintain or enhance flood control benefits.
- **Hydropower Goal.** Maintain or enhance hydropower production with consideration for equitable distribution of the benefits among the tribes and states.
- **Future Depletion Goal.** Develop a mechanism for equitable allocation among the basin states and tribes of the risks of future depletions.
- **Monitoring Goal.** Develop a monitoring system that provides adequate information to characterize and understand the existing system and evaluate the impacts of changes.

As part of the Association's planning process, representatives of the basin's water interests were invited to join task force discussions on recreation, navigation, water supply, habitat, bank/shoreline/flood control, and hydropower on June 13-14, 1996 in Bismarck. The charge to the task forces were to identify ways to reach the stated goals of obtaining maximum benefits for all water users in each of the six interest areas in a manner that reflects a basin-wide perspective. The discussions on the first day of the conference were focused within each of the six interest areas. On the second day of the conference, discussion groups were reorganized to reflect a cross-section of interests and emphasized actions that will integrate all basin interests.

Secretary Sprynczynatyk provided a briefing of the meeting discussions, noting that he felt the meeting was successful. He said there was general consensus among the conference participants of the need for a Missouri River Basin authority to manage the Missouri River rather than the federal government.

The results of the task force discussions will be provided to the Missouri River Basin Association directors for consideration and further study, with eventual presentation of the Association's recommendations to the Corps of Engineers and other federal agencies.

The next meeting of the Missouri River Basin Association is scheduled for July 29, 1996 in St. Louis, Missouri.

NORTH DAKOTA WATER COALITION

The North Dakota Water Coalition was established in July, 1994 as an initiative of the Flagship Initiative #6 of the North Dakota Vision 2000 Report, which states, in part: "The North Dakota 2000 Committee recommends that North Dakota establish a "Coalition for Infrastructure Projects" to further develop three key elements of our state's infrastructure: water resources, telecommunications, and advanced air transportation." The Coalition is made up of approximately 30 entities, municipalities, and other groups from across North Dakota.

The mission of the North Dakota Water Coalition is to complete North Dakota's infrastructure for economic stability and growth, and quality of life.

The North Dakota Water Coalition goals are:

- 1) **To provide an adequate water supply across North Dakota for manufacturing, industrial, energy bi-product utilization, agriculture, agricultural processing, recreation, wildlife, municipalities, and rural water systems which have an inadequate supply or quality of water:**
 - **Complete a workable and achievable Garrison Diversion Project to provide a multiple-use water supply to central and eastern North Dakota, including the James, Sheyenne, and Red Rivers**
 - **Complete the Southwest Pipeline Project**
 - **Stabilize Devils Lake**
 - **Undertake and complete the Northwest Area Water Supply project**
 - **Secure adequate funding for the MR&I program**
 - **Develop multi-use statewide water impoundments for recreation, wildlife, and fishing**
- 2) **To complete projects to control and alleviate floodwaters and damages, including such projects as increasing the flood control capacities of the Baldhill Dam and Reservoir, the Maple River Dam, and others.**

In conjunction with the legislative water resources interim study, the Coalition has undertaken the task of establishing water priorities for the numerous water needs of North Dakota. On April 29, 1996, the Commission members were advised of the process of establishing the water priorities, and under the following outline of steps, funding of the state component of North Dakota's major water infrastructure can be considered by the Governor and the 1997 Legislature, with the support of many statewide and regional groups:

- 1) **Identify statewide water needs and solutions**
- 2) **Establish consensus of statewide groups on inventory and priorities of statewide water needs and solutions**
- 3) **Establish consensus of statewide groups (through North Dakota Water Coalition) on funding options - 1996**

- 4) Present consensus of water priorities and funding options to the Interim Legislative Water Resources Committee - 1996
- 5) Meet with Governor and legislative leaders regarding consensus - 1996
- 6) Present consensus to the 1997 Legislative Assembly

Secretary Sprynczynatyk reported that the draft North Dakota Water Priorities was presented to Governor Schafer on June 7, 1996.

INTERIM LEGISLATIVE WATER RESOURCES COMMITTEE STATUS REPORT

The 1995 Legislature passed Senate Concurrent Resolution No. 4033 directing the Legislative Council to study the financing and funding needs for development and completion of the state's water resources infrastructure and methods for development of a program to provide financing and funding of water supply facilities in the state. As a result of SCR 4033, the Legislative Council established a Water Resources Committee to study the state's water needs and possible funding. The interim study began on June 23, 1995.

The Legislature also passed Senate Concurrent Resolution No. 4053 directing the Legislative Council to study the state's water laws concerning their effect on the efficient use of water and their effect on the holders of senior water rights.

Secretary Sprynczynatyk indicated the next meeting of the Interim Legislative Water Resources Committee is scheduled for July 22 and 23, 1996 in Bismarck. The agenda includes a tour of the Garrison Diversion water supply facilities.

PRESENTATION BY UPPER MISSOURI LAKE SAKAKAWEA PLANNING COMMITTEE - PROPOSED NESSON VALLEY IRRIGATION PILOT PROJECT (SWC Project No. 1858)

In August, 1991, the Williams County Water Resource District requested that the State Water Commission conduct a study to determine the feasibility of creating new irrigation districts in Williams County. In December, 1991, the Commission entered into an agreement with the District to conduct a reconnaissance investigation of irrigation in Williams County. At the March 9, 1994 meeting, the Commission members were provided with copies of the Williams County Irrigation Reconnaissance Report, dated March, 1994.

The possibility of developing irrigation in four areas in Williams County was investigated, including the Lower Little Muddy, the Nesson Valley, the Buford-Trenton, and the North Little Muddy. The investigation concluded it may be feasible to develop irrigation in the Nesson Valley and Buford-Trenton areas, and recommended conducting a feasibility study.

On July 19, 1995, the State Water Commission approved cost sharing for a feasibility study of irrigation development in the Nesson Valley area.

Willard Burk, Upper Missouri Lake Sakakawea Planning Committee, and Chairman of the Tri-County Water Coalition; Wayne Vance, Chairman of the Nesson Valley Steering Committee; and Brian Beggs, Kadrmas, Lee and Jackson, provided information on the proposed Nesson Valley irrigation pilot project. Statistics of the proposed project and a map are attached hereto as *APPENDIX "C"*.

The Nesson Valley irrigation pilot project costs are estimated at \$9,686,700. In conclusion, Mr. Burk requested that the State Water Commission consider cost sharing in 40 percent of the distribution works at a cost of \$3,041,900. No action was taken at this time by the Commission on the request.

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

**TOUR OF IRRIGATION
FACILITIES IN
WILLIAMS COUNTY**

area irrigation systems; and the river pump station, booster pump station, and Toro Osmac computer control system for the Red Mike Resort.

/S/ Edward T. Schafer

Edward T. Schafer
Governor-Chairman

SEAL

/S/ David A. Sprynczynatyk

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

