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NAWS Authority Meeting
Minot Public Works Conference Room
1025 31st St SE, Minot, ND 58701
Thursday, September 19, 2024 – 3:00 P.M. C.T

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Meeting Agenda

A. Roll Call
B. Introductions
C. Consideration of Agenda
D. Consideration of July 18, 2024 Meeting Minutes
E. August 8, 2024 State Water Commission Meeting Update
F. September 12, 2024 Pre-Commission Meeting NAWS Agenda Items
    a. Contract for Pressurization of Main Transmission Line
    b. Contract for Pressure Reducing Station and Isolation Vaults Improvements
    c. Water Rate 2025
G. NAWS Operations Resources Update
H. NAWS Biota Water Treatment Plant Operations Update
I. NAWS Construction Update
J. Other Business
K. Adjourn

MINUTES

Northwest Area Water Supply Authority
Minot, North Dakota
July 18, 2024

The Northwest Area Water Supply (NAWS) Authority held a meeting in Conference Room 3 of the Minot Public Works Building, 1025 31st St SE, Minot, ND, and via Microsoft Teams on July 18, 2024. Dan Schaefer, Chairman of the NAWS Authority, called the meeting to order at 3:00 PM. A quorum was present.

NAWS AUTHORITY REPRESENTATIVES PRESENT:
David Lakefield, City of Minot Representative (virtual)
Dan Schaefer, Chairman, All Season Water Users District Representative
Tony Schwalbe, Cities with Direct Service Representative
Jason Sorenson, Vice Chairman, City of Minot Representative
Teresa Sundsbak, North Prairie Regional Water Representative

OTHERS PRESENT:
Sindhuja S.Pillai-Grinolds, Department of Water Resources (DWR) Water Development Division Director
Travis Thyberg, DWR Project Support Specialist
Annika Plummer, ND Water/Clearwater Communications (virtual)
Dave Schwengler, Houston Engineering

CONSIDERATION OF AGENDA

Chairman Schaefer requested for any corrections or additions to the agenda. As there were none, the agenda was approved as presented by voice vote.

Consideration of May 23, 2024 Meeting Minutes

Meeting minutes were sent to the Authority for review prior to the meeting. Chairman Schaefer requested for feedback or changes to the meeting minutes from the previous Authority meeting on May 23, 2024. No feedback was presented.

> **It was moved by Representative Sorenson, seconded by Representative Schwalbe, and approved unanimously to accept the meeting minutes from the May 23, 2024, NAWS Authority meeting as presented.**

June 13, 2024 State Water Commission (SWC) Meeting Update

Biota Water Treatment Plant Operations and Maintenance Agreement
Sindhuja S.Pillai-Grinolds, DWR Water Development Division Director, stated the Operations and Maintenance Agreement that was shared with the NAWS Authority during the May 23, 2024 meeting was approved by the SWC with out any changes. Final executed agreement was shared with the Authority for their information.

July 11, 2024 Pre-Commission Meeting NAWS Agenda Items

Contract for Pressurization of the Main Trasmission Line to Biota WTP
S.Pillai-Grinolds, DWR Water Development Division Director, noted that DWR presented information on the contract for pressurization of the main transmission line at the July Pre-Commission meeting. This was previously discussed at the March SWC meeting and NAWS Authority meeting. DWR staff had targeted to award this contract by the June SWC meeting, but was delayed due to the need of this pipeline for the delivery of Sundre water to the Biota Water Treatment Plant. Bid submission information has been posted on the ND State Procurment Office website with bid opening scheduled the day before SWC meeting in August. DWR staff will request award of the contract or request authority for Secretary to award the contract during the August SWC meeting.

> **It was moved by Representative Sundsbak, seconded by Vice-Chairman Sorenson, the NAWS Authority approve DWR staff to present the recommendation to award the contract or request to authorize the secretary to award the contract at the August SWC meeting.**
>
> **Representatives Lakefield, Chairman Schafer, Schwalbe, Vice-Chairman Sorenson, and Sundsbak voted aye. There were no nay votes. The motion carried.**

NAWS OPERATIONS – RESOURCES UPDATE

S.Pillai-Grinolds, DWR Water Development Division Director, noted that in previous NAWS Authority meetings there has been discussion on determining necessary staffing levels and plans for shared resources with NAWS Authority member entities for the long-term operations and maintenance of the NAWS project. There have been meetings held between rural water representatives on the NAWS Authority and DWR senior staff to discuss the long-term operations and maintenance. The most recent meeting, earlier this week, was a review of the proposed maintenance schedule. DWR has received preliminary feedback on what rural water entities may be capable of handling based on the proposed schedule. However, additional details on staff availability and costs to DWR are still needed. DWR will discuss internally and work with the NAWS Authority on the best way forward The rural water entities noted that they will provide the additional details requested by mid-August.

NAWS BIOTA WATER TREATMENT PLANT OPERATIONS

S.Pillai-Grinolds updated the Authority on the agreements related to the NAWS Biota Water Treatment Plant (WTP). The WTP construction is still ongoing but the ability to use lake water for start up procedures will not be possible. DWR is currently working with a contractor to bring Sundre water for testing and start up procedures. It was noted that the three-party Memorandum of Agreement (MOA) was fully executed last August by the City, State, and Bureau of Reclamation (Reclamation). Since the MOA, DWR has been working on finalizing a Cooperative Agreement between the State and Reclamation to ensure the ability to transfer federal funds for operation expenses. Earlier this month a letter requesting federal assistance was submitted to the Dakota Area Office, and Reclamation staff have notified DWR that the Cooperative Agreement should be completed by September of this year. The request letter

also includes pre-award costs that will be incurred this year (April to September) by the State and City during the start-up and testing operations.

DWR and City of Minot staff continue to meet with Department of Environmental Quality (DEQ) to better understand the requirements to be met by the Biota WTP and the Minot WTP pertaining to the switch over from Sundre aquifer to Lake Sakakwea as a water source. A meeting between DEQ, DWR, and NAWS customers regarding the source water change (sampling and notifications) to Lake Sakakwea has been scheduled for October 8th of this year.

City of Minot noted that 2 operators have been hired with another 12 positions have been authorized. Over the course of the next twelve months, operators will be brought onboard and trained prior to full WTP operational status. Once Sundre water is delivered to the Biota WTP, training will initiate for start-up and operations.

NAWS CONSTRUCTION UPDATE

S.Pillai-Grinolds gave a brief update on NAWS projects including introducing the new Project Manager, Travis Johnson, who is in Maryland for a pump whitness testing and was not able to attend this meeting. The ongoing Snake Creek Pumping Plant intake modifications has 5 open contracts with various delays but there is progress still being made. Demolition Contract is ~80% complete and due for completion by early September 2024. The Construction Contract's completion is delayed to July 2025. The 2-1E Discharge Pipeline Contract, connecting the Snake Creek Pumping Plant to the NAWS main transmission line has over 800 feet of pipe installed with the completion of the 2100 feet expected by end of November of this year. It was noted that DWR is working with Reclamation, Garrison Diversion Conservancy District, and U.S. Army Corps of Engineers (USACE) on the permanent intake project. The permit application for the permanent intake which was modified from the original proposed horizontally drilled intake pipeline to lake bed installation has been submitted. USACE has requested additional funds for the modified Section 408 permit review. The modified design helps address some USACE embankment seepage concerns, so DWR is discussing potential cost share participation with the USACE on the project. The Biota plant update was previously covered in the meeting so no additional update was provided. It was noted that the South Prairie reservoir and hydraulic control structure are substantially complete and the Minot Water Treatment Plant phase II contract is getting ready for contract close-out. It was noted that progress is being made on the Bottineau reservoir and booster pump station, and is expected to be completed later this year. The 2-4D pipeline to Westhope contract has been closed out.

There being no further items of discussion, the meeting was adjourned at 3:31 PM.

Respectfully submitted,

_____

Travis Thyberg, DWR Project Support Specialist

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TO: NAWS Authority Representatives
FROM: Andrea Travnicek, Ph.D., Director
SUBJECT: August 8, 2024 State Water Commission Update
DATE: September 12, 2024

At the August 8, 2024 State Water Commission (SWC) meeting, the NAWS Contract for Pressurization of Main Transmission Line included in the July 18, 2024 Northwest Area Water Supply Authority meeting was approved without any changes. On August 21st the bid opening was conducted and ONE bid was received for the work. That bid was exceptionally high and upon review of the bid received, HEI recommended the bid be rejected due to excessive cost and lack of competitive bids. The DWR concurrs with that recommendation. Consideration was given to re-bidding the work, but a re-bid does not appear to be of much benefit due to the bidding environment.

The DWR is currently looking into a simplified scope of pressure testing and is in discussion with the NAWS 2-1E Discharge Pipeline contractor to conduct pressure testing of the main transmission line in conjunction with the pressure testing they are already required to perform on the pipeline segment they are constructing utilizing essentially the same testing protocols.

AT:TGJ/237-4

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TO: NAWS Authority Representatives
FROM: Andrea Travnicek, Ph.D., Director
SUBJECT: September 12, 2024 Precommission Meeting Agenda Items
DATE: September 12, 2024

At the September 12, 2024 Precommission meeting of the State Water Commission (SWC) for the Northwest Area Water Supply (NAWS) Project, three agenda items were presented. This memo provides a brief description of the agenda items presented.

F1: Update on SA97 – Contract for Pressurization of Main Transmission Line

DWR staff advertised this contract on July 17th with an Invitation For Bid (IFB) utilizing the State Procurement Website (SPO Online) with a bid response deadline of August 7th. An addendum was issued on July 29th which included clarifications, and a more detailed bid form, and the addendum pushed the response deadline back to August 21, 2024.

The bid opening was held on August 21st with only one bid received for the work. That bid was exceptionally high with the bid was on the order of 385% above estimate. Other contractors who had previously expressed interest in the work were contacted to inquire as to why they did not bid. One indicated that their existing workload had them already committed, another had the bid opening date wrong and missed the deadline, and a third was uncertain about the scope of work.

Upon review of the bid received, Houston Engineering Inc., recommended the bid for SA97 be rejected due to excessive cost and lack of competitive bids. The DWR concurred with that recommendation. The DWR is currently looking into a simplified scope of pressure testing and is in discussion with the NAWS 2-1E Discharge Pipeline contractor to conduct pressurization of the main transmission line in conjunction with the pressure testing they are already required to perform on the pipeline segment they are constructing.

F2: SA98 – Contract for Pressure Reducing Station & Isolation Vaults Improvements

This project will add power, lighting, controls, telemetry, environmental controls (dehumidifier, heating, ventilation and sump pump), and tipping tower antenna to the isolation vaults, as well as upgraded lighting and ventilation controls, telemetry, control panel and antenna, and a generator disconnect at the Pressure Reducing Station.

Contract is currently advertised with a bid opening on September 19th, 2024. The project is scheduled for Substantial Completion on August 15, 2025 with Final Completion on September 15, 2025.

Pre-Bid conference was held at 2:00 PM on September 10th, 2024. A few minor clarificaitons and modifications to the plan set were discussed and an addendum will be issued documenting the changes discussed.

F3: Water Rate 2025

The NAWS water rate took a significant jump from 2023 to 2024. The recent actual costs are not reflecting the historical trends and that requires detailed research into projected expenses. Historically we had seen about a 5% increase each year for the past 10 years, with some variation, but as a whole the trend held. Then last year the supply and treatment cost went up 15% and the total NAWS rate went up 18%.

We are working to contact various utilities for heating, electricity and communications as well as suppliers for maintenance and repair parts and operational equipment to see how their projected costs are trending for next year, to estimate the NAWS Water Rate for 2025.

City of Minot is working on their Supply and Treatment rate and we have asked HEI to review the REM rate for NAWS. Information just received from the City of Minot on September 11th indicates that the project Supply and Treatment cost for 2025 are trending much higher than revenue generated at the current rate.

A recommendation for the 2025 NAWS Water Rate will be presented at the October SWC meeting.

AT:TGJ/237-4-AUTH

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TO: NAWS Authority Representatives
FROM: Andrea Travnicek, Ph.D., Director
SUBJECT: NAWS Operations Resource Update
DATE: September 12, 2024

As noted in the January 18, March 21, May 23 and July 18, 2024 NAWS Authority Meetings, efforts are underway to determine necessary staffing levels for the long-term operations and maintenance of the NAWS project.

The current staffing level at the Department of Water Resources includes a NAWS Project Manager who oversees the operations and construction of the NAWS Project. For operations and maintenance of the NAWS project, DWR currently has one full time water distribution operator and one long-term temporary employee. For construction, DWR also employs one full time employee assisting the NAWS Project Manager with construction oversight and administration.

We are continuing to investigate the necessary staffing levels for long-term operations and maintenance. Options under consideration include operators from rural water systems sharing their time between the NAWS project and their respective rural water system and adding team members to DWR. A meeting between DWR's State Engineer, Water Development Division Director , NAWS Project Manager, and rural water representatives on the NAWS Authority was held on July 15th, 2024 at the DWR office to discuss potential options and ideas.

In response to that July 15th meeting and ongoing discussions, Daniel Schaefer of the All Seasons Water Users District provided an estimated cost to provide operator services for selected maintenance schedule tasks in the DRAFT Maintenance Schedule for NAWS by Facility Types document which was provided to him for reference. That Maintenance Schedule Operations Cost document is attached to this memo.

DWR continues to review resource needs for NAWS operations and will work with rural water representatives to set up follow-up meetings this fall.

AT:TGJ/237-4

Attachment

ALL SEASONS WATER USERS DISTRICT
NORTH PRAIRIE REGIONAL WATER DISTRICT
UPPER SOURIS WATER DISTRICT

August 23, 2023

Sindhuja S.Pillai-Grinolds P.E.,
Director, Water Development Division
North Dakota Water Resources

Sindhuja,

All Seasons Water Users District, North Prairie Regional Water District and Upper Souris Water District will provide Operator services for Items 1 thru 9, 12 and 13, as described in the "*DRAFT* - Maintenance Schedule for NAWS by Facility Types"

The estimated cost as of September 1, 2024 for these services is as follows:

Hourly Charge:	$44.00 per hour
Mileage:	State Rate
Equipment Cost:	Current Rental Rates

Understanding that this would be a work-in-progress activity and would require an in-depth conversation between the Regional Water Systems and the current NAWS staff.

Thank You for the opportunity to provide these services

Daniel Schaefer
Manager
All Seasons Water
Users District

Teresa Sundsbak
General Manager
North Prairie Regional
Water District

Kristine Goettle
Manager
Upper Souris
Water District

Maintenance Schedule for NAWS by Facility Types

1. Above grade pump stations – High Service Pump Station, Lansford, Bottineau, Souris
    a. Routine Maintenance
        i. Weekly
            1. Check and flush gauge lines and piloting lines (disassemble and clean if necessary).
            2. Check operation of sump pump, heater, dehumidifier.
            3. Record flows and pressures.
            4. Visual inspection for leaks, equipment failures, etc.
            5. Confirm surge tank/compressor operation.
        ii. Monthly
            1. Same as weekly.
            2. Sweep and hose floors.
            3. Check propane system as applicable.
            4. Visual inspection/check of stationary genset.
            5. Visual confirmation of the operation of HVAC system.
    b. Site maintenance
        i. Snow removal for access, maintain drainage.
        ii. Weed control and mowing.
    c. Stationary generator set:
        i. Annual service contract from distributor.
        ii. Replace oil and all filters every 2 years.
        iii. Replace batteries every 4 years or per manufacturer specification.
    d. Periodic maintenance
        i. Lubricate pumps per manufacturer specification.
        ii. Change oil/filters for air compressors per manufacturer specification.
        iii. Change HVAC filters per manufacturer recommendation.
        iv. Service contract for vibration testing of the pumps based on manufacturer recommendation.
        v. Condition assessment of the motors and drives based on the manufacturer recommendation.

2. Below grade booster pump station – BPS 1, 2, 3, 4, 5, 6, 7
    a. Routine Maintenance
        i. Weekly
            1. Check and flush gauge lines and piloting lines (disassemble and clean if necessary).
            2. Check operation of sump pump, heater, dehumidifier.
            3. Visual inspection for leaks, equipment failures, etc.
        ii. Monthly
            1. Same as weekly.
            2. Sweep and hose floors.

3. Check and record anode readings.

b. Site maintenance
   i. Snow removal for access, maintain drainage.
   ii. Weed control and mowing.

c. Periodic maintenance
   i. Lubricate pumps per manufacturer specification.
   ii. Service contract for vibration testing of the pumps based on manufacturer recommendation.
   iii. Condition assessment of the motors and drives based on the manufacturer recommendation.

3. Reservoirs (Tanks 1, 2, Kenmare, High Service Pump Station, Lansford, South Prairie, Bottineau, and Souris)
   a. Routine Maintenance
      i. Monthly
         1. Visual check for leaks and exterior damages.
         2. Visual inspection for overflow and vents.
         3. Confirm mixer or recirculating pump operation.
   b. Periodic Maintenance
      i. Draining, cleaning, and inspection required every 5-7 years.
   c. Site maintenance
      i. Snow removal for access, maintain drainage.
      ii. Weed control and mowing.

4. Prefabricated vaults (17 meter vaults, 2 PRV Vaults (Carpio and Tolley))
   a. Routine Maintenance
      i. Weekly
         1. Check and flush gauge lines and piloting lines (disassemble and clean if necessary).
         2. Check operation of sump pump, heater, dehumidifier.
         3. Visual inspection for leaks, equipment failures, etc.
      ii. Monthly
         1. Meter reading
         2. Exercise internal valves.
         3. Check piloting and gauge lines.
         4. Check dehumidifier, heat, sump pump, and anode readings.
         5. Clean and hose floor.
      iii. Annual
         1. Disassemble and clean orifice plate tubing, and internal valves.
   b. Site maintenance
      i. Snow removal for access, maintain drainage.
      ii. Weed control and mowing.

5. Isolation vaults (four on supply line, one in Minot)
    a. Routine Maintenance
        i. Monthly
            1. Check sump pump, heater, exercise internal valves.
    b. Site maintenance
        i. Snow removal for access, maintain drainage.
        ii. Weed control and mowing.

6. Rural Turnouts
    a. Monthly
        i. Meter reads
    b. Annual
        i. Dewater if necessary, disassemble and clean orifice plate tubing and internal valves.
    c. Site maintenance
        i. Snow removal for access, maintain drainage.
        ii. Weed control and mowing.

7. PRS
    a. Routine maintenance
        i. Monthly
            1. Check piloting gauge lines.
            2. Check dehumidifier, heat, sump pump.
            3. Clean and hose floor.
    b. Site maintenance
        i. Snow removal for access, maintain drainage.
        ii. Weed control and mowing.

8. Hydraulic Control Structure
    a. Routine Maintenance
        i. Weekly
            1. Visual inspection.
    b. Site maintenance
        i. Snow removal for access, maintain drainage.
        ii. Weed control and mowing.

9. Flow Control Facility
    a. Routine maintenance
        i. Weekly
            1. Check piloting gauge lines.
            2. Check dehumidifier, heat, sump pump.
            3. Clean and hose floor.
            4. Check propane system.
    b. Site maintenance
        i. Snow removal for access, maintain drainage.

ii. Weed control and mowing.

c. Stationary generator set
   i. Annual service contract from distributor.
   ii. Replace oil and all filters every 2 years.
   iii. Replace batteries every 4 years or per manufacturer specification.

10. Snake Creek Intake Pump Station
   a. Routine Maintenance
      i. Weekly
         1. Check and flush gauge lines.
         2. Check operation of NAWS equipment.
         3. Record flows and pressures.
         4. Confirm surge tank/compressor operation.
      ii. Monthly
         1. Same as weekly
         2. General upkeep and maintenance
   b. Stationary generator set:
      i. Annual service contract from distributor.
      ii. Replace oil and all filters every 2 years.
      iii. Replace batteries every 4 years or per manufacturer specification.
   c. Periodic Maintenance
      i. Lubricate pumps per manufacturer specification.
      ii. Service contract for vibration testing of the pumps based on manufacturer recommendation.
      iii. Condition assessment of the motors and drives based on the manufacturer recommendation.
      iv. Change oil/filters for air compressors per manufacturer specification.

11. Discharge Structure
   a. Monthly
      i. Visual inspection of valves

12. Appurtenances (flush risers, ARVs, blowoffs, gate valves)
   Annual exercise, inspect, and repair if necessary.

13. Cathodic protection
   a. Monthly
      i. Check and record instant off values at rectifiers.
      ii. Recording data at test stations.
      iii. Visual inspection of rectifiers and test stations.
   b. Annually
      i. Balancing and system check by consultant (Northwest Corrosion).

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TO: NAWS Authority Representatives
FROM: Andrea Travnicek, Ph.D., Director
SUBJECT: NAWS Biota Water Treatment Plant Operations Update
DATE: September 12, 2024

Phase I of the Northwest Area Water Supply Project (NAWS) Biota Water Treatment Plant (WTP) is nearing completion. The purpose of the facility is Boundary Waters Treaty Compliance and is therefore a Federal responsibility per Section 1(h) of the Dakota Water Resources Act of 2000 and therefore will be funded with federal funding for both construction and operations, maintenance, and replacement. The city of Minot will operate the Biota WTP to ensure coordination of the Biota WTP, Minot WTP and Sundre and Minot wellfields. Multiple agreements are in place or under development for the operations of the WTP.

A three-party Memorandum of Agreement (MOA) was executed by the City, State and Bureau of Reclamation (Reclamation) to define roles and responsibilities in the operation, maintenance and replacement of the Biota WTP. A Cooperative Agreement needed for Reclamation to transfer funds is under development. Department of Water Resources (DWR) submitted a request for financial assistance along with supporting documentation to the Dakota Areas Office which is needed for Reclamation's regional office to develop the Cooperative Agreement. That Cooperative Agreement is expected to be finalized later this month. The Biota WTP Operations and Maintenance agreement has been executed by all parties.

DWR staff and City of Minot staff continue to meet with Department of Environmental Quality (DEQ) to understand the requirements to be met by the Biota WTP and the Minot WTP. A meeting which included the consulting engineer, DEQ, DWR and Minot WTP staff was held onsite at the Biota WTP on September 4th to discuss DEQ comments on the facility design and to review constructed facilities and features referenced in those comments. The site visit and tour resolved several of the comments that DEQ had for the facility and gave more clarity to address the remaining comments. The consulting engineer is working with DEQ and the contractor to finalize revisions to the Work which will resolve those comments.

AT:TGJ/237-4-AUTH

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TO: NAWS Authority Representatives
FROM: Travis G. Johnson, P.E., NAWS Project Mananger
SUBJECT: NAWS – Construction Update
DATE: September 10, 2024

Updates from the last meeting memo are shown in bold italics.

NAWS Contract 6-1A Intake Modifications to Snake Creek Pumping Plant

Contract 6-1A Intake Modifications to Snake Creek Pumping Plant includes three equipment procurement contracts, Demolition Contract, and Construction Contract.

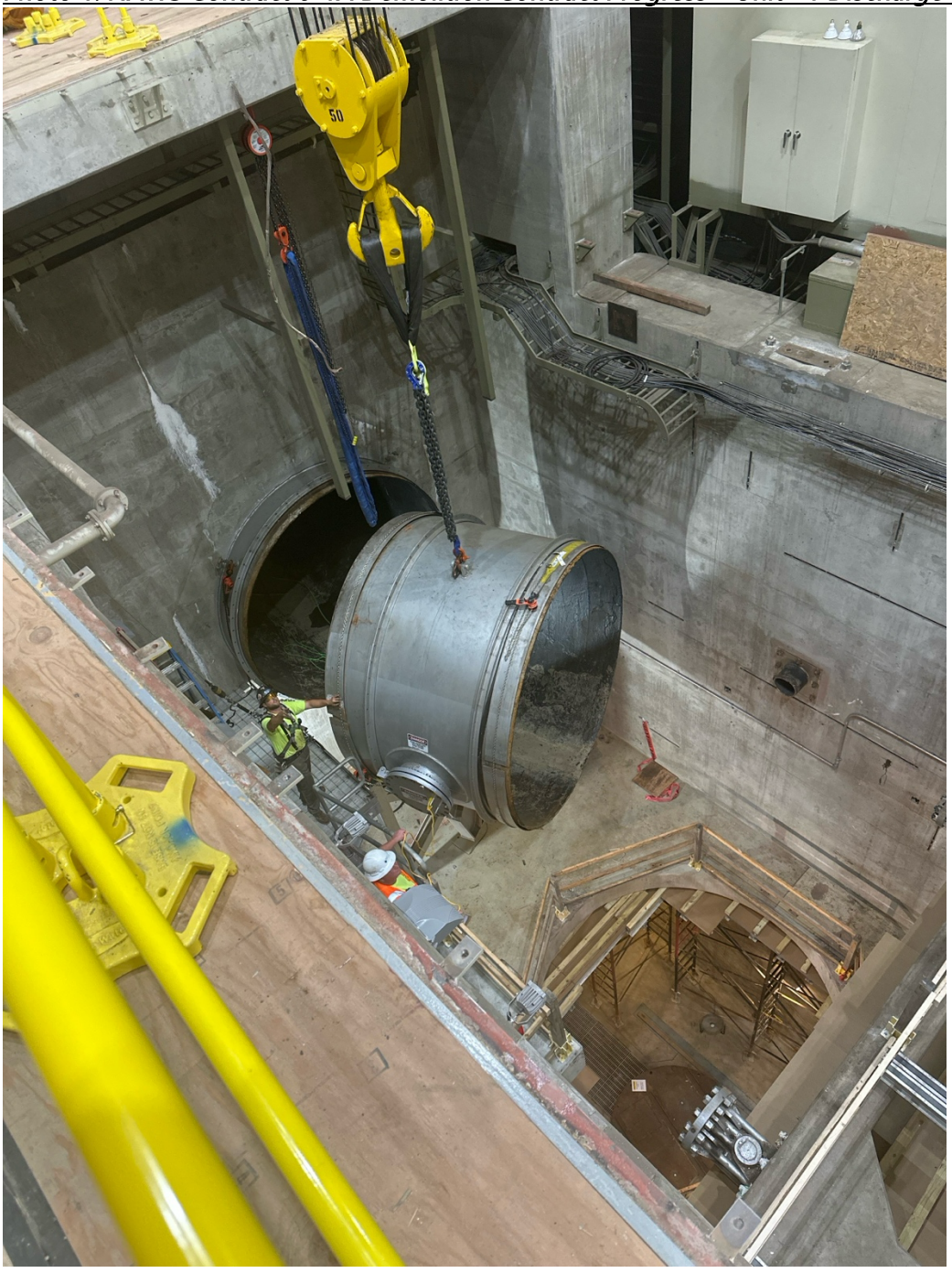
The equipment procurement contracts included a delivery date of March 1, 2024 for all equipment excluding the backup generator which had a delivery date of March 1, 2025. The March 1, 2024 delivery date is not met by any of the equipment procurement contractors. The current expected delivery date for one of the pieces of electrical equipment, the switchgear, is as late as March 2025. DWR staff have directed Houston Engineering staff to check with procurement contractors weekly to get updates on delivery dates for these critical equipment necessary for the operation of the NAWS intake pumps inside the Snake Creek Pumping plant.

Work on the Contract 6-1A Demolition, is underway. Work on Contract 6-1A Demolition and Construction Contracts has been delayed due to the extensive coordination needed with the Bureau of Reclamation (Reclamation), the owner of the Snake Creek Pumping Plant. The Demolition Contract has been delayed beyond the changed completion date through the execution of a change order on the contract, which is April 15, 2024. The motor, pump shaft ***and bowl*** for pump unit No. 1 has been removed. Removal of motor housing for pump unit No. 1 was delayed until the asbestos mitigation submittal is complete. The pipe penetratrion work through the wall of the existing discharge structure is complete. A change order based on time and materials will need to be executed to change the contract price for the work. ***The Demolition Contract is currently around 90% complete. The current expected completion date for the Demolition Contract is October 15, 2024.***

Work on the Contract 6-1A Construction, is currently underway. PKG Contracting is the contractor for both the Demolition and Construction Contract. The current completion date on the Construction Contract is June 30, 2024. Because of the delays due to the submittal review process and the equipment delivery, the completion date of June 30, 2024 was not met by the contractor. ***The current expected completion date for the Construction Contract is June 19, 2025.***

To date, only one Change Order on the Contract 6-1A Demolition Contract that extended the completion date from June 28, 2023 to April 15, 2024 has been executed by all parties.

Photo 1: NAWS Contract 6-1A Demolition Contract Progress – Unit #1 Discharge Removal

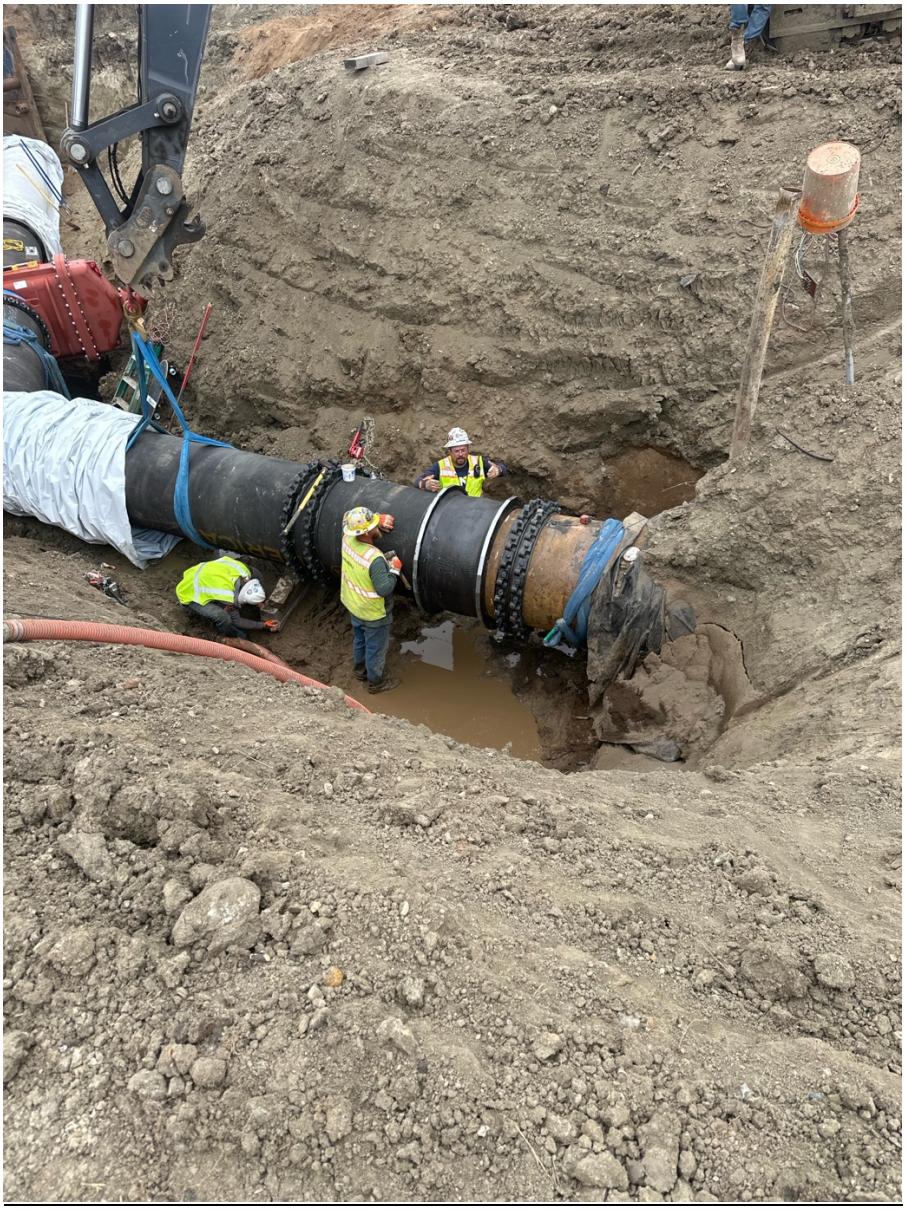


Contract 2-1E

Contract 2-1E includes the discharge pipeline that connects the Snake Creek Pumping Plant to the NAWS raw water transmission pipeline. An easement and construction license required for work covered under Contract 2-1E were received in May 2023 from US Army Corps of Engineers (USACE) and Contract 2-1E was awarded at the June 2023 State Water Commission meeting. The contractor on Contract 2-1E mobilized to the site in early September 2023. The Contract had a Milestone Completion

date of January 30, 2024 for underground pipeline work. Contractor has submitted a Change Order request for time and cost to the Engineer. Their request was reviewed and rejected by the Engineer due to reference to the incorrect articles of the contract documents. The contractor has submitted a revised request. A response to the request is under development. The contractor remobilized to the site in May and started pipeline installation. The scope of work involves construction of approximately 2,100 feet of 36" ductile iron pipe. ***Installation of all pipeline and backfill is complete. The Contractor is still awaiting delivery of the flowmeter and associated components and fittings for installation in the isolation vault. The Contractor is working to restore the access road that was removed for pipe installation. The current expected completion date on this contract is November 30, 2024.***

Photo 2: Contract 2-1E – Installation of Discharge Pipeline



Contract 1-1A

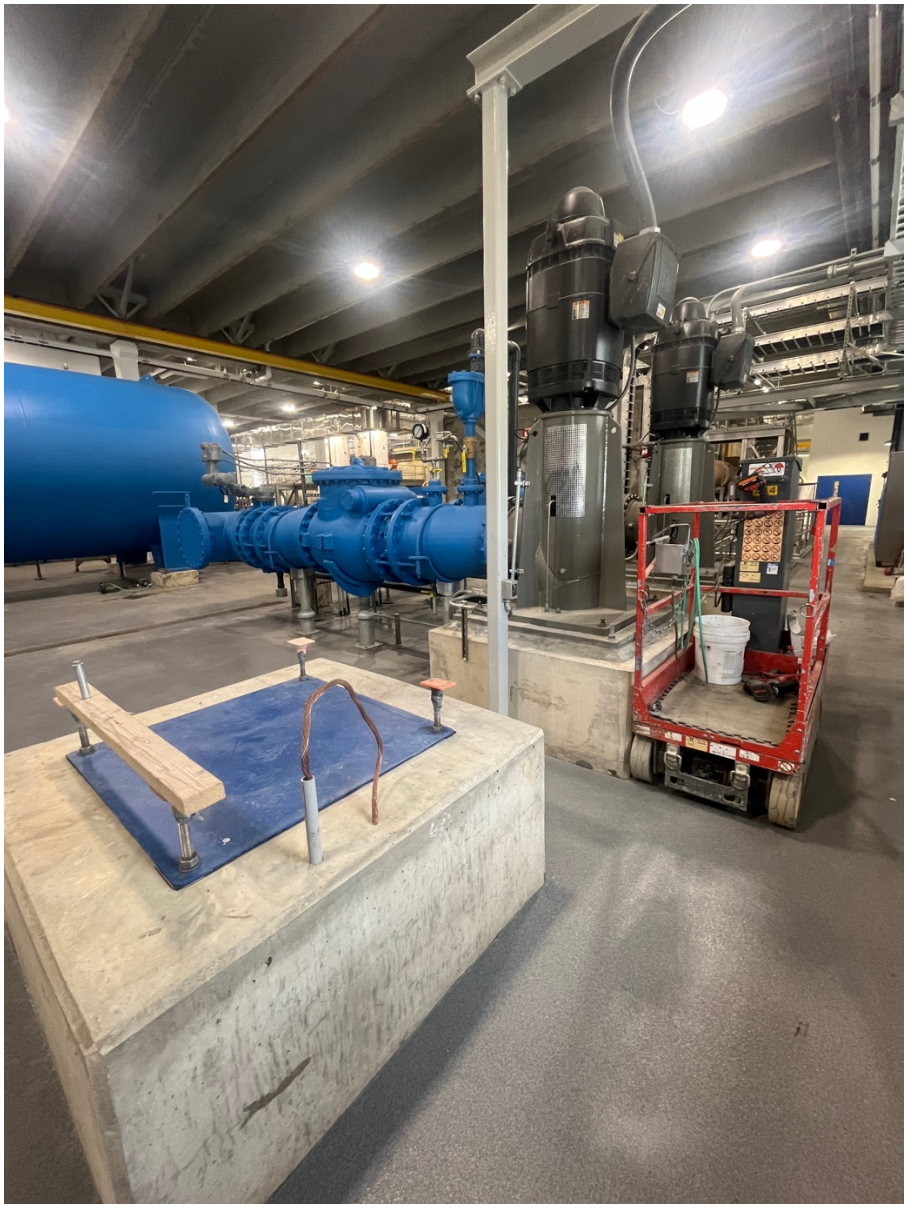
Because of the potential challenges associated with the construction of horizontally directionally drilled intake pipe, the potential for installing the permanent intake pipe on the lake bed with the partial removal of existing cofferdam near the Snake Creek Pumping Plant was discussed with the federal agencies and GDCD and has been accepted. DWR had directed the consulting engineer to proceed with the design that includes complete width removal of the cofferdam and cleaning out the forebay of the Snake Creek Pumping Plant to an elevation of 1780. ***The design for the lake bed installation is 95% complete and the 408 permit application was submitted on July 12, 2024 to the U.S.Army Corps of Engineers (USACE). The completeness review of the 408 application was completed by the USACE and it was determined that the application is incomplete. The design team is working on the responses to the request for information and the revised application will be submitted to the Bureau of Reclamation (Reclamation) as the lead federal agency for the project. Reclamation will complete the necessary National Environmental Policy Act document required for the project and will forward the permit application to the USACE. .*** USACE has requested $89,000 in additional funds towards the previously executed 1156 agreement (agreement between DWR and USACE for the Section 408 review) for the review of the modified plans***. DWR staff has requested funding breakdown for the requested funds and the timeline for receiving the permit and the real estate instruments from the USACE and we are still waiting for a response.***

The overall operations of the Snake Creek Pumping Plant will improve with this design. Reclamation and GDCD has expressed interest in this project. DWR met with Reclamation and GDCD staff to determine the path forward for getting concurrence on their participation towards the cost of the removal of the cofferdam and cleaning out the forebay. Reclamation has noted that they have some funding availability to provide towards the cost of the removal of the cofferdam, however that is not enough to the meet their full responsibility, based on estimated costs. Further discussions will be held to determine the path forward. The modified design addresses some USACE's embankment seepage concerns associated with the sand lens identified in the Geotechnical report. So discussions are ongoing for potential cost share participation from the USACE***.***

NAWS Contract 7-2A/4-1A Biota Water Treatment Plant (BWTP)

NAWS Contract 7-2A/4-1A generally includes construction of new concrete, steel, and precast BWTP, for which contracts were awarded in February 2021 and the Notices to Proceed for the general and electrical construction were issued in March 2021. Site work including excavation and grading began in April 2021. Work Change Directive to deliver Sundre aquifer water to the BWTP has been issued to the BWTP's general contractor ***and the Contractor has been pumping water to fill the South Prairie Reservoir. That reservoir is now full and the change over has been made to start filling the pipe to the south of the South Prairie Reservoir towards the BWTP. The pipe is currently full to the Control Structure at the divide. Discussion is ongoing with the General Contractor regarding defective roof notices and the plan for correction. In addition, a preliminary flow distribution test uncovered a manufacturing defect in. the air chamber for the filter underdrain system. A Defective Work Notice has been sent to the contractor regarding this issue.*** Extending the Substantial Completion Date on these contracts due to lake water unavailability would result in additional cost to the project that is currently being negotiated with all contractors. Total estimated project cost is $64 million.

Photo 3: Biota Water Treatment Plant



The table below shows the change orders signed to date on the Biota WTP Contracts.

Contract	Change Orders (CO)	Value of COs	Total Contract Cost	CO Percent of Contract
General	5	$ 1,200,992.92	$ 39,028,192.92	3.2%
Electrical	5	$ 671,921.71	$ 7,260,302.71	9.3%
Mechanical	5	$ 151,143.84	$ 5,065,350.84	3.0%
UV	1	$ -	$ 707,125.00	0.0%
DAF	3	$ (40,709.50)	$ 1,803,160.50	-2.3%

NAWS Contract 5-1A South Prairie Reservoir and Hydraulic Control Structure

This contract includes a ten and one half million-gallon (average day demand) reservoir roughly three miles north of Highway 23 on the NAWS raw water line and a hydraulic control structure two and a half miles south of Highway 23 at the high point of the raw water pipeline. The Substantial Completion Date on this contract was extended from November 30, 2023 to January 19, 2024 due to work added to the contract and delays caused by leaks that developed in the NAWS main transmission pipeline. The certificate of substantial completion has been issued.

The reservoir has been successfully leak tested and ***final seeding has been completed but germination is weak due to hot and dry weather immediately after seeding was conducted. The seed germination will be reviewed again after spring thaw to see if the snow cover assisted in attaining better vegetative cover.*** The substantial completion date on the reservoir contract was changed to June 15, 2024 by change order. The reservoir is substantially complete and the certificate of substantial completion has beed issued. Total estimated project cost is $16.7 million.

Photo 4: South Prairie Reservoir and Flow Control Structure on April 25, 2024

The table below shows the change orders signed to date on the Contract 5-1A Contracts.

Contract	Change Orders	Value of Change Orders	Total Contract Cost	CO Percent of Contract
Reservoir*	***6***	***$36,539.92***	***$ 7,851,544.92***	***0.47%***
Facilities	4	$ 89,710.00	$ 7,209,910.00	1.24%

Information was corrected from prior updates

NAWS Contract 7-1B Minot WTP Phase II Improvements

NAWS Contract 7-1B was awarded by the State Water Commission (SWC) at its February 8, 2018, meeting to PKG Contracting and generally consists of construction of a new primary treatment building at the Minot water treatment facility to replace the aging softening basins, chemical storage and feed systems, laboratory, break room, and IT facilities. All water treated in Minot is being treated through the new portion of the facility. The contract was considered substantially complete on December 31, 2022. Equipment failures and long lead times for replacements have delayed closeout of this contract. A harmonic filter was installed and started up on March 13, 2024. The replacement power monitor was installed end of July. We are working with the contractor on closing out the contract. ***A recent issue identified with settlement around the building has resulted in damages to electrical conduits. The contractor has been directed to draft a proposal to reroute the damaged conduits above ground and provide a cost.*** Estimated total project cost is $34 million. Ten change orders totaling $3,230,395.75 have been added to this contract to date with $2,895,136 signed before the change order policy was adopted for NAWS at the December 2022, SWC meeting.

NAWS Contract 4-4B/5-4B Bottineau Reservoir and Booster Pump Station

The Bottineau and Souris Reservoir and Pump Stations contracts consist of a one million-gallon ground storage reservoir and pump station at the intersection of State Highways 5 and 14 south of Souris and a three million-gallon ground storage reservoir and pump station roughly four miles west of the connection to Bottineau. The final pipeline contract climbs roughly 300 feet in elevation from the location of the Souris Reservoir and Pump Station to the connection to Bottineau. The final design flows for both the City of Bottineau and All Seasons Water Users District northwest of Bottineau will require both storage and pumping to meet water demands. Bids were opened February 7, 2023, for the Bottineau reservoir and pump station. At the February 13, 2023, SWC meeting, the Commission authorized the Secretary to award the contracts.

The precast installation for the pump station is complete. One change order was executed with the pump station contractor and the reservoir contractor to accommodate changes to the overflow and reservoir drain piping requested by the Department of Environmental Quality. The change order added less than $1000 dollars to the pump station contract and no change to the reservoir contract price. The completion date on the reservoir contract and the pump station contract was changed to November 8, 2024 and November 26, 2024 respectively.

The reservoir contractor mobilized this spring and work is progressing essentially on schedule. ***Subgrade work has been completed, the concrete tank base slab and footing walls have been placed, the precast concrete wall and roof panels have been installed, and concrete slot pours have been completed. Currently the reservoir is undergoing placement of prestressing steel and shotcrete covering.*** Total project cost is estimated at $12.8 million.

Photo 5: Bottineau Reservoir on September 10, 2024

NAWS Interim Water Supply:

Well C in the City of Minot has been rehabilitated and has been online since the summer of 2022. Well F has been drilled, developed, plumbed into the Sundre well field supply system and has been put into service. Costs of $658,204.03 have been incurred by the City of Minot through the end of 2022 for Well F. Sixty five percent of total costs associated with the well construction were credited towards City of Minot's cost share on the NAWS project. The remaining costs on Well F are in the process of being finalized and should be reimbursed in the near future.

City of Minot Reimbursement:

The City of Minot sent a letter requesting reimbursement for repair of the wells in the Minot aquifer completed in 2016, construction of the reservoir, pumpstation near the Sundre well field and construction of the new raw water pipeline designed and constructed between 2016 and 2020. The reimbursement request is because these projects are eligible Northwest Area Water Supply projects and due to circumstances that existed at that time these projects were funded by City of Minot upfront and the requested reimbursement is for the State's share of 65% of the total costs. The request was approved at the February State Water Commission meeting. DWR will include the credit in the monthly reimbursement request to City of Minot as the Financing Agreement with the City of Minot has been executed by all parties

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