

MINUTES

North Dakota State Water Commission Bismarck, North Dakota December 13, 2024

The ND State Water Commission (Commission or SWC) held a meeting at the Bismarck Hotel and Conference Center, 800 S 3rd Street, Bismarck, ND, and via phone conference on December 13, 2024. Lt. Governor Miller called the meeting to order at 9:33 AM. A quorum was present. The board opened the meeting by reciting the Pledge of Allegiance.

State Water Commission Members Present:

Governor Doug Burgum
Lt. Governor Miller, Acting Chairman
Doug Goehring, Commissioner, ND Agriculture Commissioner
Michael Anderson, Lower Red River Basin
Jeff Frith, Devils Lake Basin
James Odermann, Little Missouri, Upper Heart, and Upper Cannonball River Basins
Connie Ova, James River Basin (online)
Jay Volk, Lower Missouri River Basin (online)
April Walker, Upper Red River Basin
Jason Zimmerman, Mouse River Basin

State Water Commission Members Absent:

Gene Veeder, Upper Missouri River Basin

Others Present:

Dr. Andrea Travnicsek, Director, ND Dept. of Water Resources (DWR or Department) and Commission Secretary
John Paczkowski, DWR State Engineer
DWR Staff
Matthew Sagsveen, General Counsel, Attorney General's Office
Approximately 106 people present online and in person.

Consideration of Agenda

Commissioner Zimmerman moved to approve the December 13, 2024, meeting agenda as presented. The motion was seconded by Commissioner Walker and passed by unanimous vote.

Consideration of Meeting Minutes

Commissioner Anderson moved to approve the October 10, 2024, State Water Commission meeting minutes as written. The motion was seconded by Commissioner Frith and passed by unanimous vote.

Commissioner Frith moved to approve the November 14, 2024, Pre-Commission meeting minutes as written. The motion was seconded by Commissioner Walker and passed by unanimous vote.

Disclosure of Potential Conflicts of Interest

Commissioner Odermann disclosed a conflict of interest with the Southwest Pipeline Project. Commissioner Anderson disclosed a conflict of interest with the East Central Rural Water District.

Governor Burgum's Welcoming Remarks

Governor Burgum expressed his gratitude for the State Water Commissioners and Ag Commissioner Doug Goehring for all the work they have done and due to North Dakota's strong economy, water projects have been completed in every county across the state making North Dakota ranked number one in the country for their road and water infrastructure. Burgum noted it isn't all about spending, but also reducing the burden on the citizens and the Burgum Administration has done so by providing record tax cuts on real property and income tax. Governor Burgum thanked Lieutenant Governor Miller for doing a fantastic job as both the Chief Operating Officer and chairing the State Water Commission. Governor Burgum also thanked Secretary Travnicek and her team at the Department of Water Resources for being dedicated, knowledgeable, and interacting not just at the local level, but also at the federal and international levels. Due to the team effort and smart financial management, Governor Burgum added the future is bright for the State of North Dakota and bright for the future of water.

Certificates of Appreciation

In Appreciation to Lieutenant Governor Tammy Miller Resolution No. 2024-12-547

WHEREAS, Tammy Miller was sworn in as the 39th Lieutenant Governor of North Dakota on January 3, 2023, and has since demonstrated exemplary leadership and commitment to the state and its people; and

WHEREAS, Lieutenant Governor Miller served with distinction as the acting Chair of the North Dakota State Water Commission on behalf of Governor Doug Burgum, taking on vital responsibilities and exhibiting her commitment to public service, professionalism, and problem solving of challenging water management and development issues; and

WHEREAS, under her leadership during the 2023-2025 budget cycle, the State Water Commission allocated over \$440 million in funding for critical water supply, flood protection, and general water management projects, advancing the sustainable use and development of North Dakota's water resources for people, agriculture, industry, and the environment; and

WHEREAS, her dedication to the water community has reinforced North Dakota's long-standing commitment to the development, maintenance, and sustainability of its water infrastructure, leaving a lasting impact on the state's economic growth, public health, and quality of life; and

NOW, THEREFORE, BE IT RESOLVED that on December 13, 2024, we express our profound gratitude and appreciation to Lieutenant Governor Tammy Miller for her exemplary service and leadership while chairing the North Dakota State Water Commission; and

BE IT FURTHER RESOLVED that the State Water Commissioners and Department of Water Resources team members wish Lieutenant Governor Miller and her husband Craig the best of health and happiness in the future.

FOR THE NORTH DAKOTA STATE WATER COMMISSION AND DEPARTMENT OF WATER RESOURCES:

/s/Andrea Travnicek, Ph.D., Director-Secretary

**In Appreciation to Governor Doug Burgum
Resolution No. 2024-12-546**

WHEREAS, Governor Doug Burgum became the 33rd Governor of North Dakota on December 15, 2016, and since that time has served as Chairman of the North Dakota State Water Commission, demonstrating visionary leadership and unwavering support to advance critical water infrastructure across the state; and
WHEREAS, during Governor Burgum's tenure, the State Water Commission has overseen an extraordinary state commitment of more than \$2.1 billion in state funding for water projects - a testament to North Dakota's dedication to ensuring resiliency for its citizens to water supply shortages and devastating flood impacts; and
WHEREAS, Governor Burgum has been instrumental in securing \$1.1 billion in funding for essential water supply projects, ensuring the delivery of clean and reliable water to communities, rural areas, industries, and agriculture across the state; and
WHEREAS, his leadership has been pivotal in directing over \$1 billion toward comprehensive flood protection and general water management initiatives that improve safety and safeguard lives, property, and economic stability; and
WHEREAS, Governor Burgum was instrumental in efforts to update the Water Commission's Cost-Share Program policies, and was a strong supporter of legislation allowing for state cost-share partnerships with Tribal Nations, as well as modernization of Northwest Area Water Supply and Western Area Water Supply governance models through a more contemporary approach; and
NOW, THEREFORE, BE IT RESOLVED that on December 13, 2024, we express our profound gratitude and appreciation to Governor Doug Burgum for his exemplary service and leadership as Chair of the North Dakota State Water Commission; and
BE IT FURTHER RESOLVED that the State Water Commissioners and Department of Water Resources team members extend our heartfelt gratitude to Doug and Kathryn Burgum for their dedication and service to the people of North Dakota as Governor and First Lady, and we wish them the best of health and happiness in the future.
FOR THE NORTH DAKOTA STATE WATER COMMISSION AND DEPARTMENT OF WATER RESOURCES:

/s/Andrea Travnicek, Ph.D., Director-Secretary

Moved by Commissioner Goehring and seconded by Commissioner Zimmerman the Commission approve Resolution No. 2024-12-547 for Lieutenant Governor Tammy Miller and Resolution No. 2024-12-546 for Governor Doug Burgum.

Commissioners Anderson, Frith, Odermann, Ova, Volk, Walker, Zimmerman, and Lt. Governor Miller voted aye. There were no nay votes. The motion carried.

Commission Secretary Update

Andrea Travnicek, Ph.D., Secretary, discussed the one-pager on the bucket layout for the executive budget in the amount of \$580 million, with \$480 related to the Resource Trust Fund and the remaining from a line of credit. Travnicek also went through the agency's optional requests. Travnicek thanked everyone for a great water week and all the great conversations.

Financial Report

The Glossary of Terms, allocated program expenditures, and financial reports were presented by Chris Kadrmas, DWR Administration Division Director (**APPENDIX A**).

The oil extraction tax deposits total \$333,802,665 estimated through November 2024 for the 2023-25 biennium, which is \$24,615,494 over the projected biennium revenue of \$309,187,171 through November 2024. Transfers in the amount of \$24,615,494 from the Resources Trust Fund to the Water Projects Stabilization Fund have occurred through November 2024.

The 68th Legislative Assembly estimates oil extraction tax deposits for the 2023-2025 biennium to total \$449,859,211 through June 2025. It also provided for the transfer of oil extraction tax deposits in excess of the legislative forecast for the 2023-2025 biennium to be transferred quarterly to the water projects stabilization fund.

Kadrmas also noted that discretionary funding in the amount of \$905,041 was used for the purchase of land adjacent to the Southwest Pipeline Project's Supplementary Raw Water Intake site. The purchase was authorized during the October SWC meeting's Executive Session.

Water Development Plan/Dashboard & Funding Recommendations

Cory Drevecky, Water Resource Planner, stated the North Dakota Century Code (N.D.C.C.) mandates a biennial water development plan organized on a river basin perspective. The plan must include an inventory of future water projects to guide budgeting and planning. Early in 2024, notices were sent to a broad range of stakeholders, including Tribal Nations, rural water managers, water resource districts, counties, cities, and other eligible parties directing them to submit proposed water development plans. There were over 600 proposals submitted, and after review 545 were included in the preliminary inventory totaling \$2.5 billion in total needs and \$1.4 billion in potential state cost-share. The updated information is available online on the water development plan dashboard. With the release of the Governor's Executive Budget on December 4, 2024, project and purpose funding recommendations will be included in the 2025 Water Development Plan Executive Summary.

There were no questions, the following motion was made:

Moved by Commissioner Anderson and seconded by Commissioner Odermann the Commission endorse the 2025-2027 project and purpose funding Executive recommendations as outlined in the 2025 Water Development Plan Executive Summary.

Commissioners Anderson, Frith, Odermann, Walker, Zimmerman, and Lt. Governor Miller voted aye. There were no nay votes. The motion carried.

Southwest Pipeline Project (SWPP)

Southwest Water Treatment Plant (SWTP) Expansion

Justin Froseth, SWPP Project Manager, stated the SWPP Contract 3-2H is for the construction of the 12 million gallons per day SWTP expansion that is designed to serve

the growing needs of the SWPP served by the water treatment plant located in Dickinson. Bids for this contract were opened on November 19, 2024. Four (4) bid packages were received. No bids were received for Bid Schedule I – General Construction, one (1) for Bid Schedule II – Mechanical Construction, two (2) for Bid Schedule III – Electrical Construction, and one (1) for Bid Schedule IV – Combined Single Bid.

Based on BW/AECOM's review of the bids received, all bids appear to be in accordance with the Invitation for Construction Bids and the Bid Documents. The only complete project bid and the apparent low bidder was received from Rice Lake West, Inc.-Golden, CO. The base bid with alternates was in the amount of \$86,407,500. The Engineer's Estimate was in the amount of \$91,145,000.

Bid Alternate M-1 is for the replacement of existing acid room HVAC ductwork. The bid amount for M-1 is \$85,000 and will be reimbursed to the SWC by the Southwest Water Authority (SWA) from the Replacement and Extraordinary Maintenance (REM) funds. Capital assets funding needed for the award of this contract is \$90.61 million, which includes 5% contingency added to the Combined Construction Contract Base Bid in the amount of \$83,482,600, Bid Alternate G-1 for lime feed system in the amount of \$2,764,900 and Bid Alternate E-1 for larger generator in the amount of \$50,000 for a total of \$86,297,500. Bid Alternate G-2 in the amount of \$25,000 for replacement of existing acid room door hardware is not included in the award.

There were no questions, and the following motion was made:

Moved by Commissioner Goehring and seconded by Commissioner Walker the Commission authorize the Secretary to award SWPP Contract 3-2H – Combined Contract with Bid Alternates G-1, M-1, and E-1 to Rice Lake West, Inc. in the amount of \$86,382,500 and also allocate \$90.61 million to the SWPP from funds appropriated for Capital Assets in the 2023-2025 biennium. The award of SWPP Contract 3-2H will be dependent upon legal review of the contract documents.

Commissioners Anderson, Frith, Walker, Zimmerman, Goehring, and Lt. Governor Miller voted aye. Commissioner Odermann abstained. There were no nay votes. The motion carried.

Request for Reimbursement from REM Funds

Froseth presented a request from the Southwest Water Authority (SWA) for reimbursement from the REM fund for five (5) items of work to include: Residual Handling Facility filter press clothes, Reverse Osmosis Membranes at the Oliver Mercer North Dunn water treatment plant, GA style compressors replacement, the replacement of the Variable Frequency Drive for Pump 2 at the Beach booster, and the work on SWA Contract PP-2022-1, 2-3A Pipeline Replacement near Taylor. The total cost for all items requested for reimbursement is \$746,551.70. The current balance of the reserve fund for REM is \$26,709,295.51 as of September 30, 2024.

There were no questions, and the following motion was made:

Moved by Commission Goehring and seconded by Commissioner Zimmerman the Commission approve the reimbursement from the

reserve fund for Replacement and Extraordinary Maintenance (REM) in the amount of \$746,551.70 for the five REM items described above.

Commissioners Anderson, Frith, Ova, Walker, Zimmerman, Goehring, and Lt. Governor Miller voted aye. Commissioner Odermann abstained. There were no nay votes. The motion carried.

2025 Capital Repayment Rate, REM Rate, and SWA Budget

Froseth stated the Capital Repayment portion of the SWPP water rate collected is currently returned to the Resources Trust Fund on a monthly basis. An amendment to the Transfer Agreement that transferred the operations and maintenance of the SWPP to the SWA, established the Consumer Price Index (CPI) effective September 1 as the basis for determining the Capital Repayment rate. The September 1 CPI adjustment resulted in a 2.53 percent increase in the Capital Repayment rate for 2025. The oil industry rate for 2025 will remain unchanged from the 2024 rate.

SWPP's REM fund provides for extraordinary maintenance expenses and replacement expenses for capital projects. Based on the sustainability analysis completed by DWR in consultation with SWA in 2022, annual REM rate increases are needed to provide for 100 percent of extraordinary maintenance expenses and a portion of the replacement expenses for capital projects. The REM rate was increased 8.5 percent. The estimated beginning balance in REM fund for 2025 is \$26.36 million with an estimated income of \$2.73 million and estimated expenses of \$5.60 million, leaving an estimated year-end balance of \$23.48 million.

There were no questions, and the following motion was made:

Moved by Commission Goehring and seconded by Commissioner Frith the Commission establish the 2025 Capital Repayment and REM rates as follows:

- **Capital Repayment for contract and rural customers: \$1.51 per thousand gallons for contract users, \$36.56 for rural users in Morton County with water service from Missouri West Water System, and \$46.16 per month for other rural users.**
- **Capital Repayment for oil industry contracts: \$3.00 per thousand gallons for Dickinson Water Depot and \$4.00 per thousand gallons for other oil industry contracts.**
- **REM Rate: \$0.89 per thousand gallons for the contract users, \$1.02 per thousand gallons for rural users, \$3.00 per thousand gallons for the SWA's Dickinson Water Depot, and \$4.00 per thousand gallons for other oil industry contracts.**

Commissioners Anderson, Frith, Ova, Volk, Walker, Zimmerman, Goehring, and Lt. Governor Miller voted aye. Commissioner Odermann abstained. There were no nay votes. The motion carried.

Northwest Area Water Supply (NAWS)

Water Rate 2025

Travis Johnson, NAWS Project Manager, stated the NAWS water service agreements require an annual review and adjustment of water rates which will go into effect January 1.

The NAWS Interim Water Rate is calculated based on projected water use and estimated expenses. Water use is projected based on historical use adjusted for recognizable trends or changes in population or operations. New facilities becoming operational requires estimation of expenses.

NAWS system has two different water rates, one for City of Minot and the other for NAWS contract customers. NAWS has two connections to the City of Minot's distribution system, one connection at the Minot Air Force Base, and 10 connections to North Prairie Regional Water, which are included in Minot's contract. NAWS has nine (9) contract customers which include the cities of Berthold, Kenmare, Burlington, Mohall, Sherwood, Westhope, Bottineau, and the rural water systems of Upper Souris Water District and All Seasons Water Users District. In addition, City of Rugby pays the replacement and extraordinary maintenance (REM) rate based on their water usage as Phase I NAWS project included expansion of City of Rugby's water treatment plant capacity and transmission system improvements.

The 2025 NAWS water rate for the City of Minot is increasing from \$0.61 per 1,000-gallons to \$0.72 per 1,000-gallons. The NAWS water rate for contract customers is increasing from \$4.20 per 1,000 gallons to \$5.48 per 1,000-gallons. The 2025 REM rate for the City of Rugby will be \$0.45 per 1,000 gallons.

The NAWS Authority at their November 21, 2024, meeting approved the 2025 Interim Water Rate. There were no questions, and the following motion was made:

Moved by Commissioner Goehring and seconded by Commissioner Zimmerman the Commission to approve the 2025 Interim NAWS water rate.

Commissioners Anderson, Frith, Odermann, Volk, Walker, Zimmerman, Goehring, and Lt. Governor Miller voted aye. There were no nay votes. The motion carried.

Reimbursement from REM Funds for Pipe Repair

Johnson stated the 30-inch ductile iron raw water supply line feeding the water treatment plant in the City of Minot developed a leak that was immediately located and repaired. The repair cost was \$35,058.77. Materials for the repair were used from project inventory and restocked with new order. The NAWS REM account balance as of November 24, 2024, is \$3.417 million.

There were no questions, and the following motion was made:

Moved by Commissioner Frith and seconded by Commissioner Walker the Commission to approve the 30-inch ductile iron pipeline repair is an eligible Replacement and Extraordinary Maintenance (REM) project and approve reimbursement of \$35,058.77 from the NAWS REM fund.

Commissioners Anderson, Frith, Odermann, Ova, Volk, Walker, Zimmerman, Goehring, and Lt. Governor Miller voted aye. There were no nay votes. The motion carried.

State Cost-Share Requests

General Water

Abigail Franklund, DWR Cost-Share Program Manager, presented the following request for general water projects.

Bottineau Co WRD: South Landa Drain Loan (SWC Project No. 2148)

\$1,700,000

The Bottineau County Water Resource District is requesting a loan in the amount of \$1,700,000 from the Water Infrastructure Revolving Loan Fund (WIRLF) for their South Landa Drain project. The SWC Secretary approved \$72,000 in preconstruction cost-share funding on July 7, 2022, at 45-percent of eligible costs. The SWC approved \$1,036,294 in construction cost-share funding at 45-percent of eligible costs on February 13, 2023. Construction began in October 2023 and is expected to be completed in June 2025. Bottineau County WRD anticipates that only \$970,000 of the construction funding will be utilized due to ineligible costs and construction costs were less than expected. The requested loan will assist Bottineau County WRD in funding their local share of preconstruction and construction costs.

This project meets requirements of the Water Commission's cost-share policy. There were no questions, and the following motion was made:

Moved by Commissioner Goehring and seconded by Commissioner Anderson the Commission approve the request from the Bottineau County Water Resource District to apply for a loan in the amount of \$1,700,000, at an interest rate of two (2) percent and a term of 15 years, from the WIRLF through the Bank of North Dakota for the South Landa Drain project. This approval is contingent on available funding.

Commissioners Anderson, Frith, Odermann, Ova, Walker, Zimmerman, Goehring, and Lt. Governor Miller voted aye. There were no nay votes. The motion carried.

Water Supply (Municipal/Regional)

Julie Prescott, DWR Engineer Manager, presented the following municipal/regional water supply projects.

City of Mandan: Memorial Highway Water Main (SWC Project No. 2050MAN)

\$2,613,245

The City of Mandan is requesting construction cost-share for their Memorial Highway Improvements project. The project is replacement of approximately one (1) mile of aging asbestos cement watermain along Memorial Highway between 32nd Avenue SE and 46th Avenue SE. The project will be constructed in conjunction with the North Dakota Department of Transportation's Memorial Highway reconstruction project and is part of combined sanitary sewer, storm sewer, lift station, paving, and lighting infrastructure improvements, which are not cost-share eligible, except for a portion of the paving costs.

This project meets requirements of the Water Commission's cost-share policy for municipal water supply projects. There were no questions, and the following motion was made:

Moved by Commissioner Goehring and seconded by Commissioner Odermann the Commission approve the request from the City of Mandan for state cost-share participation in the Memorial Highway Improvements project in the amount of \$2,613,245, or 60-percent of eligible costs, with total cost-share not to exceed \$2,961,845. This approval is contingent on available funding.

Commissioners Anderson, Frith, Odermann, Ova, Walker, Zimmerman, Goehring, and Lt. Governor Miller voted aye. The motion carried.

**GDCD: Eastern ND Alternative Water Supply Loan \$1,500,000
(SWC Project No. 325)**

The Garrison Diversion Conservancy District is requesting a loan in the amount of \$1,500,000 from the WIRLF. The loan will be used at the district's 25-percent local share for the planning and design of the Eastern North Dakota Alternate Water Supply (ENDAWS) project. Federal Municipal, Rural, and Industrial (MR&I) funds totaling \$4,500,000 from fiscal years 2023 and 2024 have been approved for the project.

This project meets requirements of the Water Commission's cost-share policy for regional water supply projects. There were no questions, and the following motion was made:

Moved by Commissioner Goehring and seconded by Commissioner Frith the Commission approve the request from the Garrison Diversion Conservancy District to apply for a loan in the amount of \$1,500,000 from the WIRLF through the Bank of North Dakota for the ENDAWS project. This approval is contingent on available funding.

Commissioners Anderson, Frith, Odermann, Ova, Walker, Zimmerman, Goehring, and Lt. Governor Miller voted aye. There were no nay votes. The motion carried.

Water Supply (Rural)

Prescott presented the following rural water supply projects.

**East Central RWD: Hillsboro Aquifer Pump Test \$0
(SWC Project No. 2050EAS)**

The East Central Rural Water District is requesting preconstruction cost-share for their Hillsboro Aquifer Pump Test project. The project is installation of a test well and three (3) observation wells within the Hillsboro Aquifer for the purpose of conducting a 100-hour test to determine aquifer drawdown and suitability for water permitting purposes.

This project does not meet requirements of the Water Commission's cost-share policy for rural water supply projects as aquifer testing is not considered a cost-share eligible item. There were no questions, and the following motion was made:

Moved by Commissioner Goehring and seconded by Commissioner Zimmerman the Commission deny the request from East Central Rural

Water District for state cost-share participation in the Hillsboro Aquifer Pump Test.

Commissioners Frith, Ova, Walker, Zimmerman, Goehring, and Lt. Governor Miller voted aye. Commissioner Odermann voted nay. Commissioner Anderson abstained. The motion carried.

East Central RWD: Hillsboro Area Supply, Transmission, & Distribution \$1,057,500 (SWC Project No. 2050EAS)

The East Central Rural Water District is requesting preconstruction cost-share for their Hillsboro Area Supply Transmission and Distribution project. The project is 22 new wells and improvements to the existing transfer station located southwest of Mayville, 19 miles of raw water pipeline between the transfer station and the Hillsboro water treatment plant, 12 miles of concentrate pipeline between the water treatment plant and the Red River, and 20 miles of distribution pipeline between the water treatment plant and a connection for a planned large-scale dairy.

This project meets requirements of the Water Commission's cost-share policy for rural water supply projects. There were no questions, and the following motion was made:

Moved by Commissioner Goehring and seconded by Commissioner Walker the Commission approve the request from the East Central Rural Water District for state cost-share participation in the Hillsboro Area Supply, Transmission, and Distribution project in the amount of \$1,057,500, or 75-percent of eligible costs, with the total not to exceed \$1,151,250. This approval is contingent on available funding.

Commissioners Frith, Odermann, Ova, Walker, Zimmerman, Goehring, and Lt. Governor Miller voted aye. Commissioner Anderson abstained. The motion carried.

East Central RWD: Hillsboro Water Treatment Plant \$1,012,500 (SWC Project No. 2050EAS)

East Central Rural Water District is requesting preconstruction cost-share for their Hillsboro Water Treatment Plant Expansion project. The project is expansion of the Hillsboro Water Treatment Plant in order to meet current contracted demand, including for a large volume future user, and will include iron and manganese filtration and reverse osmosis systems. The expansion portion of the water treatment plant will be owned by the district in agreement with the City of Hillsboro. A total of \$11,145,550 in Drinking Water State Revolving Fund Emerging Contaminants loan forgiveness and grant funding has been approved for this expansion.

This project meets requirements of the Water Commission's cost-share policy for rural water supply projects. There were no questions, and the following motion was made:

Moved by Commissioner Frith and seconded by Commissioner Goehring the Commission approve the request from the East Central Rural Water District for state cost-share participation in the Hillsboro Water Treatment Plant Expansion project at 56-percent of eligible costs due to the availability of Department of Environmental Quality's State

Revolving Fund Emerging Contaminants funding, with the total not to exceed \$1,012,500. This approval is contingent on available funding.

Commissioners Frith, Odermann, Ova, Walker, Zimmerman, Goehring, and Lt. Governor Miller voted aye. Commissioner Anderson abstained. The motion carried.

**Turtle Mountain PUC: Highway 3 Corridor Improvements Phase I \$3,120,800
(SWC Project No. 2050TUR)**

The Turtle Mountain Public Utilities Commission (TMPUC) is requesting construction cost-share for their Highway 3 Corridor Improvements Phase I project. The project is expansion of services to add seven (7) users at the International Peace Gardens and U.S. Customs Border Station and an additional 25 residential users. The project includes installation of approximately 12 miles of new water main along U.S. Highway 3, N.D. Highway 43, 104th Street NE, and 10th Street NE—along with a new booster station. The TMPUC anticipates receiving grant funding through the USDA Rural Development Native American Set-Aside program to offset costs of the project.

This project meets requirements of the Water Commission’s cost-share policy for rural water supply projects. There were no questions, and the following motion was made:

Moved by Commissioner Goehring and seconded by Commissioner Walker the Commission approve the request from the Turtle Mountain Public Utilities Commission for state cost-share participation in the Highway 3 Corridor Improvements Phase I project at 75-percent of eligible costs, not to exceed \$3,120,800. This approval is contingent on available funding.

Commissioners Anderson, Frith, Odermann, Ova, Walker, Zimmerman, Goehring, and Lt. Governor Miller voted aye. The motion carried.

**South Central Rural Water: U of Mary Water Storage Reservoir Scope Change \$0
(SWC Project No. 2050SOU)**

Southeast Water Users District is requesting a change of scope concerning preconstruction cost-share previously approved by the Commission. On April 11, 2024, the Commission approved funding at 75-percent of eligible costs not to exceed \$367,500 for the University of Mary Service Area Water Storage and Transmission Line project. The project includes a pump station, a 250,000-gallon elevated storage tank, and approximately 6,800 feet of water mains.

The district has been since notified by the Federal Aviation Administration that the proposed tower location and height constitute a hazard to air navigation. Therefore, in lieu of the approved project, the district now requests approval to reallocate the portion of cost-share identified for the elevated storage tank toward an underground storage reservoir of the same volume with an associated booster station. All remaining project elements would remain unchanged and there are no identified concerns with the proposal. The cost of this change of scope will not exceed the amount of previously approved cost-share and no commission action is needed at this time.

Project Updates

DWR staff provided updates on the following projects:

- Devils Lake: Yaping Chi, Water Resources Engineer
- Mouse River: Laura Ackerman, Water Resource Engineer
- Missouri River: Clay Carufel, Missouri River Engineer
- NAWS: Travis Johnson, NAWS Project Manager
- SWPP: Justin Froseth, SWPP Manager

Legal Update

Matthew Sagsveen, General Counsel, Attorney General's Office, provided an update on current legal matters involving the SWC and DWR.

SWPP Intake – Contract 1-2A Summary

Froseth provided a brief project history, summary of claim related expenses, projections through January 2025, and overall expenditures towards the SWPP Supplementary Intake project. With \$2.57 million expended to date and with the projection of needing an additional \$99,000 through January, no additional funds are projected to be required.

Executive Session

Under Authority of NDCC § 44-04-19.1(9) for Attorney Client Consultation regarding SWPP – Intake, Contract 1-2A

It was the recommendation of Lt. Governor Miller that further discussion relating to the SWPP/Fowler Intake be held in Executive Session, under the provisions of NDCC § 44-04-19.1(9), for the purpose of attorney consultation. The Commission invited the following to participate in the Executive Session:

State Water Commission Members Present:

Lt. Governor Miller, Acting Chairman

Doug Goehring, Commissioner, ND Agriculture Commissioner

Michael Anderson, Lower Red River Basin

Jeff Frith, Devils Lake Basin

James Odermann, Little Missouri, Upper Heart, and Upper Cannonball River Basins

Connie Ova, James River Basin (online)

April Walker, Upper Red River Basin

Jason Zimmerman, Mouse River Basin

Others Present:

Dr. Andrea Travnicek, DWR Director and Commission Secretary

John Paczkowski, DWR State Engineer

Matthew Sagsveen, General Counsel, Attorney General's Office

Elizabeth Mayans, Attorney General's Office

Sindhuja S.Pillai-Grinolds, DWR Water Development Division Director

Justin Froseth, Southwest Pipeline Project Manager

Chris Kadrmaz, DWR Administration Division Director

Abby Ebach, DWR Director of Public Policy

Shana Brost, Administrative Officer

Ben Gehrig, DWR Data & Technology Services

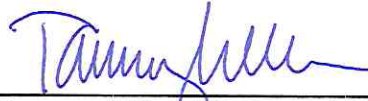
Mark Becker, Fabyanske, Westra, Hart & Thomson, P.A. (online)

Moved by Commissioner Goehring and seconded by Commissioner Zimmerman that under the provision of NDCC § 44-04-19.1(9), the Commission proceed into Executive Session on December 13, 2024, at 11:24 AM for the purpose of attorney consultation relating to the Southwest Pipeline Project/Fowler Intake—Contract 1-2A.

Commissioners Anderson, Frith, Odermann, Ova, Walker, Zimmerman, Goehring, and Lt. Governor Miller voted aye. There were no nay votes. The motion carried.

Following attorney consultation regarding the Southwest Pipeline Project/Fowler Intake, Contract 1-2A, Lt. Governor Miller reconvened the open session of the Commission meeting at 11:39 AM.

There being no further business to come before the Commission, Lt. Governor Miller adjourned the December 13, 2024, meeting at 11:42 AM. The next State Water Commission meeting will be held on February 13, 2025, at 1:00 PM CT at the Bank of North Dakota, Lewis & Clark Room #238, 1200 Memorial Highway, Bismarck, North Dakota.



Tammy Miller, Lieutenant Governor
Acting Chairman, State Water Commission



Andrea Travnicek, Ph.D.
Director, DWR, and Secretary to the State
Water Commission

Glossary of Terms

Allocated-To apportion for a specific purpose. To set apart or earmark.

Anticipated Construction Request-Potential construction requests for prior approved and current projects.

Appropriation-Specifies the amount of funds to be used for a particular purpose during a period of time, normally one biennium.

Original-Legislative authorization to expend.

Current-Requesting authorization to allocate funds.

Unobligated- Funding available to be obligated to a project.

Appropriation Authority-Legislative authority in an Appropriation Act for an agency to expend funds.

Appropriation Bill-A bill which appropriations are given legal effect.

Approved-Funds approved and allocated by the State Water Commission.

Beginning Balance-Resource Trust Fund cash balance that carries over from the previous biennium. This information is provided by Legislative Council and includes carryover and funds not approved or allocate by the State Water Commission.

Carryover Funds-Approved funds unpaid during the current biennium which are transferred to the appropriation for the following biennium.

Carryover Projects-Projects approved but not finished by the end of the current biennium. The time is limited to 2 years after the end of the current biennium, 6/30/21, unless approved by the State Water Commission to continue past that date.

Cash-Resource Trust Fund money received and not allocated to a specific appropriation purpose.

Cost Increase-Funding needed above original cost estimate.

De-Obligation-Funds released from project allocation made from the current biennium appropriation.

Expenditure-Payment or funds spent.

Obligation-Funds allocated from current biennium appropriation to pay based on a contract.

Unexpended-Not yet spent or paid.

Turnback-Carryover funds released from prior biennium from a project allocation.

Unobligated Carryover-Previous biennium funding, not associated with a project released to the Resource Trust Fund.

Unpaid Approval-A commitment to an expense at a future date.

Water Infrastructure Revolving Loan Fund (WIRLF) Eligibility-Approval by the State Water Commission of the eligibility of projects to apply for a Water Infrastructure Revolving Loan in compliance with cost share and statutory authority. Final loan approval is by the Bank of North Dakota.

OIL EXTRACTION REVENUE
FOR THE 2023 - 2025 BIENNIUM

MONTH / YEAR	PROJECTED				ACTUAL				RESOURCES		TRANSFERS TO ²	
	REVENUE	ENERGY CONS. ¹ ALLOCATION	RENEWABLE ¹ ALLOCATION	TRUST FUND ALLOCATION	REVENUE	ENERGY CONS. ¹	RENEWABLE	TRUST FUND NET DEPOSIT	TRUST FUND NET DEPOSIT	WATER PROJECTS	STABILIZATION FUND	
AUGUST, 2023	\$19,607,811	\$88,039	\$588,234	\$18,921,538	\$17,438,367	\$87,192	\$523,151	\$16,828,025	\$0	\$0		
SEPTEMBER, 2023	20,261,405	101,307	607,842	19,552,256	19,897,352	99,487	596,921	19,200,945	0	0		
OCTOBER, 2023	20,261,405	101,307	607,842	19,552,256	22,030,025	110,150	660,901	21,258,974	0	0		
NOVEMBER, 2023	19,607,811	98,039	589,234	18,921,538	25,681,608	128,408	770,448	24,782,752	5,308,920	5,308,920		
DECEMBER, 2023	20,261,405	101,307	607,842	19,552,256	24,757,068	123,785	448,579	24,184,704	4,495,663	4,495,663		
JANUARY, 2024	19,607,811	98,039	6	19,509,766	24,074,426	120,372		23,954,054	4,466,615	4,466,615		
FEBRUARY, 2024	20,261,405	101,307		20,160,098	19,707,741	98,539		19,609,202	(553,664)	(553,664)		
MARCH, 2024	20,261,405	101,307		20,160,098	17,937,246	89,686		17,847,560	(2,324,159)	(2,324,159)		
APRIL, 2024	18,300,624	91,503		18,209,121	19,221,776	96,109		19,125,667	921,152	921,152		
MAY, 2024	20,261,405	101,307		20,160,098	22,520,865	112,604		22,408,260	2,259,460	2,259,460		
JUNE, 2024	19,607,811	98,039		19,509,772	22,609,462	113,047		22,496,414	3,001,651	3,001,651		
JULY, 2024	20,261,405	101,307		20,160,098	20,403,558	20,620		20,382,938	142,153	142,153		
AUGUST, 2024	17,366,918	7,192		17,359,726	19,772,137			19,772,137	2,405,219	2,405,219		
SEPTEMBER, 2024	17,945,816			17,945,816	20,157,498			20,157,498	2,211,682	2,211,682		
OCTOBER, 2024	17,945,816			17,945,816	20,051,630			20,051,630	2,105,814	2,105,814		
NOVEMBER, 2024	17,366,918			17,366,918	17,541,906			17,541,906	174,988	174,988		
DECEMBER, 2024	17,945,816			17,945,816								
JANUARY, 2025	17,366,918			17,366,918								
FEBRUARY, 2025	17,945,816			17,945,816								
MARCH, 2025	17,945,816			17,945,816								
APRIL, 2025	16,209,124			16,209,124								
MAY, 2025	17,945,816			17,945,816								
JUNE, 2025	17,366,918			17,366,918								
JULY 2025-JUNE REVENUE	17,945,816			17,945,816								
TOTALS	\$449,859,211	\$1,200,000	\$3,000,000	\$445,659,211	\$333,802,665	\$1,200,000	\$3,000,000	\$329,602,665	\$24,615,494	\$24,615,494		

¹ Transfers to the renewable energy development fund and the energy conservation grant fund are established in North Dakota Century Code Section 57-51.1-07.

² Transfers to the water project stabilization fund are calculated after transfers to the renewable energy development fund and energy conservation grant fund occur

RESOURCES TRUST FUNDED REVENUE

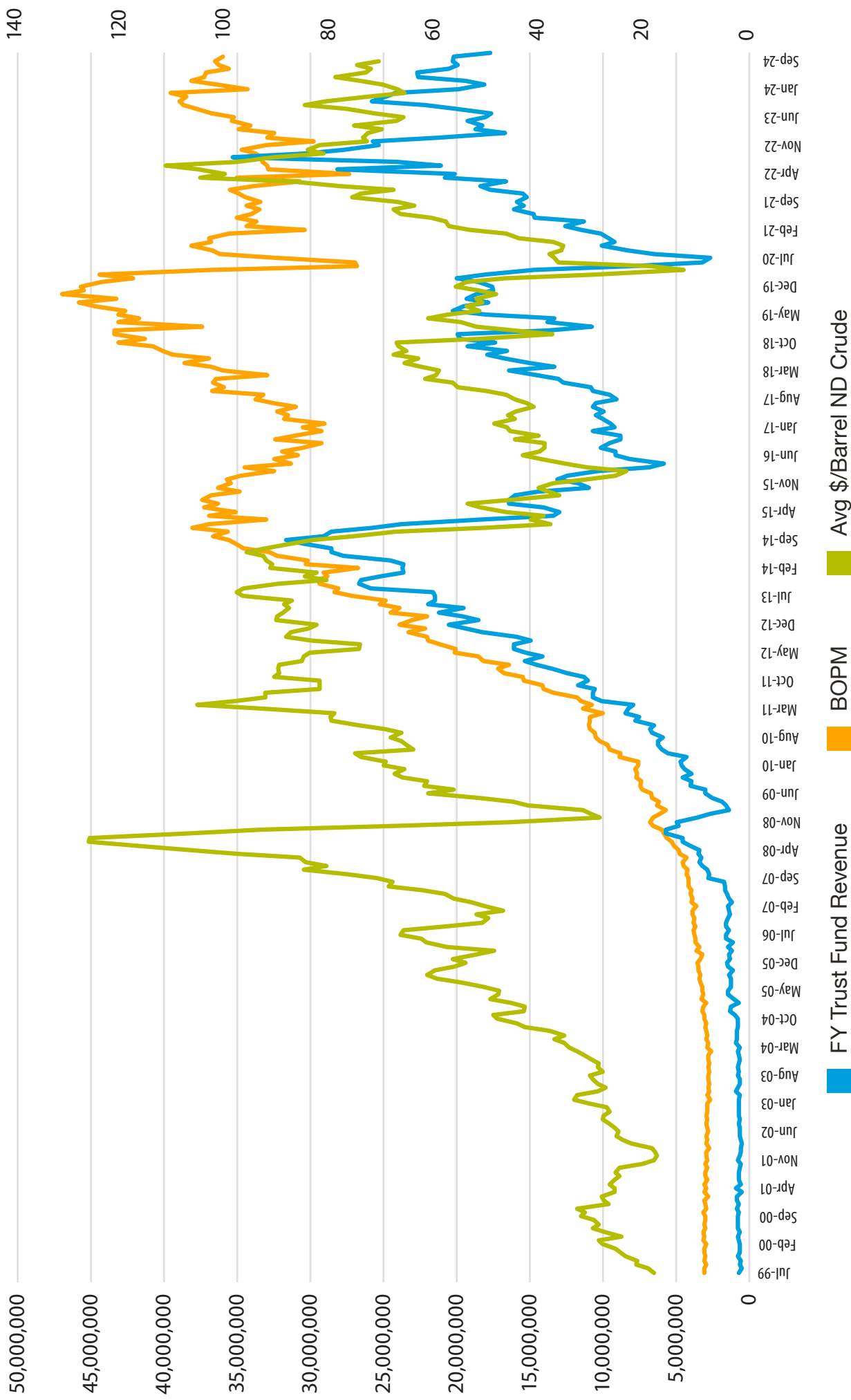
NORTH
Dakota

Be Legendary.

Water Resources

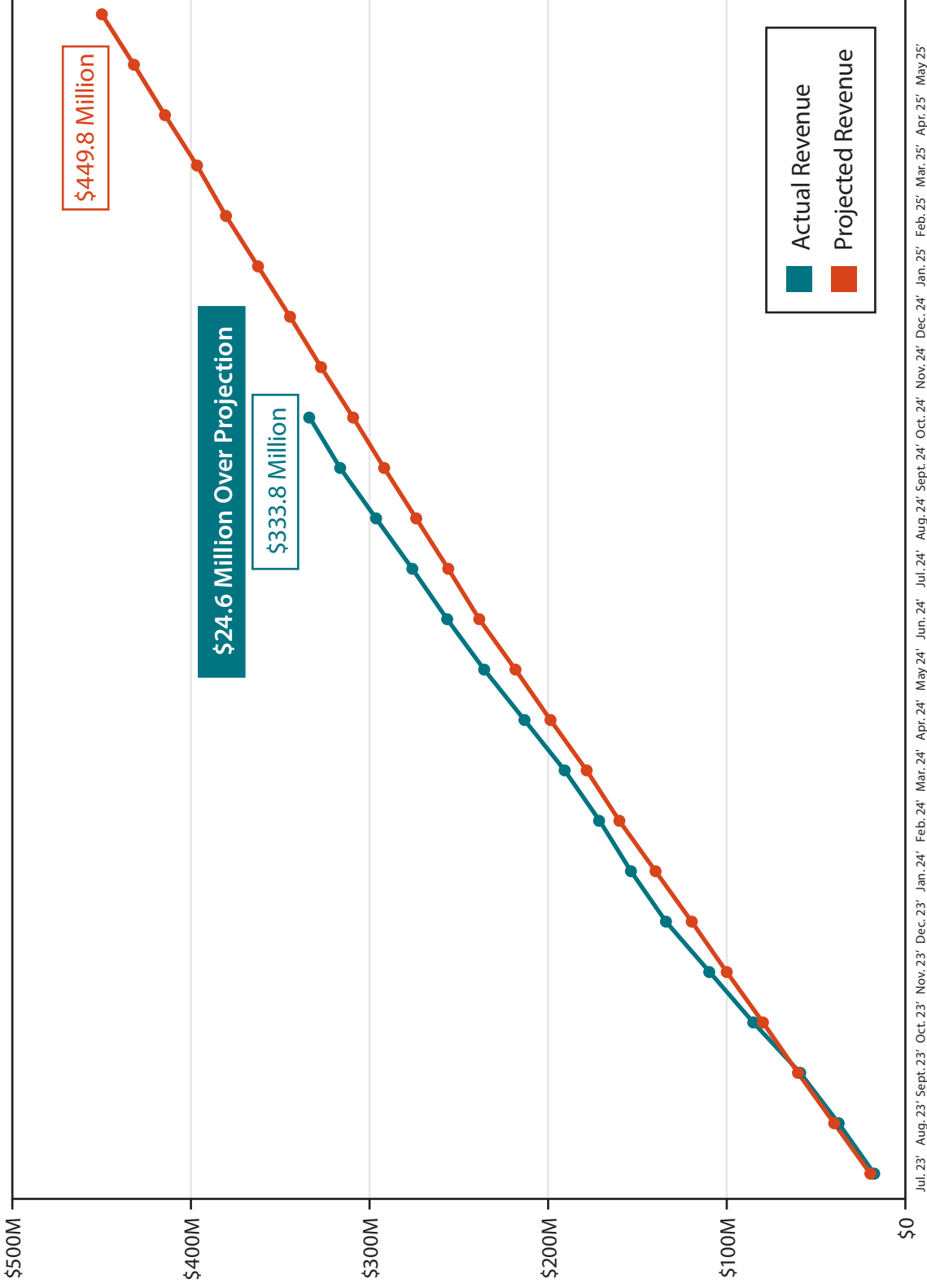
JULY 2004-SEPTEMBER 2024

NORTH DAKOTA OIL PRODUCTION & RESOURCES TRUST FUND REVENUE

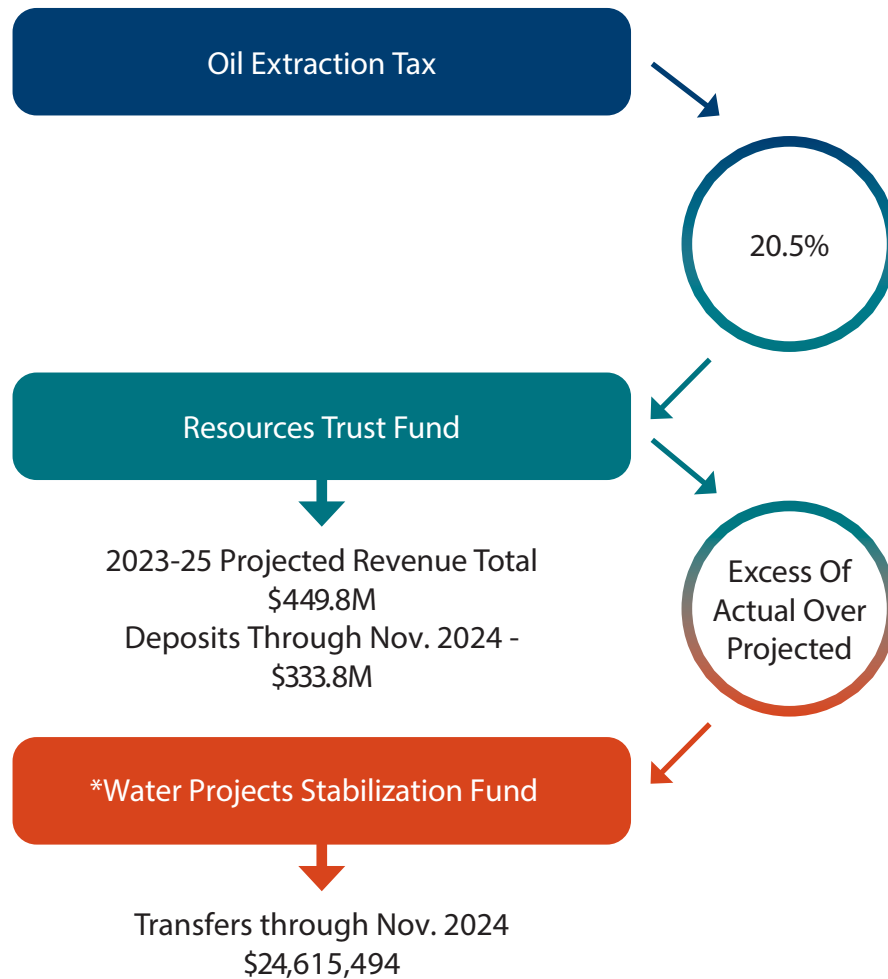


RESOURCES TRUST FUND REVENUE

2023-2025 (Cumulative) | November 2024



RESOURCES TRUST FUND REVENUE

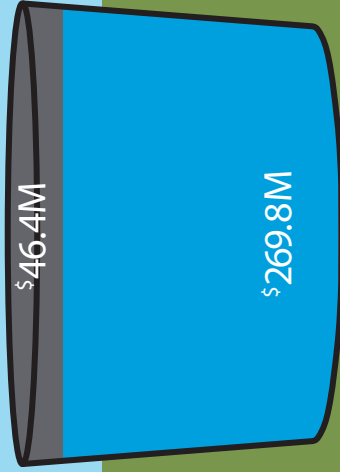


*Authorized in Sections 5-7 of Senate Bill 2020 during the November special session.

2023-25 PURPOSE FUNDING

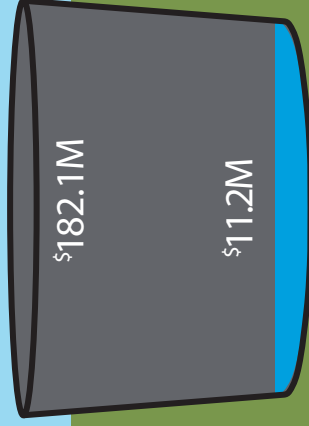
JULY 2023-NOVEMBER 2024

\$316.2M



Water Supply

\$193.4M



* Capital Assets

\$115.7M



Flood Control Projects

\$52M



Rural Water

\$10.25M



General Water

\$9M



Discretionary Funds

APPROVED

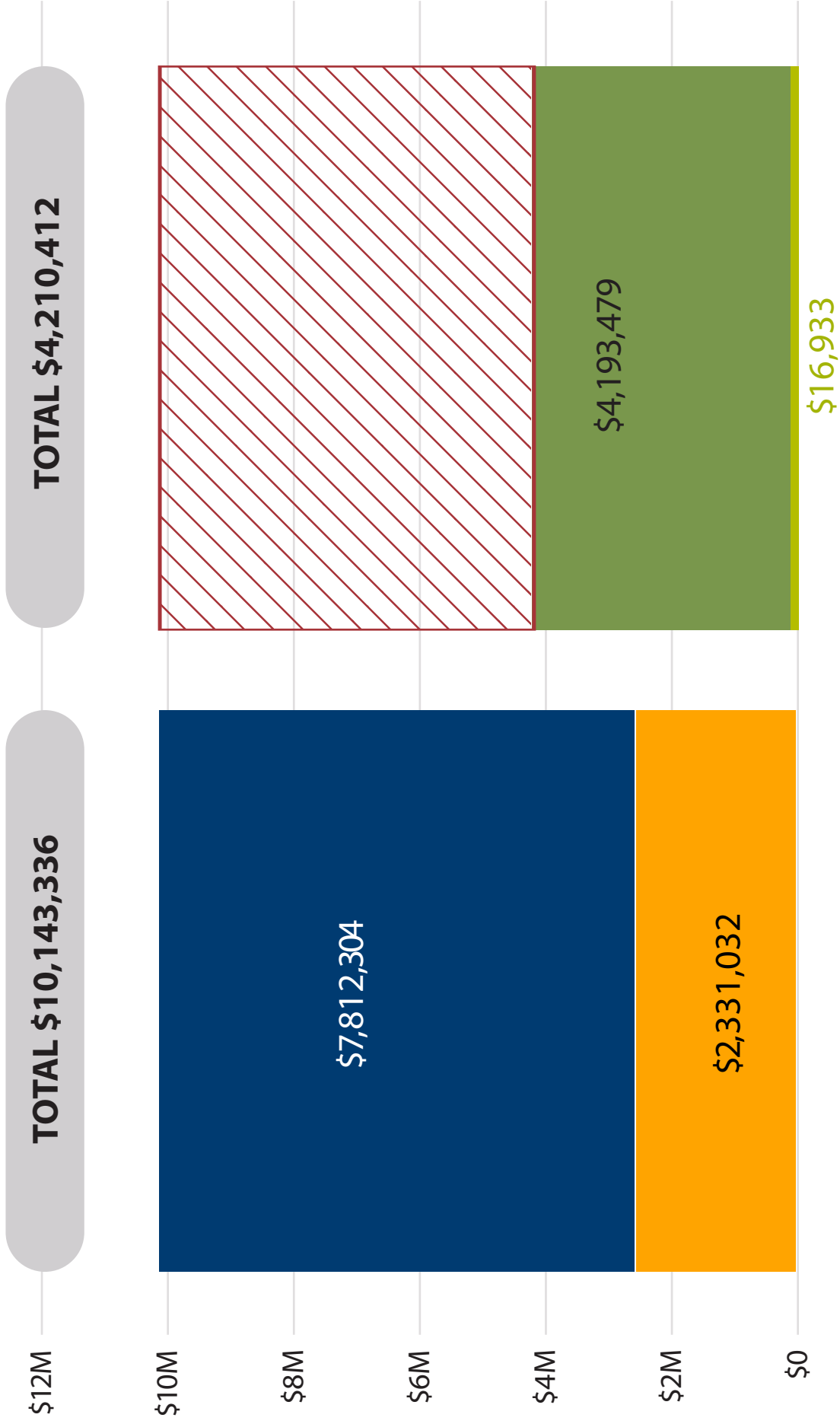
UNOBLIGATED

*Capital Assets bucket includes \$100M line of credit.

2023-25 PURPOSE FUNDING

JULY 2023-NOVEMBER 2024

GENERAL WATER



- Anticipated Construction
- 23-25 Remaining Unobligated Appropriation
- Current Requests
- Carry Over
- Potential Shortfall

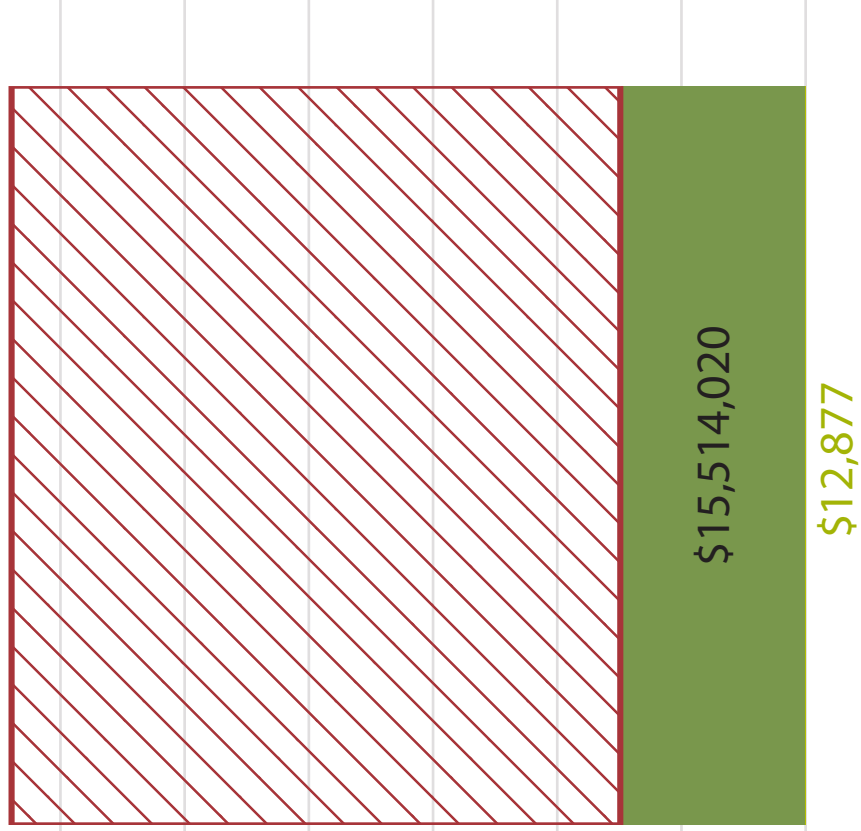
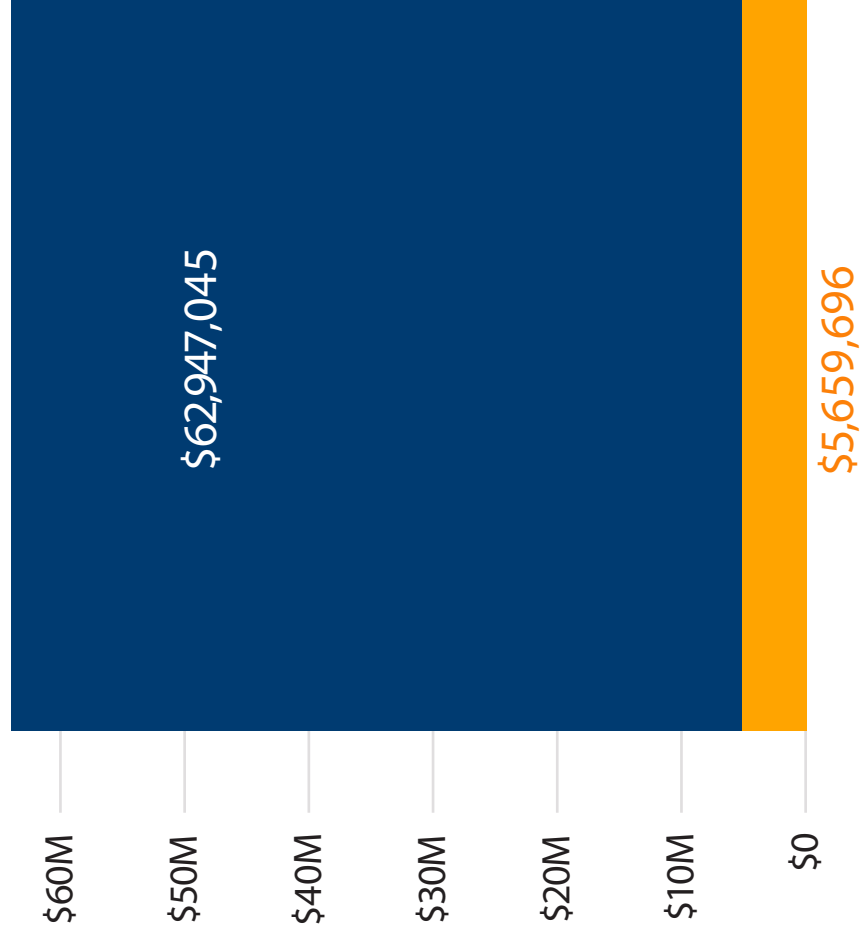
2023-25 PURPOSE FUNDING

JULY 2023-NOVEMBER 2024

RURAL WATER

TOTAL \$68,606,741

TOTAL \$15,526,897



- Anticipated Construction
- 23-25 Remaining Unobligated Appropriation
- Current Requests
- Carry Over
- Potential Shortfall

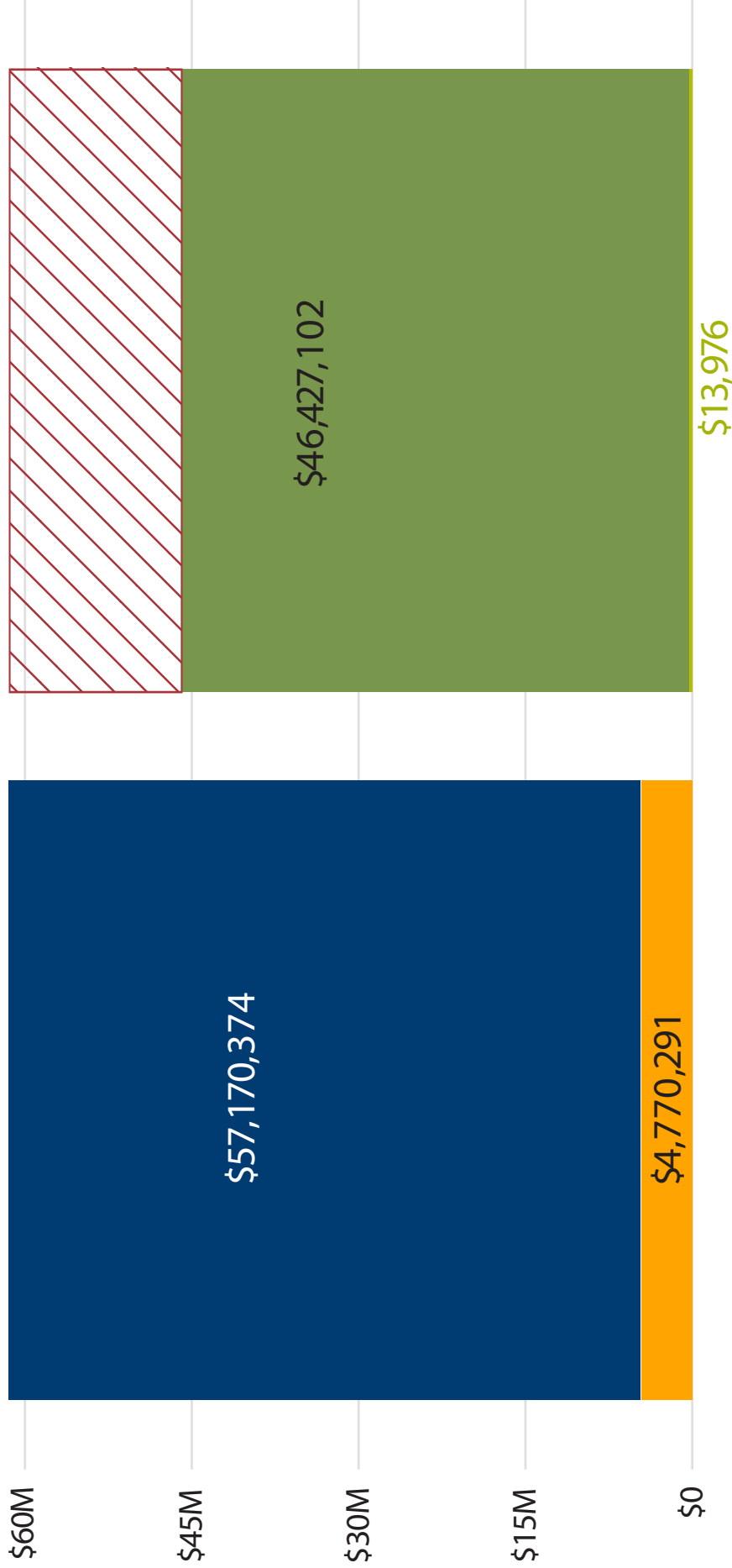
2023-25 PURPOSE FUNDING

JULY 2023-NOVEMBER 2024

WATER SUPPLY

TOTAL \$61,940,665

TOTAL \$46,441,078



- Anticipated Construction
- 23-25 Remaining Unobligated Appropriation
- Current Requests
- Potential Shortfall
- Carry Over

**PURPOSE FUNDING SUMMARY
State Water Commission Cost-Share
for December 13, 2024**

2023-2025 Unobligated Appropriation 11-26-24	Carryover Turnback 06-30-23
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Flood Control		Unobligated Appropriation	\$ 27,949,081	\$ 1,511,166
		Cost-Share		
1				
2				
3				
Current Requests		\$	-	\$ -
Estimated Unobligated Appropriation =		\$	27,949,081	\$ 1,511,166

General Water		Unobligated Appropriation	\$ 4,193,479	\$ 16,933
		Cost-Share		
Other	1 DWR: Groundwater Flow Models for Water Availability	\$	631,032	
Other	2 Bottineau County WRD: South Landa Drain Loan	\$	1,700,000	
Current Requests		\$	2,331,032	\$ -
Estimated Unobligated Appropriation =		\$	1,862,447	\$ 16,933

Water Supply		Unobligated Appropriation	\$ 46,427,102	\$ 13,976
		Cost-Share		
Pre/Construction	1 City of Mandan: 2025 Street Rehabilitation	\$	232,658	
Pre/Construction	2 City of Valley City: Northwest Standpipe	\$	210,000	
Pre/Construction	3 City of West Fargo: Westwood Addition Water Main Replacement	\$	110,001	
Construction	4 City of Mandan: Memorial Highway Water Main	\$	2,717,632	
Other	5 GDCC: Eastern ND Alternative Water Supply Loan	\$	1,500,000	
Current Requests		\$	4,770,291	\$ -
Estimated Unobligated Appropriation =		\$	41,656,811	\$ 13,976

Rural Water		Unobligated Appropriation	\$ 15,514,020	\$ 12,877
		Cost-Share		
Cost Increase	1 McLean Sheridan RWD: System Improvements Phase 2	\$	226,360	
Cost Increase	2 Walsh County RWD: Interconnect with Northeast RWD	\$	250,536	
Pre/Construction	3 East Central RWD: Hillsboro Aquifer Pump Test	\$	-	
Pre/Construction	4 East Central RWD: Hillsboro Area Supply, Transmission, & Distribution	\$	1,057,500	
Pre/Construction	5 East Central RWD: Hillsboro Water Treatment Plant	\$	1,012,500	
Construction	6 Turtle Mountain PUC: Highway 3 Corridor Improvements	\$	3,112,800	
Current Requests		\$	5,659,696	\$ -
Estimated Unobligated Appropriation =		\$	9,854,324	\$ 12,877

Discretionary		Unobligated Appropriation	\$ 8,768,861	\$ 3,506,441
		Cost-Share		
1				
Current Requests		\$	-	\$ -
Estimated Unobligated Appropriation =		\$	8,768,861	\$ 3,506,441

**PURPOSE FUNDING SUMMARY
State Water Commission Cost-Share
for December 13, 2024**

2023-2025 Unobligated Appropriation 11-26-24	Carryover Turnback 06-30-23
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Capital Assets		Unobligated Appropriation	\$ 182,120,000	\$ 4,171,797
SWPP		Cost-Share		
1	Water Treatment Plant Expansion		\$ 90,700,000	
2				
Current Requests			\$ 90,700,000	
NAWS				
1				
2				
Current Requests			\$ -	
Capital Assets Current Requests			\$ 90,700,000	
	Less line of credit		\$ 100,000,000	
Anticipated Unobligated Appropriation Capital Assets =			\$ (8,580,000)	

2023-2025 Unobligated Appropriation for Purpose and Capital Assets	\$ 284,972,543	\$ 9,233,190
Current Requests	\$ 103,461,019	\$ -
2023-2025 Anticipated Unobligated Appropriation =	\$ 181,511,524	

**DEPARTMENT OF WATER RESOURCES
PROJECT SUMMARY
2023-2025 BIENNIUM**

November 26, 2024

	2021-2023 CARRYOVER	2023-2025 APPROPRIATION	TOTAL	SWC/Secretary APPROVED	UNOBLIGATED APPROPRIATION
MUNICIPAL & REGIONAL WATER SUPPLY:					
MUNICIPAL WATER SUPPLY	53,007,838	81,209,193	134,217,031	134,217,031	0
RED RIVER VALLEY	38,269,022	180,000,000	218,269,022	218,269,022	0
OTHER REGIONAL WATER SUPPLY	27,300,734	8,563,705	35,864,439	35,864,439	0
UNOBLIGATED MUNICIPAL/REG WATER SUPPLY	13,976	46,427,102	46,441,078		46,441,078
Total	118,591,570	316,200,000	434,791,570	388,350,492	46,441,078
% OBLIGATED		85%			
RURAL WATER SUPPLY:					
RURAL WATER SUPPLY	55,311,784	36,485,980	91,797,764	91,797,764	0
UNOBLIGATED RURAL WATER SUPPLY	12,877	15,514,020	15,526,897		15,526,897
Total	55,324,661	52,000,000	107,324,661	91,797,764	15,526,897
% OBLIGATED		70%			
FLOOD CONTROL:					
FARGO	0	0	0	0	0
MOUSE RIVER	9,425,991	76,100,000	85,525,991	85,525,991	0
MOUSE RIVER HB1431 BOND PROCEEDS	64,354,625	0	64,354,625	64,354,625	0
VALLEY CITY	10,072,490	0	10,072,490	10,072,490	0
LISBON	259,160	0	259,160	259,160	0
OTHER FLOOD CONTROL	8,933,841	1,577,022	10,510,863	10,510,863	0
PROPERTY ACQUISITIONS	57,573	9,750,000	9,807,573	9,807,573	0
WATER CONVEYANCE	9,206,810	323,897	9,530,707	9,530,707	0
UNOBLIGATED FLOOD CONTROL	1,511,166	27,949,081	29,460,247		29,460,247
Total	103,821,656	115,700,000	219,521,656	190,061,409	29,460,247
% OBLIGATED		76%			
GENERAL WATER:					
GENERAL WATER	11,613,912	6,056,521	17,670,433	17,670,433	0
UNOBLIGATED GENERAL WATER	16,933	4,193,479	4,210,412		4,210,412
Total	11,630,845	10,250,000	21,880,845	17,670,433	4,210,412
% OBLIGATED		59%			
SUBTOTAL	289,368,732	494,150,000	783,518,732	687,880,098	95,638,634
CAPITAL ASSETS:					
SWPP CAPITAL ASSETS	19,928,592	0	19,928,592	19,928,592	0
NAWS CAPITAL ASSETS	36,181,771	11,080,000	47,261,771	47,261,771	0
DEVILS LAKE OUTLET		200,000	200,000	200,000	
UNOBLIGATED CAPITAL ASSETS	4,171,797	182,120,000	186,291,797		186,291,797
Total	60,282,160	193,400,000	253,682,160	67,390,363	186,291,797
% OBLIGATED		6%			
DISCRETIONARY FUNDING:					
DISCRETIONARY FUNDING PROJECTS	2,096,564	231,139	2,327,703	2,327,703	0
UNOBLIGATED DISCRETIONARY FUNDS	3,506,441	8,768,861	12,275,302		12,275,302
Total	5,603,005	9,000,000	14,603,005	2,327,703	12,275,302
% OBLIGATED		3%			
BASINWIDE PLAN IMPLEMENTATION:					
BASINWIDE PLAN IMPLEMENTATION	773,787	0	773,787	773,787	0
UNOBLIGATED BASINWIDE PLAN IMPLEMENTATION FUNDS	0	0	0		0
Total	773,787	0	773,787	773,787	0
% OBLIGATED		0%			
STATE FISCAL RECOVERY FUND:					
STATE FISCAL RECOVERY FUNDS - SB 2345	10,972,317	0	10,972,317	10,972,317	0
UNOBLIGATED STATE FISCAL RECOVERY FUNDS	0	0	0		0
Total	10,972,317	0	10,972,317	10,972,317	0
% OBLIGATED		0%			
TOTAL	367,000,000	696,550,000	1,063,550,001	769,344,268	294,205,732

**DEPARTMENT OF WATER RESOURCES
PROJECT SUMMARY
2023-2025 BIENNIUM**

Nov-24

	SWC/Secretary APPROVED	EXPENDITURES	UNPAID APPROVALS
MUNICIPAL & REGIONAL WATER SUPPLY:			
MUNICIPAL WATER SUPPLY	134,217,031	43,501,439	90,715,592
RED RIVER VALLEY	218,269,022	65,705,274	152,563,748
OTHER REGIONAL WATER SUPPLY	35,864,439	14,547,757	21,316,683
TOTAL	388,350,492	123,754,469	264,596,023
RURAL WATER SUPPLY:			
RURAL WATER SUPPLY	91,797,764	43,882,449	47,915,315
FLOOD CONTROL:			
FARGO	0	0	0
MOUSE RIVER	85,525,991	3,507,500	82,018,491
MOUSE RIVER HB1431	64,354,625	32,516,421	31,838,204
VALLEY CITY	10,072,490	157,005	9,915,485
LISBON	259,160	4,500	254,660
OTHER FLOOD CONTROL	10,510,863	2,841,148	7,669,715
PROPERTY ACQUISITIONS	9,807,573	57,573	9,750,000
WATER CONVEYANCE	9,530,707	4,932,487	4,598,219
TOTAL	190,061,409	44,016,634	146,044,775
GENERAL WATER:			
GENERAL WATER	17,670,433	6,882,980	10,787,453
SUBTOTAL	687,880,098	218,536,532	469,343,566
CAPITAL ASSETS:			
SWPP CAPITAL ASSETS	19,928,592	6,898,076	13,030,516
NAWS CAPITAL ASSETS	47,261,771	9,292,084	37,969,687
DEVILS LAKE OUTLET	200,000	27,963	172,037
TOTAL	67,390,363	16,218,124	51,172,239
DISCRETIONARY FUNDING:			
DISCRETIONARY FUNDING PROJECTS	2,327,703	63,000	2,264,703
BASINWIDE PLAN IMPLEMENTATION:			
BASINWIDE PLAN IMPLEMENTATION	773,787	263,829	509,958
STATE FISCAL RECOVERY FUNDS SB2345			
STATE FISCAL RECOVERY FUND PROJECTS	10,972,317	8,159,814	2,812,502
TOTALS	769,344,268	243,241,299	526,102,969

Since 2017, North Dakota has committed over \$2.1 billion in state funding to critical water infrastructure projects. This includes \$1.1 billion for water supply, \$1 billion for flood protection, and \$84 million for general water management initiatives, underscoring the state's long-standing dedication to enhancing its water systems.

Key investments focus on large-scale regional water supply projects, including the Red River Valley Water Supply Project (RRVWSP), Northwest Area Water Supply, Southwest Pipeline, and Western Area Water Supply. These initiatives maximize efficiency through economies of scale, ensuring sustainable, high-quality water supplies and are anticipated to serve nearly 80% of North Dakota's residents.

Significant funding has also been allocated to large-scale flood protection efforts across the Devils Lake, Mouse, Red, Missouri, and Sheyenne River basins. These projects aim to enhance resiliency and mitigate future flood damages, benefiting over one-third of the state's population.

LARGE-SCALE PROJECT FUNDING SUMMARY

PROJECT	STATE	FEDERAL	LOCAL	TOTAL
F-M Area Flood Protection*	\$568**	\$484	\$988	\$2,040
Mouse River Flood Protection	\$295	\$72	\$139	\$506
Northwest Area Water Supply	\$88	\$135	\$47	\$270
Red River Valley Water Supply	\$282	\$9	\$85	\$376
Southwest Pipeline Project	\$85	\$0	\$2	\$87
Valley City Flood Protection	\$17	\$0	\$5	\$22
Western Area Water Supply	\$191	\$0	\$47	\$238
TOTAL	\$1,526	\$700	\$1,313	\$3,539

*Federal and local shares estimated based on overall project cost-share percentages.

**Includes \$435.5 million from 2021 state bonding bill (HB 1431).