

TESTIMONY OF

Reice Haase, Director, Department of Water Resources

Good afternoon, Chairman Sorvaag, and members of the Senate Appropriations Education and Environment Division, I am Reice Haase, Director of the North Dakota Department of Water Resources and Secretary to the State Water Commission.

In response to the specific requests included in your email dated February 25, 2025, I offer the following testimony:

1. Explain the purpose of the agency and its various divisions/programs. Cite North Dakota Century provisions and attach an organizational chart.

The statutory authorities of the Department of Water Resources (DWR or Department), and State Water Commission (SWC or Commission) are provided in North Dakota Century Code Title 61. The 67th Legislative Assembly passed HB 1353 which combined the SWC agency and the Office of the State Engineer into the DWR. The DWR is now a Cabinet agency that reports directly to the Governor. The Department serves as the primary funding entity for critical water infrastructure; appropriates the state's water resources; and is responsible for other water-related regulatory and management functions that ensure public safety and support the long-term sustainability and beneficial use of North Dakota's water resources. The overall mission of the Department is to responsibly manage North Dakota's water needs and risks for the people's benefit.

The SWC board consists of the Governor as chairman, the Commissioner of Agriculture, and eight members representing the state's major drainage basins who are appointed by the Governor to serve terms of six years each. The primary function of the SWC is to review and consider cost-share requests from project sponsors seeking financial assistance from DWR.

The Commission promotes water development by providing cost-share assistance for many local projects such as flood control, water conveyance, water supply systems, and other general water management efforts. Development and associated project funding for state-owned projects such as the Southwest Pipeline Project (SWPP), the Northwest Area Water Supply (NAWS), Devils Lake outlets, and Tolna Coulee control structure are a function of the State Water Commission. The DWR has a project management role for the state projects.

Regulatory functions fall under the responsibility of the DWR. Specifically, they include water appropriation or water rights, drainage, floodplain management, sovereign land management, and dam safety.

DWR also has an active role in public information and education regarding the state's water resources. This includes public outreach and education related to Department functions.

As illustrated by our agency overview and organizational chart (see attached), DWR is comprised of 93 Full Time Equivalent (FTE) employees. In terms of structure, the Department is made up of six divisions – Administrative Services, Atmospheric Resources, Planning and Education, Regulatory, Water Appropriation, and Water Development, which I will cover in greater detail.

As the Director, I serve as the head of the Department of Water Resources, providing overall leadership and decision-making responsibilities and oversee the State Engineer and DWR team members. In addition, as mentioned previously, I serve as the Secretary to the State Water Commission.

North Dakota's State Engineer, John Paczkowski, is responsible for several regulatory functions and responsibilities, including allocation of the state's waters, dam safety, and drainage.

The Administrative Services Division, directed by Chris Kadrmas, provides agency operational support including accounting, budgeting, human resources, records management, and administrative support for Commission meetings. This Division is also responsible for providing the technology infrastructure required to support the scientific and regulatory functions for the agency; the office and back-office automation functions to address workflow and integration requirements; and the development and maintenance of the data management infrastructure to support agency water resource management initiatives.

The Atmospheric Resources Division, directed by Darin Langerud, conducts atmospheric research, provides student intern training opportunities, performs weather-related data collection and analyses, and is responsible for the administration of cloud seeding activities in the state.

The Planning and Education Division, directed by Patrick Fridgen, maintains and updates the Water Development Plan for the State of North Dakota, and administers the cost-share program in support of that plan. Division staff participate in numerous regional, state, local, and inter-office planning activities; manage the agency's water education programs; coordinate environmental reviews; manage the Drought Disaster Livestock Water Supply Assistance Program (when activated); and oversee public outreach and media relations efforts. This Division also supports implementation of the Department's Five-Year Strategic Plan.

The Regulatory Division, directed by Aaron Carranza, is responsible for the review and permitting of drain, dike, dam, and sovereign land applications; administration of North Dakota's Dam Safety Program; assisting communities with floodplain management through Federal Emergency Management Agency (FEMA)'s National Flood Insurance Program; administration of FEMA's Risk Mapping, Assessment, and Planning program; sovereign land management, including ordinary high water mark delineations; general

water resource district support; and the Silver Jackets Program in partnership with the U.S. Army Corps of Engineers.

The Water Appropriation Division, directed by Andrew Nygren, is responsible for the processing of water permit applications, water rights evaluations, hydrologic data collection, and water supply investigations to support economic development activities.

Finally, the Water Development Division, directed by Sindhuja S.Pillai-Grinolds, is responsible for preliminary engineering studies; technical assistance for flood response and recovery; survey data and drone imagery collection; construction of SWPP; construction, operation, and maintenance of NAWS; and operation and maintenance of the Devils Lake outlets and Tolna Coulee control structure. Division staff also represent the agency nationally and internationally on Missouri River, Red River, and Souris River issues.

As discussed above, the SWC is made up of eight Governor-appointed members representing the state's major river basins. North Dakota's Commission members who represent the eight basins are Michael Anderson (Lower Red River), Connie Ova (James River), Jeff Frith (Devils Lake), Gene Veeder (Upper Missouri River), April Walker (Upper Red River), James Odermann (Little Missouri, Upper Heart, and Upper Cannonball Rivers), Jay Volk (Lower Missouri River), and Jason Zimmerman (Mouse River). Other members of the Commission include Governor Kelly Armstrong as Chairman, and Agriculture Commissioner, Doug Goehring.

2. Report any audit findings included in the most recent audit and action taken to address each finding.

DWR had no findings in the most recent Performance Audit dated June 10, 2024.

3. Discuss current biennium accomplishments and challenges and next biennium goals and plans.

With regard to current biennium accomplishments, DWR:

- Continued to make progress on the NAWIS project that is planned to one-day serve up to 81,000 water users in North Dakota. Progress included completion of the 10.5 million-gallon South Prairie Reservoir, flow control structure, and hydraulic control structure; and continued advancements at the Snake Creek Pumping Plant for the project intake, the discharge pipeline connecting the Snake Creek Pumping Plant to the transmission pipeline, the Biota Water Treatment Plant, Minot Water Treatment Plant Phase II, and the Bottineau Reservoir and Pump Station.
- On the SWPP, current and future needs for expanding the west zone main transmission pipeline that serves west from Dickinson to Beach were identified and progress was made in completing the preliminary design. Hydraulic improvements were completed that aided in serving over 100 wait-listed rural customers. Progress was also made towards resolving issues with the Supplementary Raw Water Intake construction contract, and additional intake capacity from Basin Electric Power Cooperative (BEPC)'s intake was negotiated and approved by the SWC and BEPC. Construction contracts for the replacement of the 12 million gallons per day (MGD) water treatment plant located at Dickinson was bid and award of the contract was approved at the December SWC meeting.
- Operated the Devils Lake outlets to provide ongoing flood relief for areas surrounding the greater Devils Lake system. The outlets removed over 201,000 acre-feet of floodwater during the 2023 and 2024 operating seasons. Since outlet operations began 17 years ago in 2007, almost 1.6 million acre-feet of floodwater has been removed from the big lake.
- Completed and began implementation of multiple Cost-Share Program and policy improvements that continue to modernize the Cost-Share Program in response to more contemporary project development needs. As an example, DWR and the SWC began implementation of Basic Asset Inventory Assessment (BAIA) and

Capital Improvement Planning (CIP) requirements for water supply project sponsors applying for construction cost-share funding. In preparation for this requirement, DWR completed a guidance document and fillable electronic workbook. By conducting BAIA and CIP, sponsors are better positioned to raise or save capital to support their infrastructure maintenance and replacement needs for the foreseeable future.

- Over the course of the biennium, provided state funding support of approximately \$556 million in Commission project approvals through the Cost-Share Program, including \$448.8 million to support water supply efforts in 35 cities and 20 rural/regional systems, and \$107.2 million for over 70 different flood protection, water conveyance, and general water projects benefitting citizens across the state.
- Continued to greatly improve North Dakota's ability to manage our state's water resources through innovation, including the monitoring of over 600 locations by PRESENS (Pushing REmote SENSors) loggers across the state. PRESENS was developed in-house by DWR to collect environmental data such as water levels, precipitation, soil moisture, soil temperature, barometric pressure, and air temperature – at a fraction of the cost of more traditional means. The PRESENS system continues to expand and improve and is the envy of other states that are working toward cost-effective means of collecting valuable environmental data.
- North Dakota's Dam Safety Standards were updated in January 2024 after years of work and investment from FEMA's Dam Safety Program State Assistance Grant and DWR's dam safety team. The updates were improvements from the previous 1985 Dam Design Guidelines.
- Completed a water development planning process through extensive public outreach, cooperation, and coordination efforts involving water project sponsors and managers. The 2025 Water Development Plan (WDP) is being presented again through an almost entirely electronic platform and dashboard. The WDP dashboard includes interactive charts, enables staff to make updates in response to changing conditions, and can be accessed at any time via phones and computers.

- DWR's weather radar, which has operated at the Bowman Municipal Airport since 1997, is in the process of being replaced with a new state of the art, dual-polarimetric radar system that is expected to be operational in 2025. The radar is operated year-round with the collaboration of eight regional counties to fill a radar coverage gap in the national radar network.
- Implemented a new public information campaign to inform the public, legislators, and other interested officials about North Dakota's water resources related management challenges, and opportunities. Topic areas covered so far as part of the "Know Your Water Resources" campaign include aquifers, atmospheric resources, watersheds, and more.

With regard to next biennium goals and plans, DWR continues to work toward implementation of the agency's Five-Year Strategic Plan. An Executive Summary of our current Five-Year Strategic Plan was provided during our March 5, 2025, agency overview for your reference. In terms of specific areas of focus for the 2025-2027 biennium, DWR intends to:

- Effectively communicate with the public and stakeholders with a primary focus on collaboration and building partnerships;
- Develop world-class, sustainable, and resilient water development and management practices;
- Support beneficial use of Missouri River system water and other available water supply sources;
- Implement innovative ideas, technology, and grow analytic capabilities to improve efficiencies in water management and development;
- Improve the department's internal resilience and promote a positive culture;
- Improve Department responsiveness and continue to identify efficiencies;
- Advance innovative ideas and technology like PRESENS, managed aquifer recharge, and water reuse opportunities;
- Work toward Tribal Nation engagement, including development of memorandums of understanding;
- Strive for Workforce enhancements, retention of talent, recruiting, and mentoring;

- Continue advancements on NAWS, including progress on permanent intake-related contracts, Minot Water Treatment Plant (WTP) Phase III, Souris Reservoir and Pump Station, and inline booster pump station work.
- Make progress on SWPP water treatment plant replacement, west zone capacity improvements, raw water intake efforts, and the Burt-Hebron rural expansion; and
- Implement results of capital improvement planning efforts related to the West End Devils Lake Outlet.

Though the aforementioned accomplishments and opportunities are many in comparison to challenges, there are a few general areas with that regard that are worth noting. In particular, we anticipate continued challenges related to:

- Competing uses for North Dakota's water both nationally and internationally;
- Addressing growing demands for water within our own state – particularly in support of economic development opportunities;
- Growing needs for real-time data collection and availability, and our ability to analyze that data;
- Implementation of legislatively-required cost-benefit analyses for projects seeking state investment;
- Drainage and water conveyance; and
- General education related to agency efforts and our state's water resources.

4. Compare the agency's request/recommendation totals, including full-time equivalent (FTE) positions, for the next biennium compared to the current biennium.

Description	2023-25 Biennium Appropriation	2025-27 Biennium Governor's Recommendation	Engrossed HB 1020	Variance From 2023-25 Biennium
Salaries and wages	\$22,998,148	\$28,843,527	\$25,356,498	\$2,358,350
New and vacant FTE pool	0	0	2,428,615	2,428,615
Operating expenses	56,625,923	76,564,811	33,939,781	(22,686,142)
Capital assets	124,136,712	206,081,561	3,203,950	(120,932,762)
Southwest pipeline project	0	0	131,713,336	131,713,336
Northwest area water supply	0	0	106,857,325	106,857,325
Water supply – grants	316,200,000	238,732,801	0	(316,200,000)
Rural water supply – grants	52,000,000	45,800,000	0	(52,000,000)
Water supply	0	0	105,000,000	105,000,000
Regional water supply	0	0	306,500,000	306,500,000
General water -grants	12,000,000	16,972,500	0	(12,000,000)
General water	0	0	29,000,000	29,000,000
Flood control grants	115,700,000	129,100,000	0	(115,700,000)
Flood control	0	0	168,500,000	168,500,000
Discretionary funding	0	5,000,000	10,000,000	10,000,000
Total	\$699,660,783	\$747,095,200	\$922,499,505	\$222,838,722
Full Time Equivalents (FTE)	93.00	100.00	99.00	6.00

The department has 93 FTE in the 2023-2025 biennium, and a request of 100 FTE was included in Governor Armstrong's recommendation for the 2025-2027 biennium. We have included one-page summaries related to the 7 FTE we are requesting with metrics related to why each are necessary.

5. Discuss any new positions approved for your agency for the 2023-25 biennium by the 2023 Legislative Assembly, the timing of filling the positions, amounts transferred from the OMB pool for the filled positions, and funding appropriated and the amount estimated to be spent for each position for the 2023-25 biennium.

During the 2023 session, the DWR received an increase of 3 FTE authorizations (2 natural resources services and 1 engineering and planning services) and funding of \$703,398. These positions were filled because of Emergency Commission and Budget Section action in March 2022. In July 2023, the DWR requested \$703,398 for the new FTE positions authorized by the 2023 Legislative Assembly. The DWR estimates it will expend the \$505,772 provided for 2 natural resources services positions and \$197,626 for 1 engineering and planning services position.

6. Discuss employee turnover and the number of vacant positions during the 2023-25 biennium to date, the amount of savings relating to the vacant positions and employee turnover to date compared to the vacant position savings removed from your agency's budget by the 2023 Legislative Assembly, the amount of vacant position saving spent for other purposes, and any amounts transferred or anticipated to be transferred from the OMB pool.

Through December 2024, the DWR has averaged 5 vacant positions per month with salary savings of \$782,285, of which \$331,7090 has been used for accrued leave payouts, performance and incentive bonuses, temporary salary funding to support the DWR's 4D program, and on-call pay related to NAWS operations paid from special funds received from users of the NAWS system. The net salary savings is \$450,576 through December 2024. The DWR has experienced difficulties in recruiting hydrologists, engineers, and field technicians. As of March 7, 2025, the DWR has 3 vacant positions. The DWR requested and received a transfer of \$703,398 for the 3 new FTE authorized as they were filled prior to the start of the 2023-2025 biennium and we anticipate requesting \$200,000 be transferred from the OMB pool if funds are available.

7. Explain the funding included in each program/line item either in total or by division depending on the size of the agency.

The major components of the DWR budget recommendation consist of:

Description	2023-25 Biennium Base	Base Adjustment	Engrossed HB 1020 Base Adjustments	One-time Adjustment	Engrossed HB 1020
Salaries and wages	\$22,998,148	\$5,845,379	(\$3,487,029)		\$25,356,498
New and vacant FTE pool	0	0	2,428,615		2,428,615
Operating expenses	56,625,923	19,906,388	(42,625,030)	32,500	33,939,781
Capital assets	124,136,712	80,994,849	(202,877,611)	950,000	3,203,950
Southwest pipeline project	0	0	131,713,336		131,713,336
Northwest area water supply	0	0	106,857,325		106,857,325
Water supply – grants	316,200,000	(77,467,199)	(238,732,801)		0
Rural water supply - grants	52,000,000	(6,200,000)	(45,800,000)		0
Water supply			105,000,000		105,000,000
Regional water supply			306,500,000		306,500,000
General water -grants	12,000,000	4,972,500	(16,972,500)		0
General water	0		29,000,000		29,000,000
Flood control grants	115,700,000	13,400,000	(129,100,000)		
Flood control			168,500,000		168,500,000
Discretionary funding	0	5,000,000	5,000,000		10,000,000
Total	\$699,660,783	\$46,451,917	\$175,404,305	\$982,500	\$922,499,505
FTE	93.00	7.00	(1.00)		99.00

7a. Amounts included in the base level and their purpose and use.

Salaries and Wages - The 2023-2025 biennium totaled \$22,998,148 and included salaries and fringe benefits for all employees, including employees that provide services for NAWS, SWPP, and the Devils Lake outlets. This is \$1,615,629 less than actual need to support the 93 FTE authorized because of the new and vacant FTE funding pool.

Operating Expenses - The 2023-2025 biennium totaled \$56,625,923 and included operations for NAWS, SWPP, and the Devils Lake outlets. This included funding of \$33.6 million for professional services, which are primarily consultant engineering services for the construction of SWPP and NAWS, and \$9.7 million for utility costs, primarily to operate the Devils Lake outlets and NAWS project.

Capital Assets - The 2023-2025 biennium totaled \$124,136,712 and consisted mostly of projects for NAWS and SWPP, which are both state owned. Specifically, \$66.3 million is for SWPP, and \$55.1 million is for NAWS.

Grants for Water Projects - For the 2023-2025 biennium, the remaining dollars were in the five purpose funding buckets. They included \$316.2 million for Water Supply; \$52 million for Rural Water Supply; \$115.7 million for Flood Control; \$12 million for General Water projects, and \$9 million for Discretionary. General Water includes funding for dam repairs and rehabilitations, water related studies, irrigation projects, as well as other general water management efforts.

7b. Amounts included in the request/recommendation/first chamber action and justification for the change from the base level. Discuss changes relating to each line item (salaries and wages, operating expenses, etc.), funding sources (general fund, special funds, federal funds), and FTE positions:

Salaries and Wages – An increase of \$2,358,350 from the base budget due to the following:

- Cost to continue adjustment of \$416,661.
- Increase funding for legislative salary increase \$962,884.
- Increase funding for health insurance increase \$612,539.
- Reinstate funding of \$1,615,629 for funds removed because of the new and vacant FTE funding pool.
- Reduce funding for 2025-27 new and vacant FTE pool (\$3,062,038).
- Increase of \$1,425,938 for 6 additional FTE (\$399,084 federal funds, \$266,924 non-state funds, and \$759,930 state funds) to support the operations of the DWR and its responsibilities. Supporting information is provided as an attachment.
- Increase funding for SWC board members, temporary salaries, on-call pay, and overtime of \$220,714, to provide sufficient funding for impacts of

legislative increases and adjustments to team member and SWC members' pay.

- Increase funding for temporary salaries of \$100,000 to support an internship program for the DWR. It has been challenging to recruit qualified and experienced individuals for Hydrologist, Hydrogeologist, and Engineering positions at the DWR. The technical demands of these positions, combined with the limited candidate pool with the necessary expertise, make it increasingly difficult to fill these essential roles. To address this issue, the DWR plans to establish an internship program to engage potential candidates before graduation and provide training opportunities and experience thereby bridging the gap between academic learning and the practical skills needed in these fields. Funding for the internship program will help the DWR build a robust program to attract and retain talented team members, and develop a pipeline of skilled professionals to address the State's future water resource management challenges.
- Increase funding of \$66,023 from revenues received from the Board of Water Well Contractors (BWWC) for administrative support. The BWWC is responsible for registering, licensing, and overseeing well contractors across the state. Since its establishment in 1971, the BWWC has partnered with the DWR to manage certain operational aspects, as the data collected from well contractors has been valuable to the State. Historically, a DWR team member has provided accounting and administrative services to the BWWC during their personal time. However, increasing demands have made it challenging to maintain a clear distinction between the team member's roles. To ensure transparency and simplify the working relationship between the BWWC and DWR, the DWR is requesting additional funding for salaries and wages to be covered by revenues generated through a contract with the BWWC for accounting and administrative services. This will allow the team member currently

serving the BWWC part-time to continue fulfilling these responsibilities without needing to balance duties between the DWR and BWWC.

New and vacant FTE pool – Adds \$2,428,615 from salaries and wages for the 2025-27 new and vacant FTE pool.

Operating Expenses – Includes a \$13,006,908 increase and transfers of \$23,800,450 to SWPP and \$11,892,600 to NAWS line items. Major changes are as follows:

- Reduced operating expenses of \$1,171,104 to meet the Governor's budget guidelines and shifted \$2,680,374 from capital assets to operating primarily for professional services related to state owned water projects. These changes were made based on anticipated needs for planning of projects and operating costs.
- \$360,650, of which \$32,500 is one-time funding for operating expenses related to 5 of the 6 FTE included in the Engrossed HB 1020.
- \$85,200 for operating expenses related to the duties of the SWC members.
- \$2,051,788 from federal funds for professional services related to federal programs and other related operating expenses of the Regulatory Division. FEMA's Cooperating Technical Partner grant program is anticipated to have increased grant funding levels than previously assumed for the 2025-2027 biennium. This increase would enable the DWR to access this additional federal funding to advance projects that benefit all North Dakotans. These additional FEMA grant funds require no state matching funds. An example project would be the update of the North Dakota base level engineering data currently housed in the North Dakota Risk Assessment Map Service.
- Increase funding of \$8.4 million for professional services related to SWPP.
- One-time funding of \$600,000 for a Missouri River Intake Study Phase II.
- Transfer \$23,800,450 to the SWPP line item.

- Transfer \$11,892,600 to the NAWS line item.

Capital Assets – Includes a \$81,944,849 increase and transfers of \$107,912,886 to SWPP and \$94,964,725 to NAWS line item. Major changes are as follows:

- Base decrease of (\$9,467,114), of which (\$716,415) is to meet the Governor's budget guidelines, and (\$8,750,699) primarily to shift funding from capital assets to professional fees in operating expenses to pay engineering fees related to state owned water projects.
- Increase of \$91,411,963 (\$100 million from bond proceeds) for state owned water projects, to provide a total of \$206.1 million, of which \$1.65 million is for Devils Lake outlets, \$107.9 million is for SWPP, \$95.3 million is for NAWS, \$480,000 to replace emergency water pumps, \$400,000 to replace an excavator, \$60,000 to replace a data logger, and \$10,000 for equipment for the NAWS Operator FTE request included in the Executive recommendation.
- Transfer \$107,912,886 to the SWPP line item.
- Transfer \$94,964,725 to the NAWS line item.

Southwest Pipeline project – Creates new line item from transfers of \$23,800,450 from operating expenses and \$107,912,886 from capital assets for a total of \$131,713,336.

Northwest Area Water Supply - Creates new line item from transfers of \$11,892,600 from operating expenses and \$94,964,725 from capital assets for a total of \$106,857,325.

Grants for Water Projects - Changes are as follows:

- Water supply - grants reduced \$316,200,000.
- Rural water supply - grants reduced \$52,000,000.
- Water supply added \$105,000,000 for municipal and rural water supply projects.

- Regional water supply added \$306,500,000.
- General water- grants reduced \$12,000,000.
- General water added \$29,000,000.
- Flood control grants reduced \$115,700,000.
- Flood control added \$168,500,000.
- The addition of discretionary funding in the amount of \$10,000,000.

Discretionary funding is for flexibility to provide additional funding either in the buckets, unaccounted for events such as flooding, and to address any other anticipated issues.

8. *Discuss the purpose and use of any one-time funding items for the current biennium.*

There were thirteen one-time funding items included in the DWR 2023-2025 appropriation bill.

- Line of Credit, \$100,000,000 – This has not been utilized to date. The intent was for this to be used if needed for NAWS and SWPP development efforts.
- Discretionary Funding, \$9,000,000 – To support unforeseen project or program needs, such as the Emergency Drought Disaster Livestock Water Supply Program, emergency response efforts, or other unexpected agency costs. To date, \$2.9 million has been approved for a Managed Aquifer Recharge analysis, agency equipment, and rural water supply projects, and a Tribal Nation rural water project.
- Equipment For New Employees, \$19,320 – The DWR anticipates fully expending these funds by June 30, 2025.
- IT Unification, \$1,532,980 - To consolidate and standardize IT services under one umbrella, and to support ongoing costs for services and management to include: file services, computational infrastructure for scientific applications, big data development/production for various data types, big data administrative costs, costs associated with additional FTE for ITD, ITD business analysis, ITD

project management, and ITD project oversight. Through February 2025, \$27,670 has been expended.

- Increased Motor Pool Rates, \$118,180 - To address inflation impacting current travel expenses and anticipated motor pool rate increases. The DWR has not had to utilize these funds through February 2025, and it is not known if it will be necessary to do so.
- Drilling Supply Inflation, \$180,000 - To maintain ongoing drilling operations and to account for increasing costs related to drilling mud, cement, and PVC pipe. The DWR has not had to utilize these funds through February 2025, and it is not known if it will be necessary to do so.
- Navigability Study, \$180,000 - To support a study involving navigability determinations for the Red, Missouri, Yellowstone, Bois de Sioux, and Mouse Rivers, and Upper Des Lacs Lake as directed by HB 1202 (66th Legislative Assembly). Due to staff time limitations, little movement had been achieved on this effort since the 2019 directive, which led to the contracted Navigability Study. February 2025, the Department has approved the final preliminary navigability reports of the six subject waters, expending \$171,000 of the allocated \$180,000.
- Airborne Electromagnetic (AEM) Survey Data Collection, \$750,000 - To expand use of AEM technology to better understand the extent and availability of ground water, particularly in glaciated regions - at a fraction of the cost of traditional methods. Through February 2025, \$750,000 has been expended and the DWR anticipates expending the remaining \$150,000 by June 30, 2025.
- Groundwater Modeling and Hydrologic Analysis Software, \$72,665 - To acquire advanced software for purposes of performing many of the scientific analytical functions and related modeling activities in support of DWR's water appropriation responsibilities. Through February 2025, \$3,936 had been expended during the 2023-2025 biennium. The DWR expended \$24,980 during the 2021-2023 biennium.
- Agency Relocation, \$200,000 - DWR was required to evacuate the State Office Building due to environmental hazards. Funding was provided to address office modifications at the agency's current location – the Bank of North Dakota. As a

result of the emergency clause in SB 2020, the DWR expended \$116,315 for modifications at the BND during the 2023-2025 biennium and anticipates expending an additional \$64,000 to finalize cubical adjustments before June 30, 2025.

- Radar System, \$1,800,000 - To replace the original Bowman radar system to provide enhanced surveillance and ensure the capability of continual operations long into the future. The Bowman radar has filled a gap in radar coverage in southwest North Dakota since 1997 - using 1970s equipment. Through February 2025, \$39,517 has been expended for engineering services. The procurement for the new radar and radar tower are complete and completion of the project is anticipated to be mid-June 2025, and all funds are anticipated to be expended.
- Drilling Rig Replacement, \$1,800,000 - To replace DWR's 15-year-old drill rig with a drilling rig that provides finer control over the drilling operation and improved safety features. Through February 2025, \$1,391,800 has been expended to purchase the drill rig and chassis. The DWR anticipates additional expenditures prior to June 30, 2025, for final modification of the new drill rig before putting it into operation.
- Northwest Area Water Supply (NAWS), \$47,847,238 - Through February 2025, \$12 million has been expended for the NAWS project and additional expenditures are anticipated to occur prior to June 30, 2025.

9. *Identify and justify the need for any one-time funding being requested or recommended.*

- One-time funding of \$42,500 related to equipment for 6 new FTE of which, \$32,500 is in operating expenses and \$10,000 is in capital assets related to NAWS operations.
- One-time funding of \$480,000 for replacement of four inefficient or inoperable water pumps purchased in the early 2000s. The pumps are essential for dewatering during DWR construction projects, dewatering Devils Lake outlets at

the end of operational seasons, stormwater management, and during flood fighting efforts.

- One-time funding of \$400,000 for replacement of an excavator that was purchased in 2015 and has incurred increasing repair costs due to its age. The brand of the excavator is also no longer serviced in the Bismarck area.
- One-time funding of \$60,000 for data logger replacement originally purchased in 2008. This equipment is essential for collecting subsurface data critical to hydrogeologic investigations.
- One-time funding of \$600,000 for Missouri River intake site investigations. Funding is necessary to continue the process for identifying water intake sites along the Missouri River to put the state in a better position to secure its water rights as it relates to use of the Missouri River. This funding would facilitate both phase I and phase II site investigations. Phase I would provide high-level results for the screening of site suitability and to determine sites that might be worth further study. Phase II would provide for a comprehensive fieldwork campaign to verify a site's total suitability. The study includes both surface water and groundwater sites.
- One-time line of credit for water projects of \$200,000,000 during the 2025-2027 biennium. This funding is not specifically identified for any project.

10. Discuss any fees the agency charges, the appropriateness of the fee amount, fee collections that are deposited that are deposited in the general fund or special fund, and any anticipated changes from 2023 legislative session estimates during the 2023-25 biennium and estimated changes for the 2025-27 biennium.

DWR has minimal deposits going into the General Fund. They include open records requests, land lease revenue, water use report late fees, and illegal water usage fees. The main Special Fund deposits are from the Resource Trust Fund. This makes up 77% of the agency's revenue. Other Special Fund deposits include SWPP capital repayments, NAWS payments from the City of Minot, NAWS water rate revenues,

payments from counties for cloud seeding, and CD interest. The DWR 2025-2027 budget includes increased collections and use of special funds received from political subdivisions and a reduction in federal funds.

The DWR has no General Fund dollars in its budget. The last time the Department received a General Fund appropriation was during the 2011-2013 biennium for some operations of the Department.

11. Identify any federal state fiscal relief funds remaining to be spent by your agency by December 2026. Provide the amount, the purpose, and a timeline of anticipated expenditures.

The DWR has \$1,155,783 remaining to be expended for NAWS. The DWR anticipates expending these remaining funds prior to June 30, 2025.

12. Discuss the need for any other sections to be added to the appropriation bill.

- a. A section directing the use of funds from the new and vacant FTE pool line item.
- b. A section providing appropriation of additional income during the 2025-27 biennium.
- c. A section providing a deficiency appropriation of \$10 million from the Strategic Investment and Improvements to pay against the \$100 million line of credit provided for the Water Project Stabilization fund.
- d. A section appropriating \$2.5 million to the Parks and Recreation Department of sovereign lands recreation use grants. A separate section also directs the SWC to provide a \$2.5 million grant to Parks and Recreation Department.
- e. A section identifying \$42.5 million of the total funds included in the Executive recommendation are from the Water Project Stabilization Fund.
- f. A section identifying the allowable use of discretionary funding.

- g. A section authorizing the SWC to bond \$100 million against the Southwest Pipeline capital repayments to the resources trust fund for the Southwest Water Supply project.
- h. A section providing a \$100 million line of credit from the Bank of North Dakota to fund the Water Infrastructure Revolving Loan fund.
- i. A section providing a \$200 million line of credit from the Bank of North Dakota water projects during the 2025-27 biennium.
- j. A section creating a section in Chapter 61-24.6 for a continuing appropriation for federal funds received to operate the NAWS Biota Water Treatment Plant. These funds are passed through to the City of Minot for the operations.
- k. A section providing legislative intent to provide \$953 million for the Red River Valley Water Supply Project. Of the \$773 million yet to be provided, \$260 million be provided during the 2025-27 biennium.
- l. A section providing legislative intent to provide \$380.5 million for the Mouse River Flood Control Project. Of the \$304.4 million yet to be provided, \$125 million be provided during the 2025-27 biennium.
- m. A section providing legislative intent to provide \$73 million for the South Bismarck Storm Water and Flood Control Project. Of the \$73 million yet to be provided, \$20 million be provided during the 2025-27 biennium.
- n. A section providing legislative intent for the water project funding buckets:
 - i. Water supply - \$105 million:
 - 1. Municipal water supply \$25 million.
 - 2. Rural water supply \$80 million.
 - ii. Regional water supply - \$306.5 million:
 - 1. RRVWSP \$260 million.
 - 2. WAWSP \$46.5 million.
 - iii. Flood control - \$168.5 million:
 - 1. Mouse River flood control \$125 million.
 - 2. Valley City flood control \$16 million.
 - 3. South Bismarck storm water and flood control \$20 million.

4. Other flood control projects \$7.5 million.
- iv. General water - \$29 million:
 1. Water conveyance \$15 million.
 2. Sovereign lands \$2.5 million.
 3. Other general water projects \$11.5 million.
- o. A section providing legislative intent that the DWR continue to support efforts that protect and develop beneficial use of Missouri River system water and other available water supply sources.
- p. A section directing the SWC to study regional water supply systems governance.
- q. A section directing the SWC to study its cost-share policy.
- r. A section authorizing the DWR to transfer up to \$10 million between line items, except from salaries and wages.
- s. A section authorizing the DWR to carryover water project funding.
- t. A section declaring HB 1020 to be an emergency measure.

13. Discuss any other bills being considered by the Legislative Assembly and their potential budgetary impact on the agency.

- House Bill 1024 provides a deficiency appropriation of \$10 million from the Resources Trust Fund to pay towards any outstanding balance on a line of credit authorized to fund the Water Infrastructure Revolving Loan Fund.
- Senate Bill 2058 eliminates the Board of Water Well Contractors and transfers those duties to the DWR. There is no appropriation or authorization for FTE. The DWR would seek an appropriation for expenditures related to the duties.
- Senate Bill 2325 requires the grantor of an easement on wetlands to request the DWR or appropriate federal agency to determine the ordinary high-water mark of the area subject to the easement. The DWR would require additional staff experienced with determining the ordinary high-water mark to accommodate any request under this bill. The actual number of FTE needed is unknown.

14. Provide a one-page itemized listing of the changes your agency is requesting the committee to make to the executive recommendation.

We are requesting the Senate approve the General Counsel FTE position and its related funding.

15. Provide additional information as necessary.

Each biennium, the DWR completes a Water Development Plan to provide an overview of North Dakota's ongoing and anticipated water development projects across the state. For the 2025-2027 biennium, DWR and the State Water Commission are providing that information electronically through a Water Development Plan Dashboard (Dashboard) - along with highlights in a printed Executive Summary that has been provided for your reference.

The Water Development Plan Executive Summary outlines funding recommendations for critical water supply, flood protection, and other general water management projects; a prioritized summary of water development financial needs that were collected directly from project sponsors; and summaries of revenue streams that support projects. In addition to the aforementioned information, the Dashboard includes large project overviews (that have also been included in your packets), long-term funding needs, aging water supply infrastructure survey results, current purpose funding tracking, and more. To see all the information that's available on the Dashboard, go to our homepage at www.dwr.nd.gov and click on the Water Development Plan Dashboard link.

Overall, the Department continues to work towards improving agency responsiveness and efficiencies; advancing innovative ideas and technology; supporting the development of critical water infrastructure; and prioritizing workforce enhancement, retention of talent, recruiting, and mentoring.

Mr. Chairman, this concludes our agency overview and testimony relative to Engrossed House Bill 1020. If there are any questions from you or other committee members, I will try to answer them at this time.

ATTACHMENTS

1. Department of Water Resources Overview
2. Department of Water Resources Organizational Chart
3. One-Page Overviews of Requested FTE
4. Other Optional Requests
5. 2025 Water Development Plan Executive Summary
6. Large-Scale Project Summaries



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Water Resources



DEPARTMENT OF WATER RESOURCES & WATER COMMISSION



MISSION

To responsibly manage North Dakota's water needs and risks for the people's benefit.

DEPARTMENT OF WATER RESOURCES

The Department of Water Resources (DWR) has several responsibilities on behalf of the people of North Dakota. DWR serves as the primary funding entity for critical water infrastructure; appropriates the state's water resources; and is responsible for other water-related regulatory and management functions that ensure public safety and support the long-term sustainability and beneficial use of North Dakota's water resources.

DWR FACTS

Department of Water
Resources Full Time
Equivalents (FTE)

93

Groundwater Monitoring
Wells

7,500+

PRESENS (Pushing RE mote
SENSors) Real-Time Envi-
ronmental Data Loggers
Have Collected Measure-
ments

~600

Senate Bill (SB) 2020 was
the DWR budget bill for the
2023-2025 Biennium.

SB
2020

Available For Water
Supply, Flood Protection
& Other Water Projects
(23-25 Biennium)

\$621M

Average Increase In
Temporary Water Permit
Applications Annually -
Last 10 Years

250%

WHO WE SERVE



Water Users

Citizens, businesses, and public water systems who require permits to put ND's water resources to beneficial use.



Agricultural Producers

Livestock producers and farmers who are mitigating impacts from drought, are irrigators, or benefit from hail suppression and rainfall enhancement.



Water Project Sponsors

Cities, rural and regional water systems, water boards, irrigation districts, or other political subdivisions that cost-share with DWR to develop water projects, or require permits.



General Public/Students/Teachers

Anyone interested in learning more about ND's water resources, permitting through DWR, or floodplain management.



Water-Related Data Users

Water managers, consultants, water resource professionals, surveyors, and the general public who are seeking water, land, survey, elevation, and weather-related data.



Government Officials

Federal, state, and local government agencies; Congressionals; Legislators; Tribes; and Governor's Office - who cooperate to improve water management and development.

WATER COMMISSION



Scan to
view Water
Commission
Members

The Water Commission consists of the Governor as chairman, the Commissioner of Agriculture, and eight members representing major drainage basins who are appointed by the Governor to serve terms of six years each. The primary function of the Water Commission is to review and consider cost-share requests from project sponsors seeking financial assistance from the Department of Water Resources. Water Commission members meet on a monthly basis. The Director serves as Secretary to the Water Commission.

WHAT WE DO | DWR DIVISIONS

CONTACT US



DWR DIRECTOR

Reice Haase, Director
rehaase@nd.gov | 701-328-4940

The Director is appointed by the governor, serves as a Cabinet member, provides overall leadership and decision-making, and oversees the State Engineer and DWR team members.



STATE ENGINEER

John Paczkowski, P.E., State Engineer
jpaczkowski@nd.gov | 701-328-4940

ND's State Engineer is responsible for several regulatory functions and responsibilities, including allocation of the state's waters, dam safety, and drainage.



ADMINISTRATIVE SERVICES

Chris Kadrmas, Director
ckadrmas@nd.gov | 701-328-1956

Accounting, general support, budget development, records management, human resources, State Water Commission meeting preparation, data/technology, and PRESENS.



ATMOSPHERIC RESOURCES

Darin Langerud, Director
dlangerud@nd.gov | 701-328-4751

Cloud Modification Program, weather research, data collection, licenses and permits, and radar operations.



PLANNING & EDUCATION

Patrick Fridgen, Director
pfridgen@nd.gov | 701-328-4964

Water Development Plan, media relations, public outreach and education, Livestock Water Supply Program, Cost-Share Program, and MR&I Program.



REGULATORY

Aaron Carranza, P.E., Director
acarranza@nd.gov | 701-328-4813

Construction and drainage permits, sovereign lands, dam safety, floodplain management, and Silver Jackets.



WATER APPROPRIATION

Andrew Nygren, Director
anygren@nd.gov | 701-328-1069

Water rights permitting, ground and surface water management, subsurface exploration, data management, and water resource investigations.

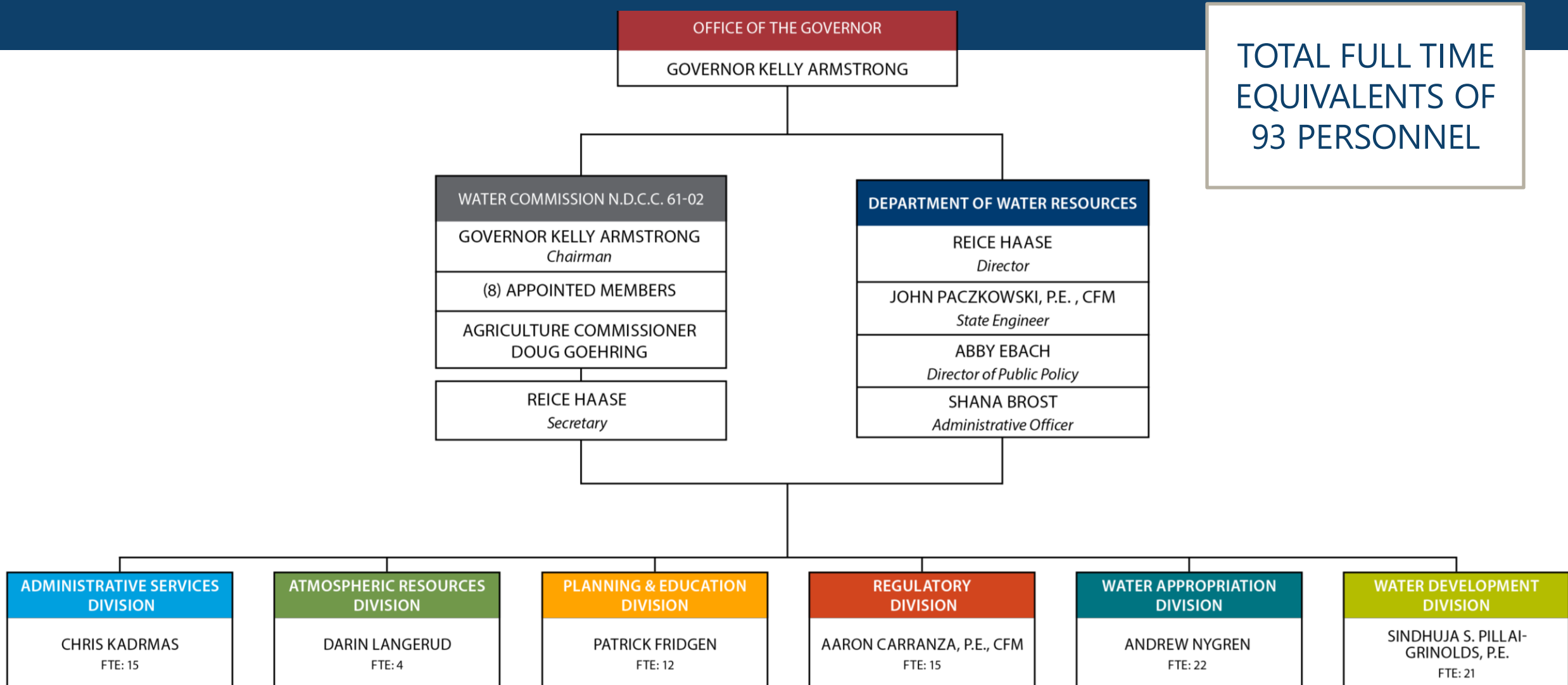


WATER DEVELOPMENT

Sindhuja S. Pillai-Grinolds, Director
spillai@nd.gov | 701-328-4954

Investigations and surveying, construction operations, Southwest Pipeline, Northwest Area Water Supply, Red River office, and Devils Lake outlet operations.

DWR ORGANIZATIONAL CHART





DWR FTE REQUEST SUMMARY

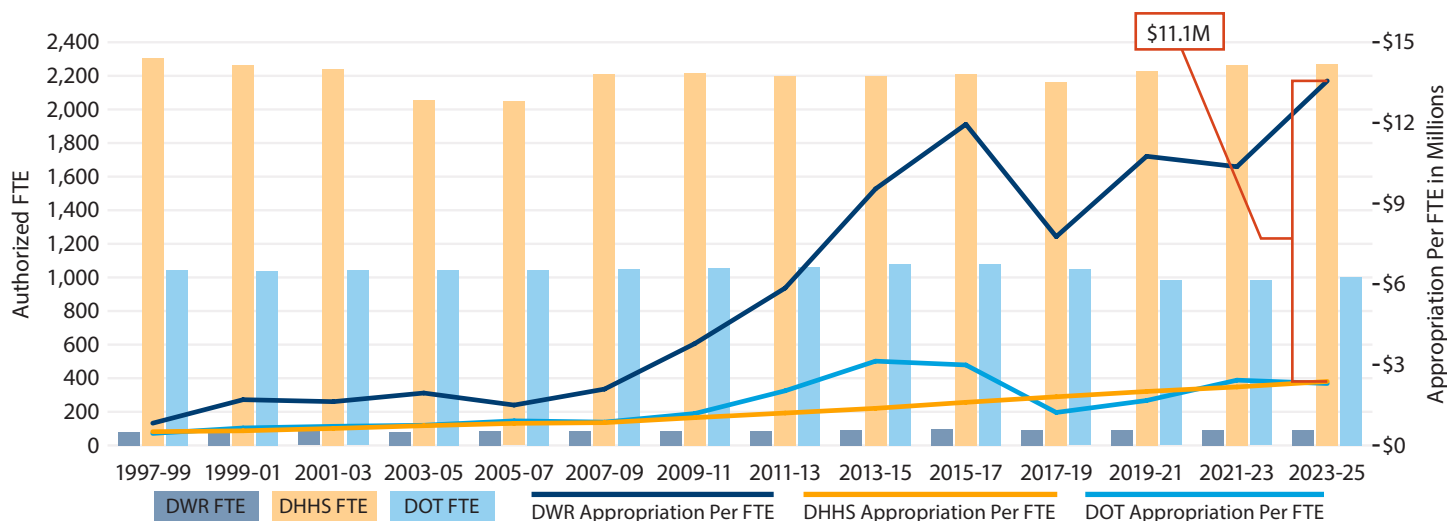
The following includes a summary of FTE positions being requested as part of DWR's 2025- 2027 budget proposal. Specific details and metrics are available in detailed one-page summaries (attached).

NEW FTE Requests			
Position	Division	FTE Request	Funding Source
Accountant	Administration	1 FTE	State
Deputy Director	Administration	1 FTE	State
NAWS Operator	Development	1 FTE	NAWS Users
General Counsel	Administration	1 FTE	State
Assistant NFIP Coordinator	Regulatory	1 FTE	+75% Federal +25% State
RiskMAP Program Specialist	Regulatory	1 FTE	+100% Federal
Silver Jackets Coordinator	Regulatory	Convert	No Change

ADMINISTRATION DIVISION

Accountant/Budget Specialist (1 FTE)

Appropriation To FTE Historical Comparison



DWR's appropriation has surged by **\$1.2 billion** or 1,759% since 1997. The DWR's sole Accountant/Budget Specialist occupies a pivotal role in the agency's financial process, having immense responsibility across domains critical for operational integrity and fiscal accountability. Responsibilities include:

- **Accuracy and Transparency:** Adherence to accounting best practices, fiscal policy, and reconciling financial statements.
- **Mitigating Risk:** Reviewing and verifying expenditures to safeguard against any misallocation or non-compliance with federal and state regulations.
- **Procurement:** Oversees agency procurement processes, OMB's vendor maintenance program and year-end reporting.
- **Reporting:** Managing accounts receivable, optimizing collections, and preparing fiscal and audit reports.
- **Verification:** Processing, monitoring and reconciling \$1.1 billion cost-share program.

The Accountant/Budget Specialists are guardians of the agency's financial integrity, entrusted with the task of ensuring every dollar is accounted for, every regulation meticulously adhered to, and every decision rooted in fiscal prudence.

Metrics

1,759%

Increase in DWR appropriation since 1997 Legislative Session and 0 accountants added.

25K

Transactions processed biannually.

Why An FTE is Necessary

- Vital accounting tasks are being done by team members not specialized in financial or accounting best practices such as engineers and meteorologists.
- Additional responsibilities to properly account for and monitor federal funds passed through to Minot for the operation of the NAWS WTP.
- Increased funding for water projects has resulted in requests for more financial reports along with increased funding source reporting requirements.
- Additional Accountant/Budget Specialist FTEs would be able to provide managers with revenue and expenditure analyses to check for errors, for development of more accurate divisional budgets, and assistance for contracts and procurement.

Metrics

\$13.5M

Total appropriation per DWR FTE – an increase of \$12.7M since the 1997 Legislative Session.

\$2.4M

Appropriation per FTE of other similar agencies.

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Water Resources

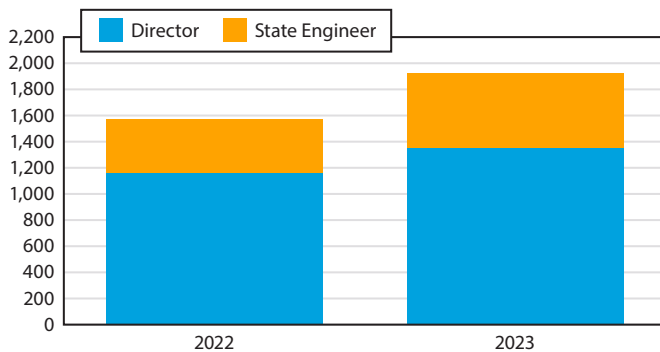


DEPARTMENT OF WATER RESOURCES

Deputy Director (1 FTE)

House Bill 1353, passed in the 2021 legislative session, established the Department of Water Resources (DWR), replacing the State Water Commission and the Office of the State Engineer. The DWR Director, appointed by the governor, serves as a Cabinet member, serves as the Secretary to the State Water Commission (Commission), and advocates for sound water management at the local, regional, tribal, national, and international levels. Collaborative approaches and high-level engagement continues to increase as heightened awareness of shared and competing water needs evolves, along with growing competition for state cost-share for water development projects. In response to the Director's expanding responsibilities in safeguarding state interests in water-water related matters, a Deputy Director becomes crucial to represent both the state and DWR under the Director's oversight.

Historical Meeting Comparison



Why An FTE Is Necessary

- The State Engineer has been acting in a dual role as an Deputy Director, pulling the main focus of the position from crucial regulatory responsibilities.
- The Deputy Director would ensure a broader and more effective representation for the state in water-related issues by engaging with various entities concurrently, which also include tribal, national, and international responsibilities.
- The Deputy Director would assist in conversations related to increasing demand for water related to economic development.
- By distributing responsibilities between the Director and Deputy Director, the Department could address evolving demands more strategically, optimizing their efforts and resources for a more targeted approach.
- The Deputy Director's specialized expertise could enhance the Department's ability to navigate complex challenges, providing a deeper understanding of technical, legal, and policy intricacies for informed decision-making.
- The presence of a Deputy Director would create a resilient leadership structure, ensuring the Department can maintain consistent operations in the Director's absence.
- The Deputy Director would understand the whole of the Department and be able to step in as Acting Secretary at Commission meetings, represent the Department at national and international meetings and legislative committee commitments.
- Nearly every department across ND state government has at least one Deputy Director.

Metrics (2023)

7.6

Meetings per workday.

1,348

DWR Director attended meetings.

576

State Engineer attended meetings on behalf of the Director.

~45*

Boards, Commissions, Councils, and Associations the DWR is tasked to monitor or represent the state.

*Various DWR team members represent DWR at joint water boards, watershed boards, and other similar entities, that neither the Director or State Engineer can attend due to other demands. The ability for high-level leadership to interact at more board and association meetings would improve the state's collaboration and partnerships.



WATER DEVELOPMENT DIVISION

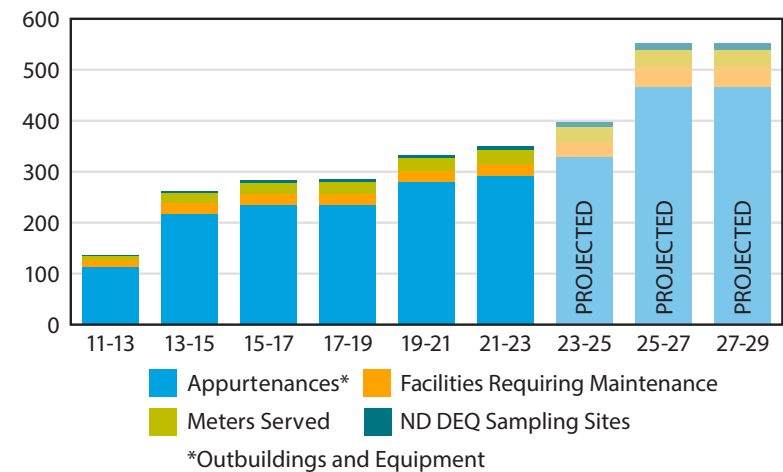
NAWS Operator (1 FTE)

The Northwest Area Water Supply (NAWS) project has been under construction since 2002. Construction has continued, and NAWS has been adding customers and infrastructure as project buildout continues. A full-time operator position was filled in 2010. As NAWS continues to expand, an additional FTE is needed to support the operations and provide 24-hour monitoring and response for one of North Dakota’s largest water supply projects.

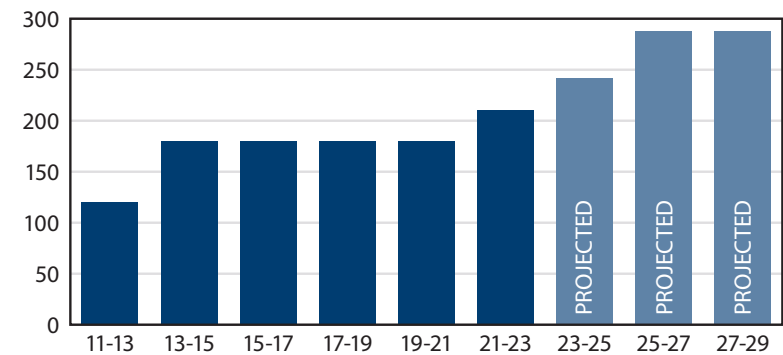
The NAWS Operator will assist with extensive ND Department of Environmental Quality (DEQ) sampling and reporting, reading meters for billing, operations and maintenance of facilities, locating infrastructure in response to one call requests, coordinating repairs and maintenance with contractors, coordination with customer entities, and being responsive to pipe breaks or other emergencies. This position will additionally develop a routine maintenance schedule for the entire NAWS system.

All costs for the NAWS Operator will be funded through the water rate from NAWS project customers. The requested FTE position will have an office located at the Lansford Pump Station and be required to have a Water Distribution System Class II certification as required by DEQ.

Locations With Operator Responsibilities



Miles Of Pipeline In Service



* Supply line from Lake Sakakawea to Minot will likely begin operations near the end of the 23-25 biennium which will add 46 miles of pipeline and numerous additional facilities.

Why An FTE Is Necessary

- Currently, DWR has one FTE and one long-term temporary upkeeping a system that will one day serve **one in ten North Dakotans**. As the build-out of NAWS continues, the operations require the position for ongoing safety, redundancy, and support of the entire NAWS system.
- Continued build-out of NAWS has increased the population served, number of facilities requiring maintenance, miles of pipeline in service, as well as travel time between facilities. The treated water distribution system includes **242 miles of pipeline**, and travel time to cover the full distribution system is over **five and a half hours**.
- The system includes 38 facilities that require regular maintenance, and approximately 500 appurtenances that needs attention at least once a year.

One Call Requests In NAWS Project Area

Year	Requests
2021	236
2022	303
2023	402

ADMINISTRATION DIVISION

Legal Support: General Counsel (1 FTE)

The Department of Water Resources (DWR) has a long history of requiring legal services to sustainably manage and develop North Dakota's water resources. DWR's responsibilities include project development; appropriation of surface and ground water rights; and regulating drainage, dams, floodplain management, and ND's sovereign lands - all of which require a significant amount of legal support and knowledge of water law.

The gained efficiency of having in-house legal support would mean the legal staff would be consistently aware of all agency actions, and both internal and external decisions.

Why General Counsel (1 FTE) is Necessary:

The Assistant Attorney General currently supporting DWR through the Attorney General's (AG) Office is often requested to consult on water issues for other agencies and boards such as the Dept. of Environmental Quality, ND Game and Fish, ND Parks and Recreation, Dept. of Agriculture, Dept. of Trust Lands, and the Public Service Commission.

In addition to continued services from the AG's Office, the DWR is proposing an in-house General Counsel to support the DWR's needs. With the increasing complexity of construction contracts, development of MOUs with Tribal Nations regarding water rights, growing federal overreach, and general water disputes, DWR finds itself in need of specialized legal services and a FTE dedicated solely to supporting these important initiatives.

Other Considerations

- The DWR has committed to developing policy and guidelines transparently to ensure public awareness and understanding. As these policies are developed, legal counsel support in-house would optimize the direction and review considerations.
- Until 2018, DWR had a paralegal FTE. During the 2017 Reduction-in-Force, this position was reallocated, and the duties were absorbed by technical staff or in-house directed to the AG's Office. The reduction in legal support has been difficult to overcome with some of the duties remaining subpar and detracting from the technical responsibilities of the larger team.

Agency In-House Legal Services Comparison

Agency	Attorneys	Other Legal Support	Total Legal Support In-House
Transportation	2	8 (hearing officers) (3 FTE, 5 Temp)	10
Trust Lands	1	1	2
Public Service Commission	2	0.5	2.5
Agriculture	1	0	1
Environmental Quality	0	1	1
Water Resources	0	0	0



REGULATORY DIVISION

Assistant NFIP Coordinator (1 FTE; 75% Federal)

The Department of Water Resources (DWR) supports the Federal Emergency Management Agency's (FEMA) Community Assistance Program - State Support Services Element (CAP-SSSE) through 1 grant-funded FTE (known as the National Flood Insurance Program (NFIP) State Coordinator). The CAP-SSSE grant supports city, township, and county floodplain and emergency managers in their understanding, communicating, and managing of identified flood risks within their communities.

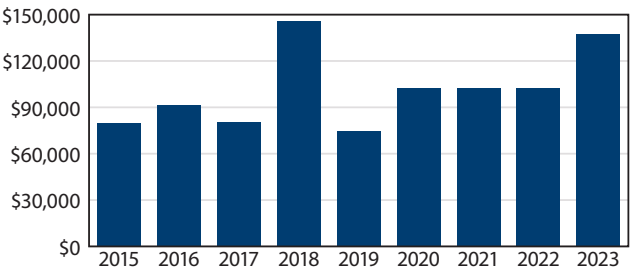
NFIP community support in North Dakota was previously served by 2 FTEs within the DWR, but this was reduced to 1 FTE as a part of the 2017 Reduction-in-Force. However, the complexity of the NFIP program, the available resources, and potential implications for communities and people of North Dakota have all elevated in support needs. There is currently a gap in support for communities that are actively involved or looking to become involved with the NFIP in North Dakota.

The Assistant NFIP Coordinator position is an eligible position to be covered by the CAP-SSSE Grant at a 75% federal cost-share for salary and benefits. The position will enable necessary collaborations and support to communities and enable the state to plan and succeed in managing flood risk for decades to come.

Why An FTE Is Necessary

- The NFIP Township Study (SB 2365; 2023)) and FEMA's Township Study have resulted in an increased number of ND communities joining the program. There are currently 339 communities participating, and DWR is aware of ~50 communities currently considering participation.
- Available grant funding is expected to increase by 28% (to \$270,000/year) if ND can meet the local match.
- CAP-SSSE program funding levels are dictated by a secondary level of program tracking called Tiered State Framework (TSF). Tracking two different sets of grant metrics took 160+ hours and 2,200+ pages of evidence in 2022. Grant funding availability is dependent upon these metrics.
- North Dakota is falling behind on community assistance efforts. In 2023, the program was only able to evaluate 2% of participating communities (8) instead of the program's goal of 10% (34).
- With ND's population growth comes additional economic and development growth. Ensuring community decisions are made with a solid understanding of known flood risk is a key mission in the CAP-SSSE program.

CAP-SSSE Grant Awards Per Year



Other FEMA Region 8 States & Number Of Communities Per FTE Of NFIP Coordinating Team

State	Communities	FTE
Wyoming	85	1 (85 comm./FTE)
Montana	136	3 (45 comm./FTE)
Utah	229	2 (115 comm./FTE)
Colorado	256	3 (85 comm./FTE)
North Dakota	338	1 (338 comm./FTE)

Trainings In 2023

- Insurance Agent Training: 136 ND insurance agents
- Floodplain Administrator Training: 41 ND communities
- Elevation Certificate Training: ND Society of Professional Land Surveyors Fall Seminar
- NFIP 101 8-week Virtual Training: Floodplain Administrators, Team ND (Water Resources, Insurance, Transportation, Emergency Services)



REGULATORY DIVISION

RiskMAP Program Specialist (1 FTE; 100% Federal)

The Department of Water Resources (DWR) supports the research and identification of flood risk in North Dakota through the Federal Emergency Management Agency's (FEMA) Cooperating Technical Partner (CTP), Risk Mapping, Assessment, and Planning (RiskMAP) program. As North Dakota communities continue to prioritize flood risk resilience, assessing and disseminating defensible areas of flood risk is an important step in allowing communities to ideate and deploy resilience measures.

Since 2009, the RiskMAP program has been fully supported through 1 federally-funded FTE within the DWR. Recently, the RiskMAP program oversight has had increasingly complex responsibilities tied to program management through GIS metrics, tracking, and deliverables; while at the same time, RiskMAP funding potential is increasing.

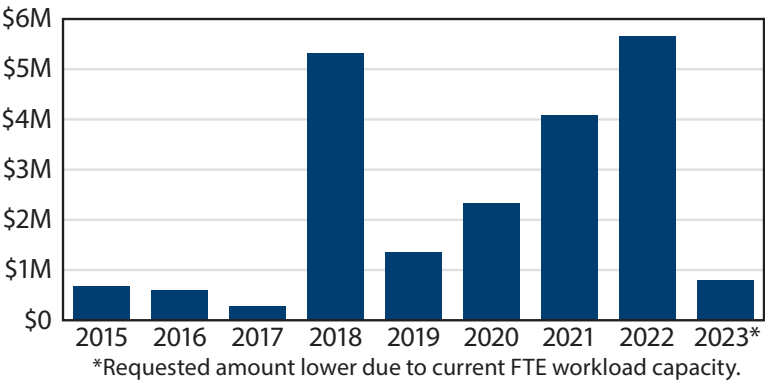
No additional FTE have been provided in support of this program even as demands related to project and grant management have increased. North Dakota is the only FEMA Region VIII Cooperative Technical Partner who services the needs of the Risk MAP program with only one dedicated staff member.

The RiskMAP Program Specialist position would be financed 100% by FEMA funds to support the program and are tied to the continued FEMA funding support.

Why An FTE Is Necessary

- Available grant funding is not being used as DWR does not have the staff to support the use of the funds. With an additional FTE, ND and the DWR would be able to apply for, and leverage, these funds that would enhance state flood risk resilience.
- This FTE would assist with additional tracking metrics and grant reporting required by FEMA on a monthly, quarterly, and annual basis.
- This position will increase outreach and communication with communities statewide to identify areas of need to match or develop resources efficiently, such as Base Level Engineering (a non-regulatory flood risk identification product).
- The FTE would allow increased collaboration with DES to identify projects and opportunities that would be eligible to accelerate statewide flood risk resilience efforts.

RiskMAP Grant Awards Per Year



FEMA Region 8 Cooperative Technical Partner States FTE Support Of The RiskMAP Program

Program	FTE
Montana	4
Colorado	3
Utah	3
North Dakota	1

Reporting Requirements

The RiskMAP program requires monthly, quarterly, and annual reporting which takes a significant amount of time. Metrics vary from grant cycle to grant cycle. State priorities, phase funding, project manager grant cycle, and business plans all contribute to what is submitted in a given year.

166

Monthly tasks reported to FEMA. Of the 166 metrics, 91 of the tasks are actively managed by the DWR.

5

FEMA grant management platforms that requiring quarterly reporting.

2 Weeks

How long it takes to develop the quarterly reports. Currently, the report requires 108 metrics.

27

Active grants as of February 2024.

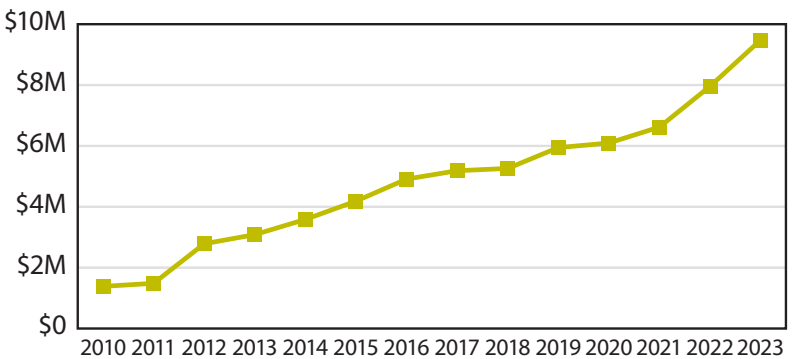
The Department of Water Resources (DWR) supports North Dakota’s Silver Jackets team through a single temporary employee (Silver Jackets Coordinator). Silver Jackets teams are interagency (local, state, and federal) teams that facilitate collaborative ideation and solution development to achieve state flood risk resilience priorities. The ND Silver Jackets team has helped secure over \$9.4 million in grants to support ND entities for projects such as flood risk reduction feasibility studies, flood forecasting improvements, emergency action planning workshops, and scientific resource updates.

Since 2009, the ND Silver Jackets Coordinator has been classified as a temporary employee, with the state paying wages with no benefits. In the 2023 Legislative Session, the ND Legislature allocated funding to the DWR to provide benefits commensurate with the Silver Jackets Coordinator’s wages.

Why An FTE Is Necessary

- The DWR already has the FTE-equivalent funding allocation associated with the Silver Jackets position.
- Transitioning the position from temporary to FTE would enable long-term recruiting and retention benefits.
- An FTE would also enable the DWR to strategically utilize the position to achieve the enhanced pro-resilience objective of the Silver Jackets program, while also dynamically adjusting to ND-specific priorities.
- Long-term support of the Silver Jackets program enhances and advances ND’s effort to promote increased disaster resilience across the state.

Accumulation Of All Grants Assisted By Silver Jackets Program



Metrics

Year	Projects	Year	Projects
2013	3	2019	1
2014	1	2020	1
2015	5	2021	3
2016	3	2022	3
2017	2	2023	3
2018	1		

2013-2023: Averaged 2.4 projects per year at an annual grant average of over \$610,000/year for a total of \$6.7 million.

Ongoing Projects

The Silver Jackets Coordinator continues to facilitate and negotiate ND-beneficial projects with local, state, and federal partners:

- Mouse/Souris River Discharge Frequency Curve Updates for Sherwood and Westhope Gages (Funded by St Paul Corps)
- Mouse/Souris River Basin Flood Inundation Mapping Project (Funded by St Paul Corps with select funding provided by Souris River Joint Board)
- Mouse/Souris River Basin Precipitation, Soil Moisture, and Temperature Gage Project (Gages / Installation through DWR Atmospheric Resources Division)
- City of Medora Flood Risk Reduction Study (Funded by Omaha Corps)
- Red River Bathymetry Project (Funded by DWR and St Paul Corps)
- ND Flood History Project (Funded by Omaha Corps)
- United States Geological Survey (USGS) ND Statewide Flood Frequency Analysis Project (Funded by DWR and USGS)
- USGS ND Stream Stats and Regression Equation Update Projects (Funded by DWR and USGS)

ONGOING REQUESTS

OTHER COST TO CONTINUE ADJUSTMENTS

- **State Water Commissioners (SWC) Budget** – As a result of the significant increase in funding available for water projects, the SWC has implemented pre-commission meetings the month prior to regular SWC meetings where funding is approved for projects. This process allows Commissioners to be briefed by Department of Water Resources (DWR) team members, as well as project sponsors, regarding the details about projects seeking cost-share assistance. By being more informed about projects, Commissioners can more effectively and efficiently allocate public tax dollars. Furthermore, the number, extent, and complexity of water development and management issues across the state necessitates that Commissioners remain engaged with the water community and local constituents. This includes attendance at local government meetings, conferences, or workshops to stay informed.

In addition to expanding responsibilities, an increase in funding for increased commissioner pay is necessary as they are paid the same rate as Legislators and funding had not been adjusted to reflect the change over several biennia. The DWR is also looking to establish a biennial budget for each SWC member to better facilitate their awareness of what financial resources are available to them to complete their duties. The request is for an increase of \$53,760 in temporary salaries and \$85,200 in operating expenses.

- **Overtime Pay** – As a result of the equity adjustments and legislative increases that have occurred during the 2023-25 biennium, it is necessary to increase funding for overtime to accommodate those adjustments. The request is for an increase of \$36,000 in overtime and \$24,000 in temporary salaries.
- **Northwest Area Water Supply (NAWS) On-call Pay** – Northwest Area Water Supply (NAWS) On-call Pay – The DWR is responsible for the construction and operations of the critical water supply project. To maintain 24/7 operations NAWS team members are expected to be on call to cover evenings and weekends. To ensure team members are being properly compensated for their time, the DWR has implemented an on-call policy, which is like the North Dakota Department of Transportations on-call policy. In implementing this policy, the DWR is requesting an increase of funding in the overtime line item to accommodate this operational change. These increased costs are paid through revenues generated by the users of the water system. The request is for an increase of overtime expense which is necessary to ensure 24/7 coverage of operational on-call duties.

BOARD OF WATER WELL CONTRACTORS

The Board of Water Well Contractors (BWWC) is responsible for registering, licensing, and overseeing well contractors across the state. Since its establishment in 1971, the BWWC has partnered with the Department of Water Resources (DWR) to manage certain operational aspects, as the data collected from well contractors has been valuable to the State. Historically, a DWR team member has provided accounting and administrative services to the BWWC during their personal time. However, increasing demands have made it challenging to maintain a clear distinction between the team member's roles. To ensure transparency and simplify the working relationship between the BWWC and DWR, the DWR is requesting additional funding for salaries and wages, to be covered by revenues generated through a contract with the BWWC for accounting and administrative services. This will allow the team member currently serving the BWWC part-time to continue fulfilling these responsibilities without needing to balance duties between the DWR and BWWC. The request is for an increase of \$46,954 in salaries and wages.



DEPARTMENT OF WATER RESOURCES

2025-27 OPTIONAL REQUESTS

ONGOING REQUESTS CONTINUED

INTERNSHIP PROGRAM

It has been challenging to recruit qualified and experienced individuals for Hydrologist, Hydrogeologist, and Engineering positions at the DWR. The technical demands of these positions, combined with the limited candidate pool with the necessary expertise, make it increasingly difficult to fill these essential roles. To address this issue, the DWR plans to establish an internship program to engage potential candidates before graduation and provide training opportunities and experience thereby bridging the gap between academic learning and the practical skills needed in these fields. Funding for the internship program, in addition to the FTE request for a Team Development Coordinator, will help the DWR build a robust program to attract and retain talented team members, and develop a pipeline of skilled professionals to address the State's future water resource management challenges. The request is for a \$100,000 increase in temporary salaries.

FEDERAL SPENDING AUTHORITY

FEMA's Cooperating Technical Partner grant program is anticipated to have increased grant funding levels than previously assumed for the 2025-27 biennium. This increase would enable the DWR to access this additional federal funding to advance projects that benefit all North Dakotans. These additional FEMA grant funds require no state matching funds. An example of such project would be the update of the North Dakota base level engineering data currently housed in the North Dakota Risk Assessment Map service. The request is for an increase in federal spending authority of \$2,051,788.

ONE-TIME REQUESTS - TECHNOLOGY & EQUIPMENT

Emergency Water Pumps – Development Division

The DWR needs to replace four inefficient and inoperable water pumps purchased in the early 2000s. These pumps are essential for the Construction Section's operations, including dewatering during construction; dewatering Devils Lake Outlets at the end of the operation season; stormwater management; and are also used during flood-fighting efforts. Due to their age, the pumps have become unreliable, prone to breakdowns, and inefficient, leading to increased downtime and repair costs. Replacing them with modern 6-inch pumps, capable of handling 500-600 gallons per minute, will improve operational efficiency, reduce maintenance costs, and ensure reliable performance. This would allow for the agency to responsive to critical water resource management needs. The cost of the proposed replacement pumps is \$120,000 each.

Excavator – Development Division

The current Volvo excavator, purchased in 2015, has incurred increased repair costs due to its age and service requirements. With regards to the service requirements, the local Volvo dealership is no longer available. Service must now be performed in either Fargo or Williston or service calls must come from those locations. This creates an additional expense of \$1,000 to \$1,500 for each service call, even for minor repairs. Moreover, parts are becoming harder to source and more expensive, further driving up maintenance costs. To ensure efficiency and reduce downtime, the DWR is requesting one-time funding to replace the excavator with a more cost-effective solution. The budgetary cost for the replacement of the excavator is \$400,000.

Data Logger – Water Appropriation Division

The geophysical logging system, purchased and installed in early 2008, is essential for collecting subsurface data critical to hydrogeologic investigations. It provides detailed information about the geological formations encountered in boreholes, aiding in the identification of the most productive zones within an aquifer for well placement. Additionally, this data supports the calibration of Airborne Electromagnetic Survey equipment. Given that the current system is over 15 years old and has been operating beyond the typical 7-to-15-year life cycle for geophysical and surveying equipment, we are requesting funding for its replacement. The original system was acquired for approximately \$30,000, and based on a June 10, 2024, quote, the cost for a replacement is \$60,000.

2025 EXECUTIVE SUMMARY WATER DEVELOPMENT PLAN



**CHECK
OUT**
The
Dashboard!

www.dwr.nd.gov

FEBRUARY 2025

607

Project Forms
Submitted

8

Commissioner
Hosted Basin
Meetings

\$2.5B

Total Needs
Identified

\$806.5M

Engrossed
HB 1020
(see figure below)

Those involved in water project development know that existing projects evolve, and new projects are continuously being considered by local water managers. For that reason, it is necessary for the state to assemble updated water project information on a biennial basis to coincide with the state's budget cycles. In the past, the Department of Water Resources (DWR) has produced and printed that information in a detailed Water Development Plan. Today, DWR and the State Water Commission are providing that same information electronically through a Water Development Plan Dashboard (Dashboard) - along with highlights included in this printed Executive Summary.

The following information outlines funding available for critical water supply, flood protection, and other general water management projects; a prioritized summary of water development financial needs that were collected directly from project sponsors; and summaries of revenue streams that support projects. In addition to the aforementioned information, the Dashboard includes large project overviews, long-term funding needs, aging water supply infrastructure survey results, current purpose funding tracking, and more!

WATER DEVELOPMENT GOALS & PRIORITIES

GOAL 1

Improve resiliency and protect North Dakota's citizens and economy from negative water-related impacts.

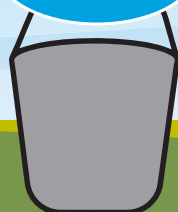
GOAL 2

Improve resiliency and provide safe and reliable water supplies for the health and prosperity of North Dakota's citizens and economy.

Each Goal has associated high priority initiatives that can be viewed on the Dashboard.

2025-2027 PURPOSE FUNDING RECOMMENDATIONS: ENGROSSED HB 1020 TOTAL \$806.5M (INCLUDES A \$200M LINE OF CREDIT (LOC))

\$450.8M

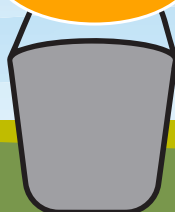


LARGE
REGIONAL

RRVWSP \$260M
WAWS \$46.5M
NAWS \$12.6M
SWPP* \$131.7M

* Includes \$100M
from bonding.

\$170.2M



FLOOD
CONTROL

South Bismarck \$20M
Mouse River \$125M
Valley City \$16M
Devils Lake \$1.7M
Other \$7.5M

\$105M



WATER
SUPPLY

Rural \$80M
Municipal \$25M

\$25.5M



GENERAL
WATER

Conveyance \$15M
Other \$8M
Parks & Rec Grant \$2.5M

\$10M



DISCRETIONARY

\$45 Cash From RTF To Repay Water Infrastructure
Revolving Loan Fund (WIRLF) LOC

2025-2027 BIENNIUM PROJECT FUNDING NEEDS FROM DWR

(MILLIONS \$)

PROJECT PURPOSES	WATER DEVELOPMENT PLAN INVENTORY PROJECT NEEDS			
	High Priority	Moderate Priority	Low Priority	
Flood Control (Total = \$358.4M)	\$240.7	\$54.5	\$63.2	
Heart River - Mandan	\$8.6	-	-	
Mouse River Enhanced Flood Protection	\$125.0	-	-	
Other Flood Control	\$18.1	\$0.9	\$0.5	
South Bismarck	\$73.0			
Valley City Permanent Flood Protection	\$16.0	-	-	
Water Conveyance	-	\$53.6	\$62.7	
General Water (Total = \$51.8M)	\$8.6	\$40.1	\$3.1	
Rural Water Supply (Total = \$267.9M)	\$5.3	\$61.3	\$201.3	
Water Supply (Total = \$635.7M)	\$267.5	\$16.9	\$351.3	
Municipal	-	\$16.9	\$351.3	
Red River Valley Water Supply	\$221.0	-	-	
Western Area Water Supply	\$46.5	-	-	
State Owned Projects (Total = \$164.4M)	\$164.4	\$0.0	\$0.0	
Devils Lake Outlets	\$1.7	-	-	
Northwest Area Water Supply	\$12.7	-	-	
Southwest Pipeline Project	\$150.0	-	-	
TOTAL IDENTIFIED NEEDS (\$1.48B)	\$686.4	\$172.8	\$618.9	



DESCRIPTION OF FINANCIAL NEED: 2025-2027

Heart River Flood Control (Mandan), Mouse River Enhanced Flood Protection, Other Flood Control, South Bismarck, Valley City Permanent Flood Protection, and Water Conveyance.

Lower Heart Levee System improvements to meet FEMA compliance. Funding included as part of 2023-2025 budget.

Property acquisitions in Minot and rural areas, additional levee design, and construction on the Maple Diversion and in-town levees.

Community flood protection projects, levee certifications, flood reduction studies, and rural ring dikes.

Pump station, gate structure, and conveyance improvements for FEMA compliance.

Phase 6 - Permanent concrete flood walls, removable flood walls, clay levees, storm water pump stations, and bioengineered stream bank restorations.

New drainage, drainage improvements, bank stabilizations, and snagging and clearing.

Dam remediations, repurposing, rehabilitations, and repairs; irrigation; watershed plans; and water retention and detention.

Community regionalizations, system expansions, storage improvements, transmission line installations, and WTP improvements.

Municipal water supply projects, Red River Valley Water Supply, and Western Area Water Supply.

Water distribution and storage expansions, improvements, and replacements.

Main transmission pipeline construction, Eastern North Dakota Alternative Water Supply design, McClusky Canal Intake preliminary design, and Biota WTP and Main Pump Station design.

Rural water service expansions, and improvements of pretreatment system, intake and control system.

Devils Lake Outlets, Northwest Area Water Supply (NAWS), Southwest Pipeline Project (SWPP).

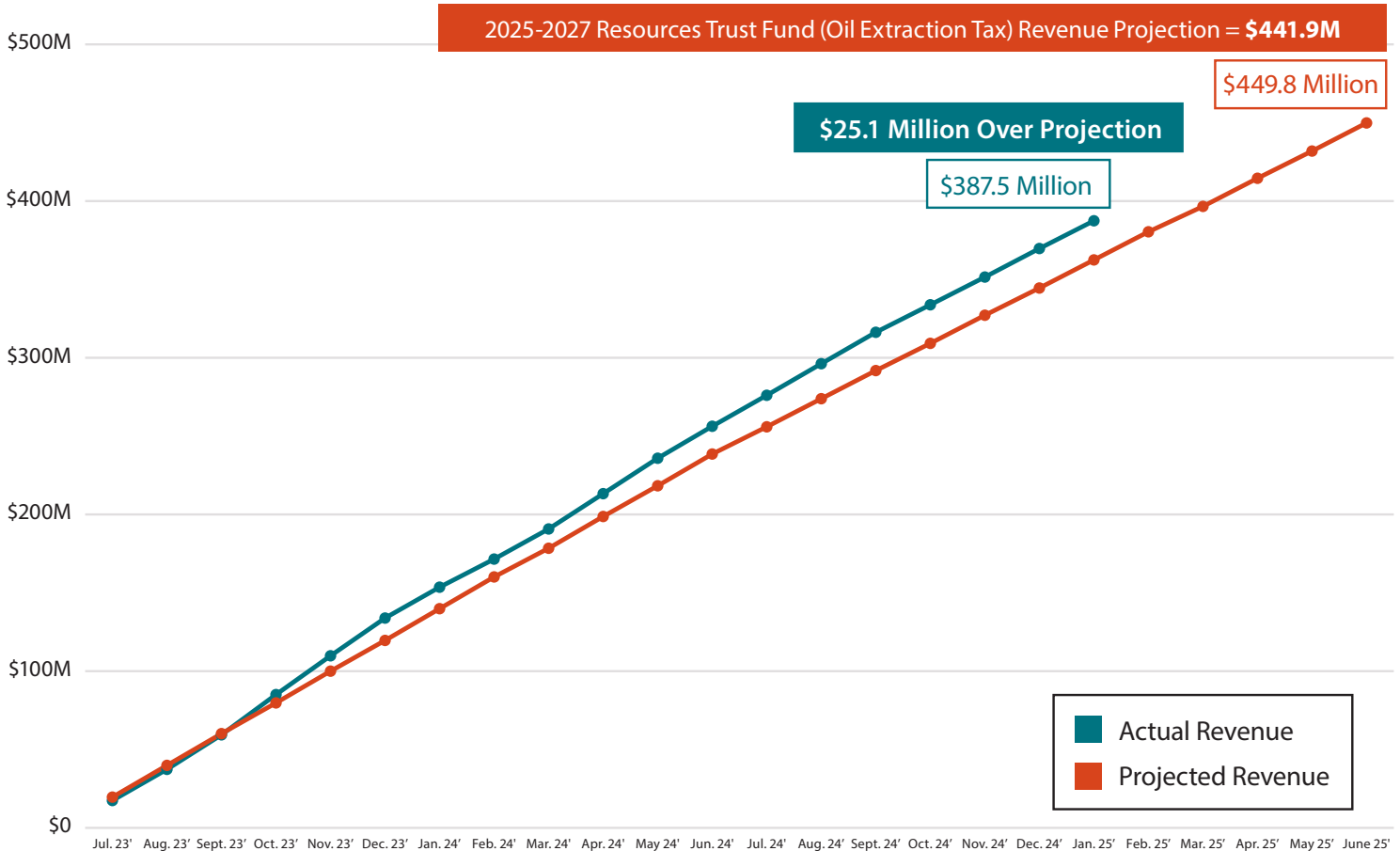
Capital Improvements

Permanent intake, Minot Phase III expansion, Souris Pump Station and Reservoir, and inline booster pump station.

Water treatment plant replacement, west zone capacity improvement, intake, and Burt-Hebron rural expansion.

RESOURCES TRUST FUND - State funding provided through DWR for water development has historically come from several sources including the General Fund, Resources Trust Fund (RTF), and Water Development Trust Fund. Today, the primary source of funding is the RTF. The RTF is currently funded with 20.5 percent of revenues from the oil extraction tax.

2023-2025 RESOURCES TRUST FUND (OIL EXTRACTION TAX) REVENUE TRACKING



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FARGO-MOORHEAD AREA DIVERSION PROJECT



QUICK FACTS



FLOOD PROTECTION



IN-TOWN PROTECTION



DIVERSION CHANNEL
(30 Miles Long, 1,500 Feet Wide)



ESTIMATED OPERATIONAL



LEGISLATIVE DISTRICTS
(10, 11, 13, 16, 21, 22, 27, 41, 44, 45, 46)

LOOKING AHEAD 2025-2027

\$0 MILLION

FULLY FUNDED

State funding of \$414.5M was provided through the 2019-2021 biennium. During the 2021 Legislative Session HB 1431 provided an additional \$435.5M for a total state commitment of \$850M.

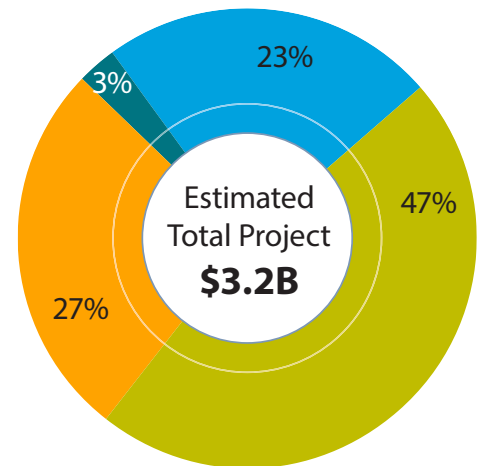
BACKGROUND AND PURPOSE

The Fargo-Moorhead Area Diversion Project (FMADP) was developed in response to the 1997 flood to reduce flood risk for the Fargo-Moorhead metropolitan area. It protects against flooding from the Red River and North Dakota tributaries, including the Wild Rice, Sheyenne, Maple, Rush, and Lower Rush Rivers. The project consists of four major elements: an in-town levee system, a diversion channel, a southern embankment, and mitigation projects. Once complete, it will protect approximately 260,000 people.

HISTORIC FUNDING

Local	\$1.5B
State ND	\$850M*
State MN	\$86M
Federal	\$750M

*Approx. 35% of non-federal funding



LOCAL SPONSOR

The communities of Fargo, Moorhead, Cass County, Clay County, and the Cass County Joint Water Resource District established the Metro Flood Diversion Authority (MFDA) through a joint powers agreement to work with the US Army Corps of Engineers (USACE) in building, financing, operating, and maintaining a project that provides permanent flood protection for the Fargo-Moorhead metro area. Funded by a local financial model, the project is supported by three half-cent sales taxes extended through 2084, as approved by voters. The MFDA partnered with the Red River Valley Alliance, a consortium of three international companies, through a public-private partnership (P3), the first P3 overseen by the USACE, with the MFDA ensuring construction meets its standards.



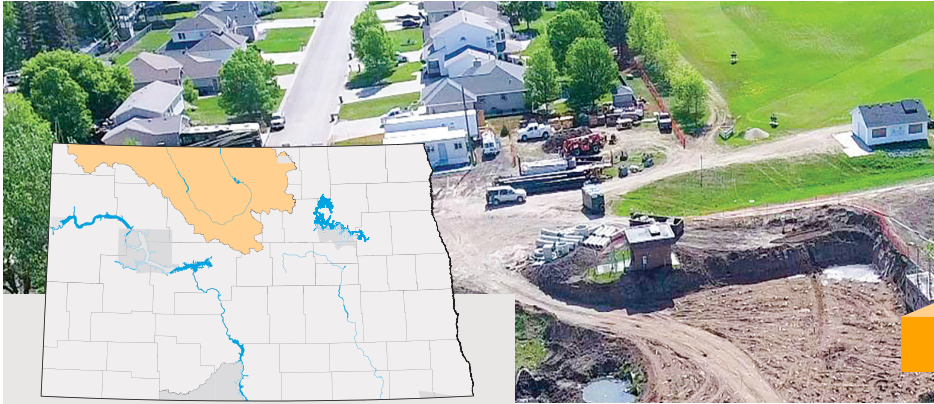
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Water Resources

DECEMBER 2024



MOUSE RIVER ENHANCED FLOOD PROTECTION PROJECT



LOOKING AHEAD
2025-2027

**\$125
MILLION**

ENGROSSED HB 1020

QUICK FACTS



COMBINED PROJECTS
(Levees, Floodwalls, Diversion, Bridges, Etc.)



ESTIMATED OPERATIONAL



COUNTIES
(Renville, Ward, McHenry, & Bottineau)



LEGISLATIVE DISTRICTS
(3, 5, 6, 4B, 38, 40)

BACKGROUND AND PURPOSE

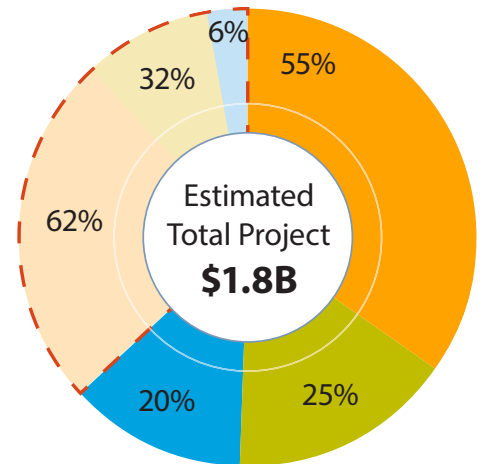
The Mouse River Enhanced Flood Protection Project (MREFPP) is designed to provide flood relief to Mouse River Valley residents - both urban and rural. The project was originally initiated by the State Water Commission in response to a request from the Souris River Joint Water Resource Board (SRJB) following the record-setting Mouse River flood of June 2011. That event brought a record flow of 27,400 cubic feet per second in Minot - impacting 4,700 residential, commercial, and public structures throughout the entire Mouse River loop. Ongoing phases of the MREFPP involve developing flood risk solutions in the urbanized and rural portions of the basin.

HISTORIC FUNDING

Local	\$176M
State	\$389M
Federal	\$141M

FUTURE FUNDING

Est. Remaining Funds	\$1.18B
Local	\$380M
State	\$733M
Federal	\$70M



LOCAL SPONSOR

The City of Minot remains the primary source for the local funding share with the SRJB also serving as a local sponsor. Presently, Minot is collecting a 0.7 percent sales tax for flood control, which is generating approximately \$7 million per year. Discussions are ongoing to examine the possibilities associated with increasing revenues through additional sales taxes, property taxes, or other fees. The city also received Disaster Recovery Assistance from the U.S. Department of Housing and Urban Development (HUD), and elected to utilize those funds for flood control acquisitions, as HUD funds may not be used for the construction of flood control features.

CURRENT DWR COST-SHARE

65%
Engineering
& Construction

75%
Property
Acquisitions



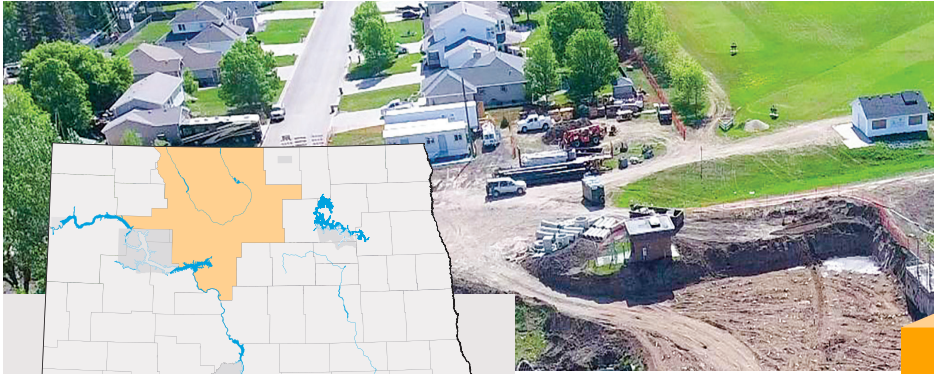
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Water Resources

FEBRUARY 2025



NORTHWEST AREA WATER SUPPLY PROJECT



LOOKING AHEAD
2025-2027

\$12.6
MILLION

ENGROSSED HB 1020

QUICK FACTS



FUTURE WATER USERS
(10% OF ND POPULATION)



SYSTEMS SERVED



MILES OF PIPE



LEGISLATIVE DISTRICTS
(2, 3, 4B, 5, 6, 38, 40)

CURRENT DWR SHARE

65%*

*Biota Water Treatment Plant -
100% Federal Funds

BACKGROUND AND PURPOSE

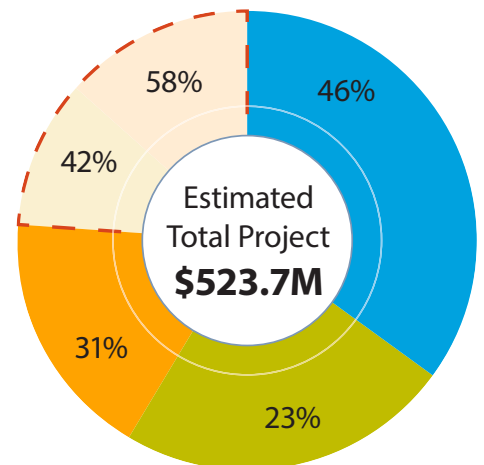
The purpose of the Northwest Area Water Supply (NAWS) project is to address long-standing water supply and poor water quality problems in northern North Dakota by delivering high quality Missouri River water to the region. NAWS was authorized by the Garrison Diversion Reformulation Act of 1986 and the Dakota Water Resources Act of 2000 under the Municipal, Rural, and Industrial (MR&I) Water Supply Program. Construction of NAWS began in April 2002, with a main line and associated features being built between the City of Minot and Lake Sakakawea. Later in 2002, lawsuits were initiated, delaying the project for 17 years. Today, construction on the NAWS project is back underway, with interim water supplies provided by the City of Minot. Utilization of Missouri River water is expected to begin in 2025, with overall expected completion in 2029.

HISTORIC FUNDING

Local	\$92.8M
State	\$123.1M
Federal	\$184M

FUTURE FUNDING

Est. Remaining Funds	\$123.8M
Local	\$52.1M
State	\$71.7M



LOCAL SPONSOR

The city of Minot has been covering the entire local share of the project through a one percent city sales tax. In addition, the 68th North Dakota Legislative Assembly passed House Bill 1218, replacing the Northwest Area Water Supply (NAWS) Project's Advisory Committee, created in 1991, with the NAWS Authority, which was signed into law on April 12, 2023. HB 1218 elevates the NAWS advisory committee to an authority and aligns it with other regional systems in the state.



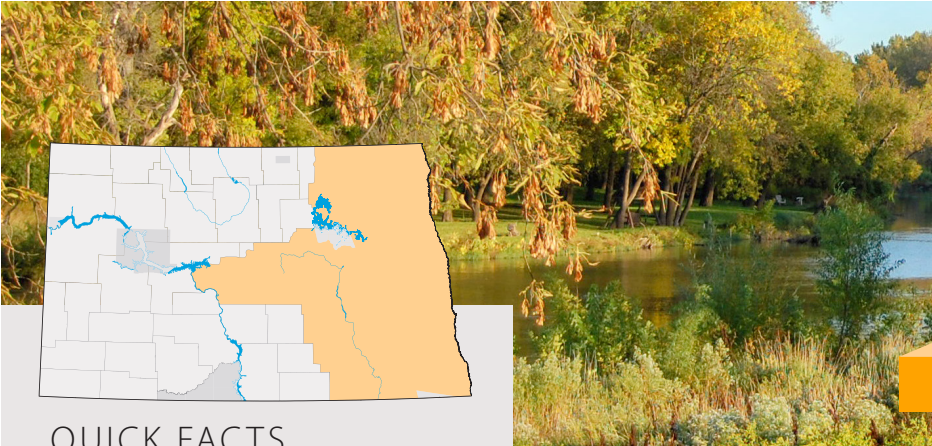
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FEBRUARY 2025



RED RIVER VALLEY WATER SUPPLY PROJECT



QUICK FACTS



TRANSMISSION PIPELINE



MAX FLOW



CITIES/RURAL SYSTEMS (50% Of ND Population)



LEGISLATIVE DISTRICTS (6, 10, 11, 13, 14, 16, 17, 18, 19, 20, 21, 22, 24, 25, 27, 29, 33, 41, 42, 43, 44, 45, 46)

CURRENT DWR COST-SHARE

75%

LOOKING AHEAD
2025-2027

**\$260
MILLION**

ENGROSSED HB 1020

BACKGROUND AND PURPOSE

The Red River Valley Water Supply Project (RRVWSP) will use a buried pipeline to transport up to 165 cubic feet of water per second from the McClusky Canal in central North Dakota, along Highway 200, to the Sheyenne River north of Lake Ashtabula. The water will be treated before crossing the continental divide, providing supplemental and emergency water to central and eastern North Dakota. The Main Transmission Pipeline (MTP) will serve communities along its route, with additional users supplied via the Sheyenne and Red Rivers. Those not on the MTP or rivers may require branch pipelines in the future.

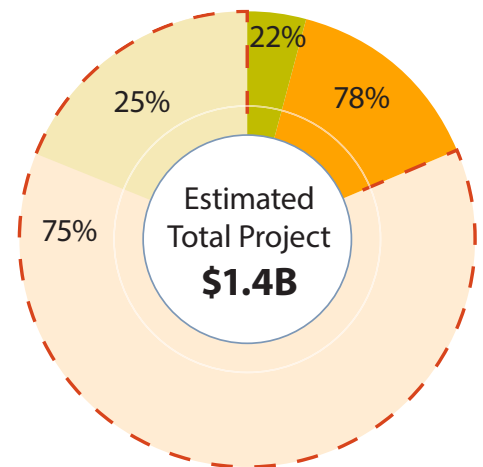
HISTORIC FUNDING

Local	\$86M
-------	-------

State	\$297M
-------	--------

FUTURE FUNDING

Main Transmission	\$1.03B
Est. Remaining Funds	
Local	\$257M
State	\$773M



LOCAL SPONSORS

The Garrison Diversion Conservancy District comprises 28 member counties, each with an elected board representative. Its mission is to provide a reliable, high-quality, and affordable water supply to benefit the people of North Dakota. In 2003, the North Dakota Legislature created the Lake Agassiz Water Authority (LAWA) to address future water needs in the Red River Valley and secure a reliable drinking water supply for central and eastern North Dakota. LAWA represents RRVWSP water users and cooperates with the Garrison Diversion Conservancy District.



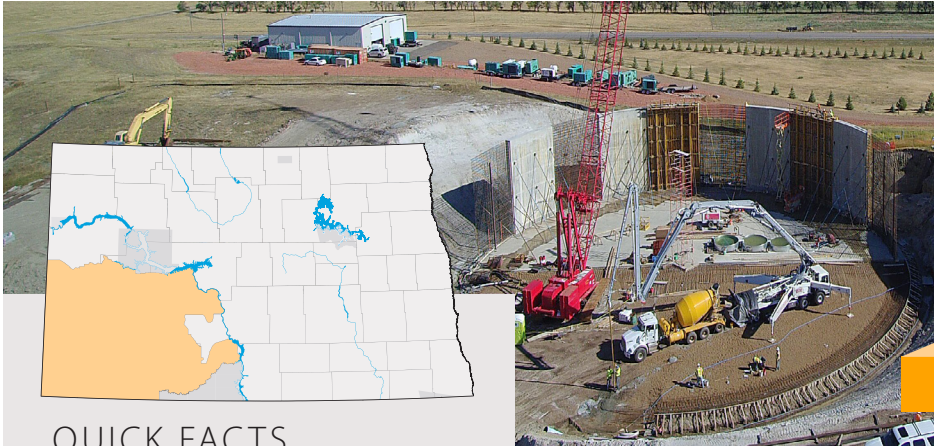
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FEBRUARY 2025



SOUTHWEST PIPELINE PROJECT



QUICK FACTS



58K

WATER USERS
(7.4% OF ND POPULATION)



33

COMMUNITIES SERVED



7.6K

RURAL CUSTOMERS



6

LEGISLATIVE DISTRICTS
(26, 31, 33, 36, 37, 39)

DWR COST-SHARE

100%

Funded by State of ND with local share paid through user fees, including capital repayment (\$100M), and replacement and extraordinary maintenance funds (\$2.1M).

BACKGROUND AND PURPOSE

The purpose of the Southwest Pipeline Project (SWPP) is to address water quality and quantity issues in southwest North Dakota by delivering high quality Missouri River water to the region. Authorized by the North Dakota Legislature in 1981, the SWPP transports raw water from Lake Sakakawea to water treatment plants located at Dickinson and north of Zap where it is treated and delivered to the Project's customers in southwest North Dakota and Perkins County, South Dakota. Since construction began in 1986, the Project now includes three water treatment plants, 35 pumping stations, 32 water storage reservoirs, and over 5,000 miles of pipe. Future construction efforts will address ongoing growth in the region and connection of rural customers waiting for SWPP water.

HISTORIC FUNDING

Local	\$2.1M
State*	\$324.4M
Federal**	\$121.9M

*Includes bonds (\$6.1M), bond payoff (\$18.3M), and State Fiscal Recovery Funds

** Municipal, Rural and Industrial (MR&I) Program; and USDA Rural Development

FUTURE FUNDING

Foreseeable Funding Needs	\$313M
State	\$313M

LOCAL SPONSOR

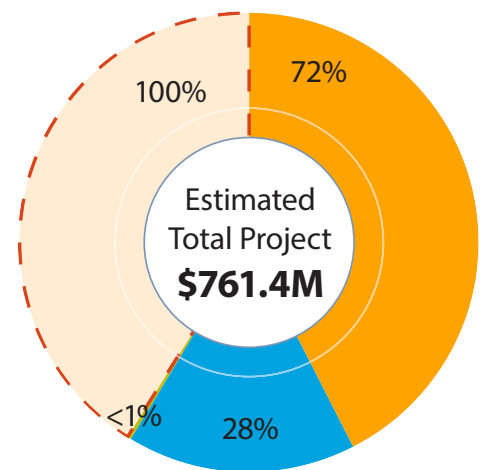
The SWPP is funded and owned by the state of North Dakota and administered through the Department of Water Resources. In 1996, the operation and maintenance of the SWPP was transferred to the Southwest Water Authority (SWA), a political subdivision established by the Legislature. Capital repayment occurs through user fees.

LOOKING AHEAD
2025-2027

\$131.7
MILLION

ENGROSSED HB 1020

Includes \$100M from bonding.



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Water Resources

FEBRUARY 2025

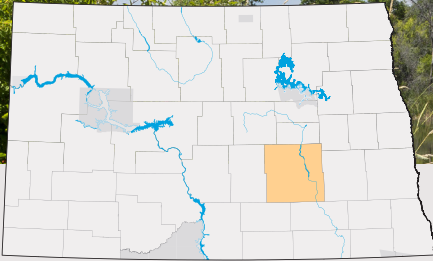


VALLEY CITY PERMANENT FLOOD PROTECTION

LOOKING AHEAD
2025-2027

**\$16
MILLION**

ENGROSSED HB 1020



QUICK FACTS



PROJECT PHASES



COMBINED PROTECTION

(Flood Walls, Earthen Levees, Pump Stations and Stream Bank Restoration)



CLOMR COMPLETION

(Conditional Letter Of Map Revision)



LEGISLATIVE DISTRICT

(24)

CURRENT DWR COST-SHARE

80%
Construction

85%
Engineering

BACKGROUND AND PURPOSE

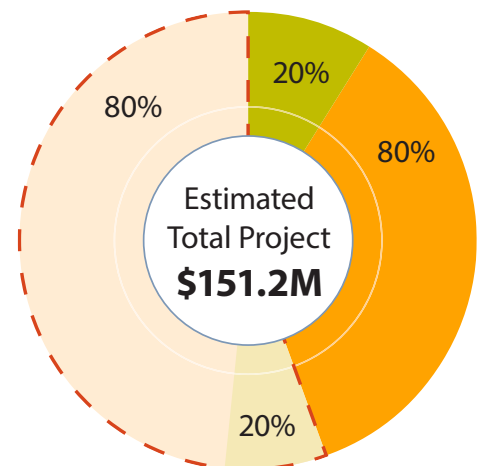
The Sheyenne River flows roughly 591 miles from central North Dakota, eventually meandering its way east to the Red River near Fargo. Valley City sits along the Sheyenne River, downstream of Baldhill Dam, which forms Lake Ashtabula. During a typical spring each year, the river swells from snow melt with water levels peaking around March and April, often creating flood conditions. After experiencing major flooding in 2009, 2010, and 2011, the cities of Valley City and Lisbon each decided to pursue permanent flood protection. Collectively known as the Sheyenne River Valley Flood Protection project, the City of Lisbon completed its flood protection in 2018. Valley City has completed phases I-III, with phase IV scheduled for 2025, and an estimated overall completion date of 2035.

HISTORIC FUNDING

Local	\$12.4M
State	\$49.5M

FUTURE FUNDING

Est. Remaining Funds	\$76.5M
Local	\$15.3M
State	\$61.2M



LOCAL SPONSOR

Through the State Water Commission's Cost-Share Program, Valley City is receiving an elevated cost-share percentage due to past and potential future impacts caused by water releases from the Devils Lake outlets, which empty into the Sheyenne River.



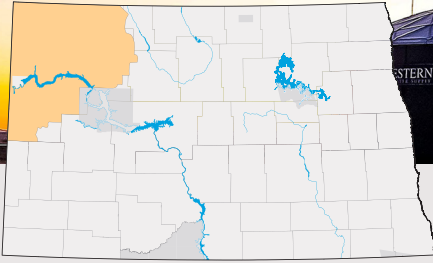
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Water Resources

FEBRUARY 2025



WESTERN AREA WATER SUPPLY



QUICK FACTS



WATER USERS
(9% OF ND POPULATION)



COMMUNITIES SERVED



RURAL CONNECTIONS



LEGISLATIVE DISTRICTS
(1, 2, 4B, 23, 26)

CURRENT DWR COST-SHARE

50%-75%

LOOKING AHEAD
2025-2027

\$46.5
MILLION

ENGROSSED HB 1020

BACKGROUND AND PURPOSE

The Western Area Water Supply (WAWS) project goal is to utilize Missouri River water, along with supplemental ground water, to meet the municipal, rural, and industrial water needs of counties in northwest North Dakota. Currently, the system supplies water to 70,000 water users in five counties: Burke, Divide, Mountrail, McKenzie and Williams. The system is expected to expand to 100,000 users by 2038.

As originally planned during the 2011 Legislative Assembly, the financial model for WAWS was to take advantage of the extensive regional growth that was taking place as a result of oil production and to fund the majority of the project with loans that were to be paid by selling excess water to the energy industry. Since that time, the funding model has been modified, with the Legislature allowing restructuring of WAWS debt, and loan forgiveness of \$74.5 million in 2021 and \$30 million in 2023.

HISTORIC FUNDING

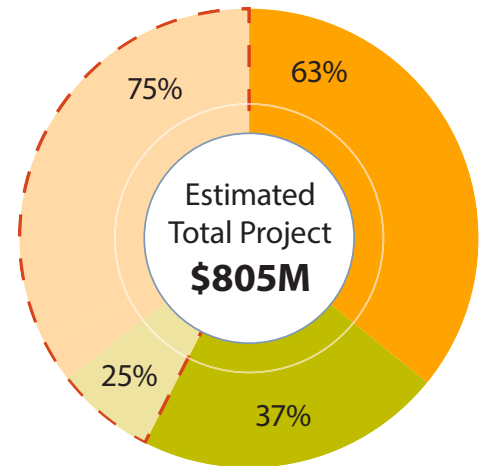
Local	\$173M
State	\$290M

FUTURE FUNDING

Foreseeable Funding Needs	\$342.1M
Local	\$85.5M
State	\$256.6M

LOCAL SPONSOR

In 2011, the North Dakota Legislature created the Western Area Water Supply Authority, (WAWSA) with the intent to develop the WAWS project to treat, store, and distribute water to northwestern North Dakota. WAWSA includes Williams Rural Water District, McKenzie County Water Resource District, the City of Williston, Burke-Divide-Williams Water System Association, and R&T Water Supply Association.



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Water Resources

FEBRUARY 2025

SWC PROJECT PRIORITIZATION GUIDANCE

Projects submitted during the project planning inventory process¹ that meet SWC cost-share eligibility requirements will be considered for prioritization. In the interest of strategically investing in the state's highest water development priorities, the Water Commission will give funding preference to projects designated as high or moderate priorities for the first 6 months of each budget cycle. Sponsors who are able to accept reduced SWC cost-share of 10% or more of the maximum allowable amount can be moved up one priority designation level.

ESSENTIAL PROJECTS *(No Priority Ranking)*

Agency operational expenses.

An imminent water supply loss to an existing multi-user system, an immediate flood or dam related threat to human life or primary residences, or emergency response efforts.

Existing agency debt obligations.

SWC project mitigation.

HIGH PRIORITY PROJECTS

Federally authorized water supply or flood control projects.

Mitigation of low head dam roller effects.

New water supply connections between communities and rural or regional water systems that result in reduced costs through economies of scale.

Corrects a violation of a primary drinking water standard under the Safe Drinking Water Act.

Addresses severe or anticipated water supply shortages for domestic use in a service area or city with rapid population growth.

Protects primary residences or businesses from flooding in population centers or involves flood-related property acquisitions.

MODERATE PRIORITY PROJECTS

Dam safety repairs and emergency action plans.

Expansion of an existing water supply system (including to industrial water users).

Levee system accreditations, or water retention.

Irrigation system construction.

New rural flood control projects.

Bank stabilization.

Snagging and clearing in population centers or specific critical infrastructure locations..

Main Street Initiative related projects.

LOW PRIORITY PROJECTS

Studies, reports, analyses, surveys, models, evaluations, mapping projects, or engineering designs.¹¹

Improvement or extraordinary maintenance of a water supply system.

Improvement or extraordinary maintenance of rural flood control projects.

Recreation projects.

Individual rural and farmstead ring dike constructions.

Replacement of existing infrastructure.

Snagging and clearing in sparsely populated areas.

Footnotes

1. All local sponsors are encouraged to submit project financial needs during the budgeting process. Projects not submitted as part of the project information collection effort may be held until action can be taken on those that were included during budgeting, unless determined to be an emergency that directly impacts human health and safety or that are a direct result of a natural disaster.

11. May be considered as a higher priority if the related project is of higher priority.

Disclaimer

This process is meant to provide guidance for prioritizing water projects during the budgeting process that may be eligible for cost-share assistance through the Department of Water Resources. Interpretation and deviations from the process are within the discretion of the state as authorized by the State Water Commission or Legislature.