

March 11, 2025

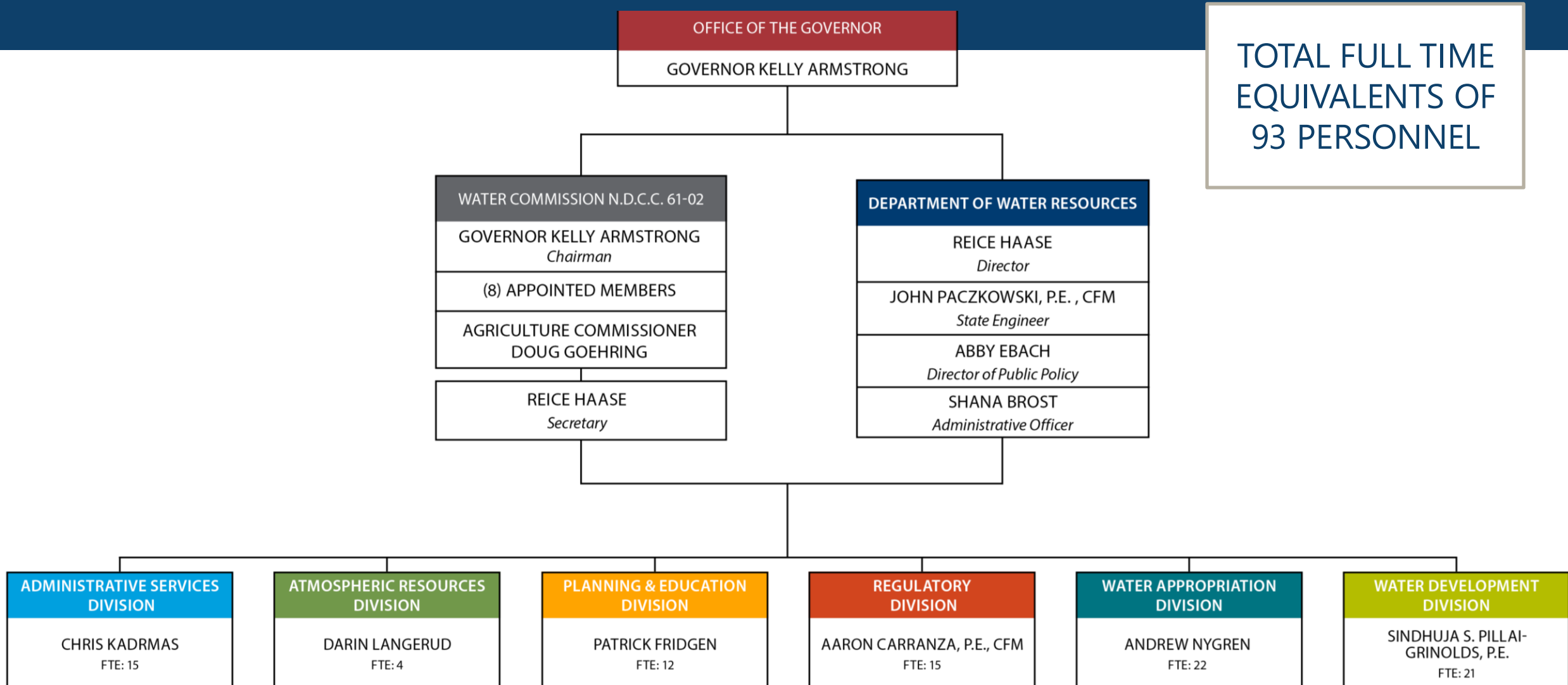


DWR OVERVIEW AGENCY & BUDGET

Senate Appropriations, Education & Environment Division
Engrossed House Bill 1020 | 69th Legislative Assembly

NORTH
Dakota | Water Resources
Be Legendary.

DWR ORGANIZATIONAL CHART



WATER COMMISSION



SWC Chair
Governor Armstrong



Ag. Comm.
Goehring



Secretary
Reice Haase



Gene Veeder
Upper Missouri River Basin



Jason Zimmerman
Mouse River Basin
Reappointed



Jeff Frith
Devils Lake Basin



Michael Anderson
Lower Red River Basin



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



Jay Volk
Lower Missouri River Basin

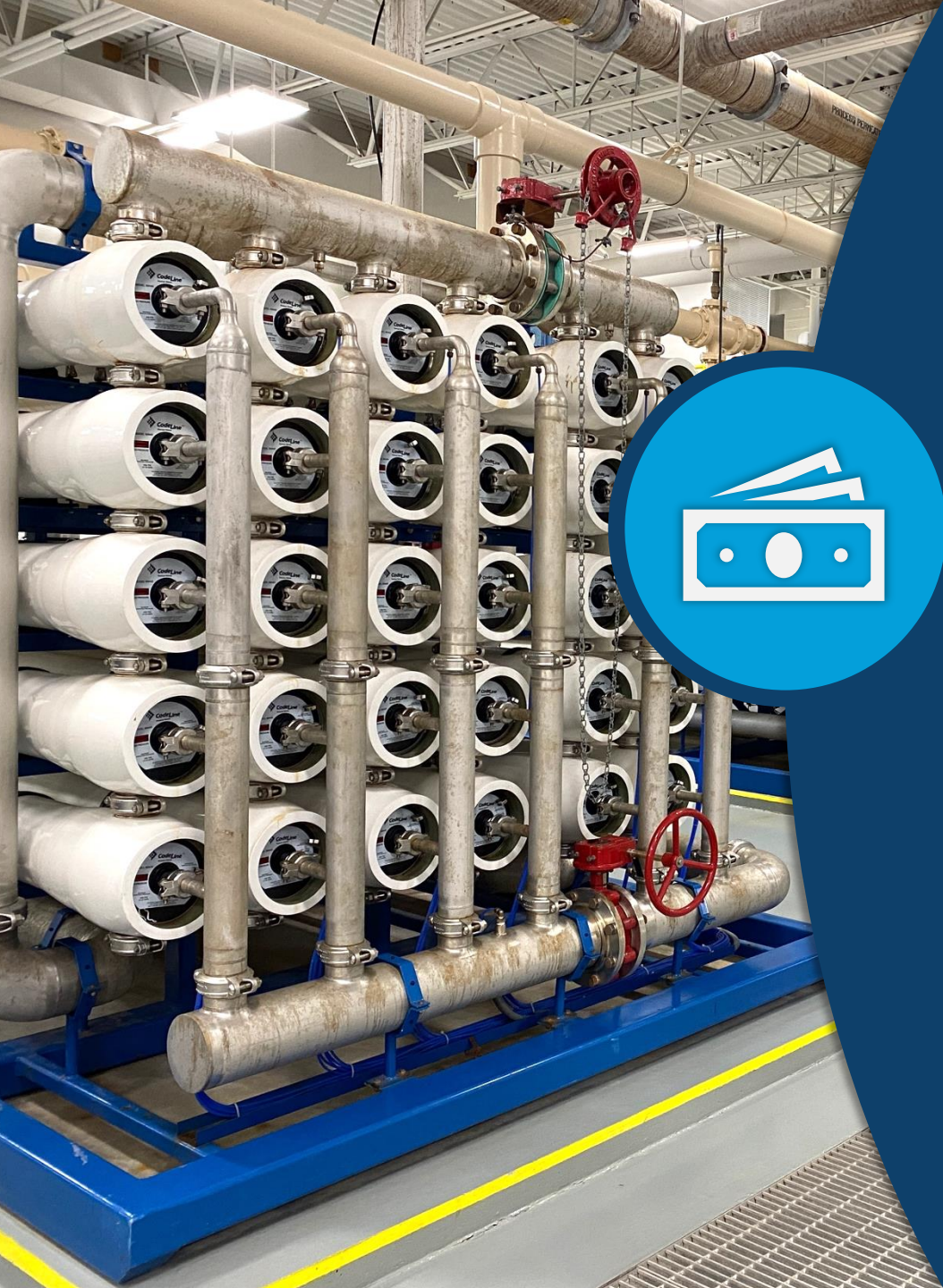


Connie Ova
James River Basin



April Walker
Upper Red River Basin
Reappointed





DWR BUDGET & WATER DEVELOPMENT PLANNING

Potential Funding Needs From DWR

2025-2027

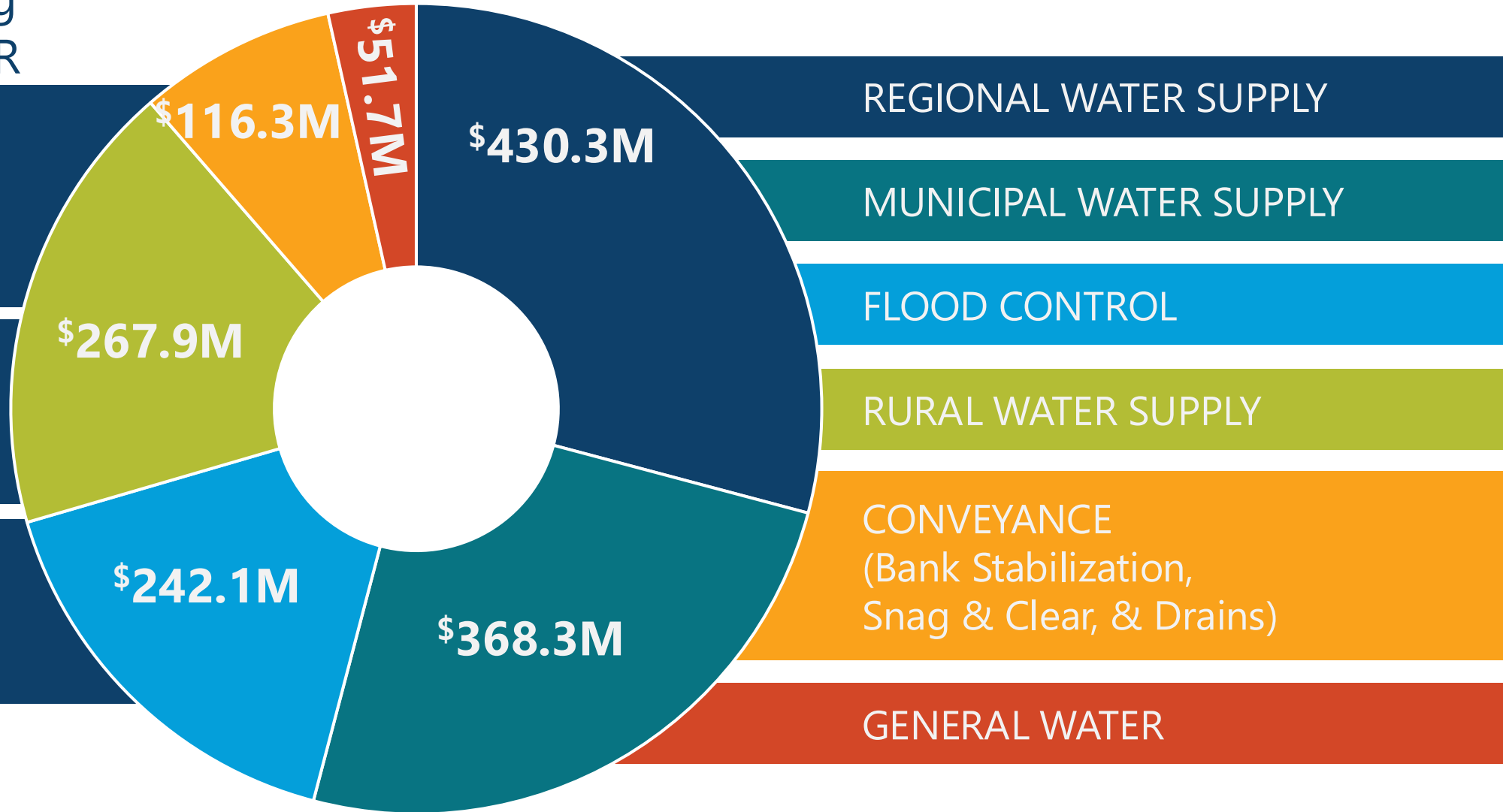
\$1.48B

2023-2025

\$1.05B

2021-2023

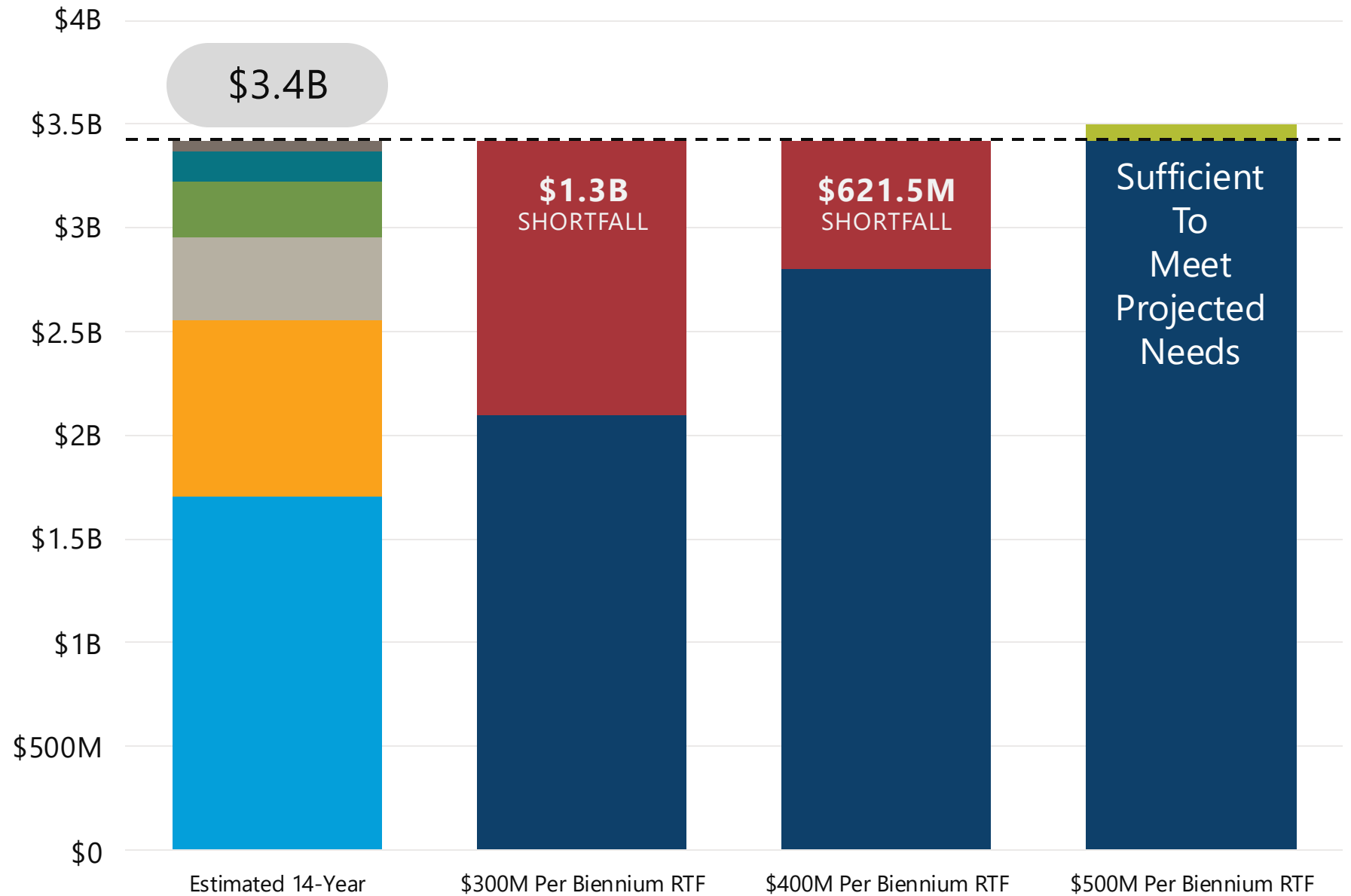
\$0.64B



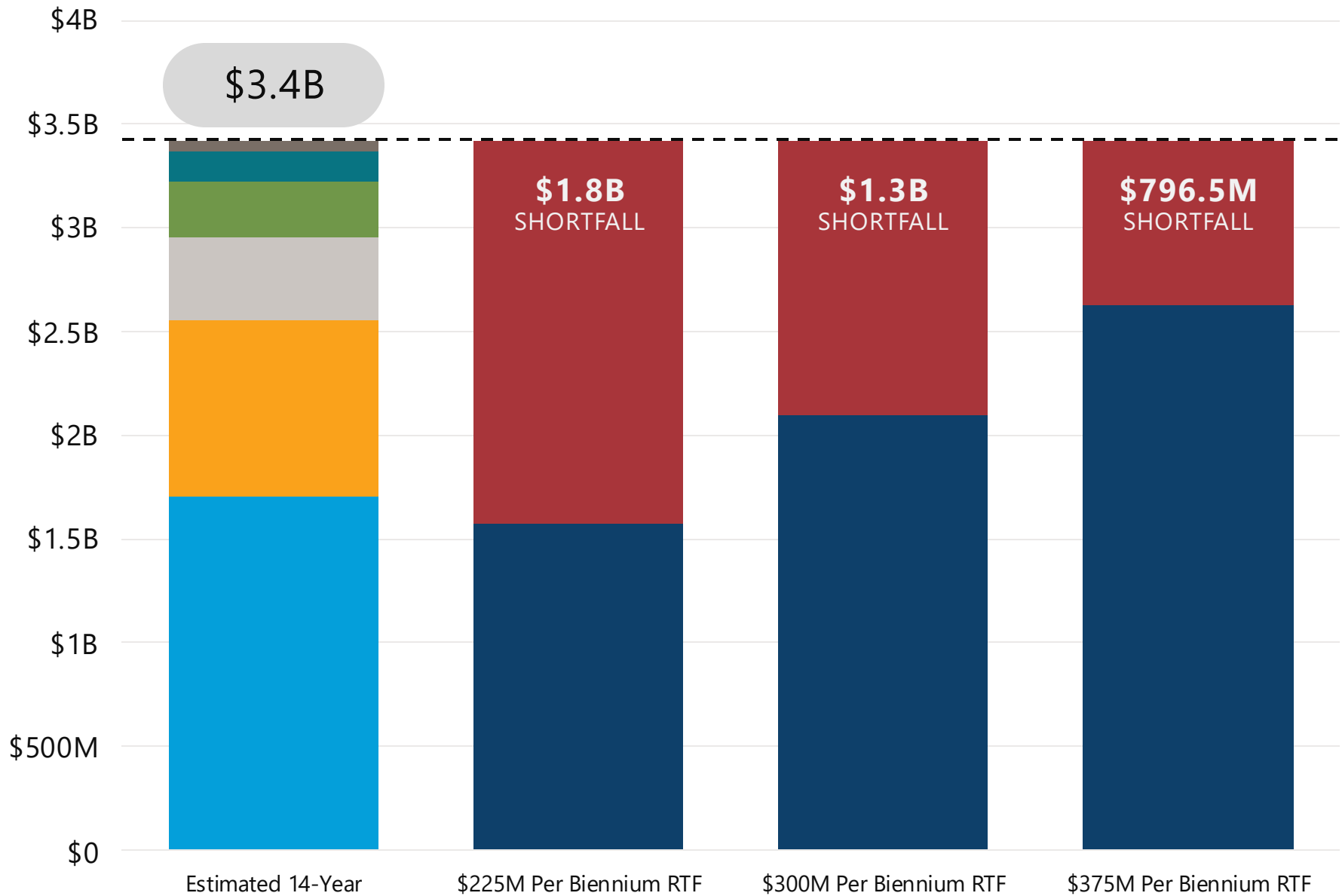
2025 WATER DEVELOPMENT PLAN INVENTORY

2025-2027 PROJECT & PURPOSE FINANCIAL NEEDS SUMMARY	ESTIMATED DWR SHARE BY PRIORITY	Water Development Plan Inventory Project Needs		
		High Priority	Moderate Priority	Low Priority
	Project Purposes			
	Flood Control (Total = \$358.4)	\$240.70	\$54.50	\$63.20
	Heart River - Mandan	\$8.60	-	-
	Mouse River Enhanced Flood Protection	\$125.00	-	-
	Other Flood Control	\$18.10	\$0.90	\$0.50
	South Bismarck	\$73.00		
	Valley City Permanent Flood Protection	\$16.00	-	-
	Water Conveyance	-	\$53.60	\$62.70
	General Water (Total = \$51.8M)	\$8.60	\$40.10	\$3.10
	Rural Water Supply (Total = \$267.9M)	\$5.30	\$61.30	\$201.30
	Water Supply (Total = \$635.7M)	\$267.50	\$16.90	\$351.30
	Municipal	-	\$16.90	\$351.30
	Red River Valley Water Supply	\$221.00	-	-
	Western Area Water Supply	\$46.50	-	-
	State Owned Projects (Total = \$164.4M)	\$164.40	\$0.00	\$0.00
	Devils Lake Outlets	\$1.70	-	-
	Northwest Area Water Supply	\$12.70	-	-
	Southwest Pipeline Project	\$150.00	-	-
	TOTAL IDENTIFIED NEEDS (\$1.48B)	\$686.4	\$172.8	\$618.9

14-YEAR PLAN: \$500M/BIENNIUM MEETS NEEDS



IMPACT OF RTF REVENUE FROM 20.5% TO 15.5% (EXTRACTION TAX)



ENGROSSED HB 1020 - LINE ITEMS	Salaries & Wages	APPROPRIATION	\$25,356,498
	New & Vacant FTE Pool		\$2,428,615
	Operating Expenses		\$33,939,781
	Capital Assets		\$3,203,950
	Southwest Pipeline Project		\$131,713,336
	Northwest Area Water Supply		\$106,857,325
	Water Supply		\$105,000,000
	Regional Water Supply		\$306,500,000
	General Water		\$29,000,000
	Flood Control		\$168,500,000
	Discretionary Funding		\$10,000,000
	TOTAL APPROPRIATED (99.00 FTE AUTHORIZED)		\$922,499,505

HOUSE VERSION OF HB 1020

2023-2025 SALARIES & WAGES Base	\$22,998,148
Cost To Continue Adjustment & New & Vacant FTE Funding	\$2,032,290
New & Vacant FTE Pool (Net Adjustment)	(\$633,423)
Salary & Health Insurance Increase	\$1,575,423
6 FTE (Admin, NAWS, & Regulatory)	\$1,425,938
Cost To Continue Adjustment For SWC Members & Temporary/Overtime	\$220,714
Board Of Water Well Contractors Administrative Services (See Slide 29)	\$66,023
Internship Program	\$100,000

2025-2027 SALARIES & WAGES ENGROSSED HB 1020	\$27,785,113
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	Base	House Added	Recommendation
Full Time Equivalents (FTE)	93	6	99

HOUSE VERSION OF HB 1020

2023-2025 OPERATING EXPENSES Base	\$56,625,923
Base Level Funding Adjustments (\$1,171,104 Reduction Governor's Guidance & \$11,080,374 Increase State-Owned Projects)	\$9,909,270
Operating Expenses Related To 6 FTE (\$197,465 Is Federal Funds)	\$360,650
Cost To Continue SWC Members (Travel, IT Equipment Replacement Cycle, & Professional Development)	\$85,200
Transfers Funding For Professional Services For SWPP To SWPP Line	(\$23,800,450)
Transfers Funding For Professional Services For NAWs To NAWs Line	(\$11,892,600)
Missouri River Intake Study Phase II (All One-Time)	\$600,000
Increase Federal Spending Authority (Regulatory)	\$2,051,788
2025-2027 OPERATING EXPENSES ENGROSSED HB 1020	\$33,939,781

HOUSE VERSION OF HB 1020

2023-2025 CAPITAL ASSETS Base	\$124,136,712
Base Level Funding Adjustments (\$716,415 Reduction To Meet Governor's Guidance, Reduced \$3,600,699 & Shifted \$2,680,374 To Operating)	(\$4,317,114)
Equipment For The New NAWS Operator FTE	\$10,000
State Owned Water Project Funding (Before Transfers)	\$85,311,963
Emergency Pumps (All One-Time)	\$480,000
Excavator Replacement (All One-Time)	\$400,000
Data Logger Replacement (All One-Time)	\$60,000
Transfers Funding For Capital Assets For SWPP To SWPP Line	(\$107,912,886)
Transfers Funding For Capital Assets For NAWS To NAWS Line	(\$94,964,725)
2025-2027 CAPITAL ASSETS ENGROSSED HB 1020	\$3,203,950

HOUSE VERSION OF HB 1020

2023-2025 **STATE OWNED PROJECTS**

Southwest Area Water Supply Project

From Operating Expenses	\$23,800,450
From Capital Assets	\$107,912,886

TOTAL SOUTHWEST AREA WATER SUPPLY ENGROSSED HB 1020	\$131,713,336
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Northwest Area Water Supply Project

From Operating Expenses	\$11,892,600
From Capital Assets	\$94,964,725

TOTAL NORTHWEST AREA WATER SUPPLY ENGROSSED HB 1020	\$106,857,325
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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

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

2025-2027 PURPOSE FUNDING: ENGROSSED HB 1020

DWR 2025-2027 BUDGET: OPTIONAL REQUESTS INCLUDED BY HOUSE

.....
*Includes Operating Expenses
**Federal Funding

OPTIONAL REQUESTS

FTE Positions
Accountant, Deputy Director, NAWS Operator, Assistant NFIP
Coordinator, RiskMap Specialist, Silver Jacket Conversion

(One-Time) Emergency Pumps Replacement

(One Time) Excavator Replacement

(One Time) Data Logger Replacement

(One Time) Missouri River Intake Sites
Field Investigation

Cost to Continue SWC Expenditure,
Temp Salary, & Overtime Adjustments

Board of Water Well Contractors (See Slide 29)

Federal Spending Authority

NAWS Biota Water Treatment Plant
Operations**

TOTAL OPTIONAL REQUESTS

HOUSE VERSION - HB 1020

\$1,796,588*

\$480,000

\$400,000

\$60,000

\$600,000

\$305,914

\$66,023

\$2,051,788**

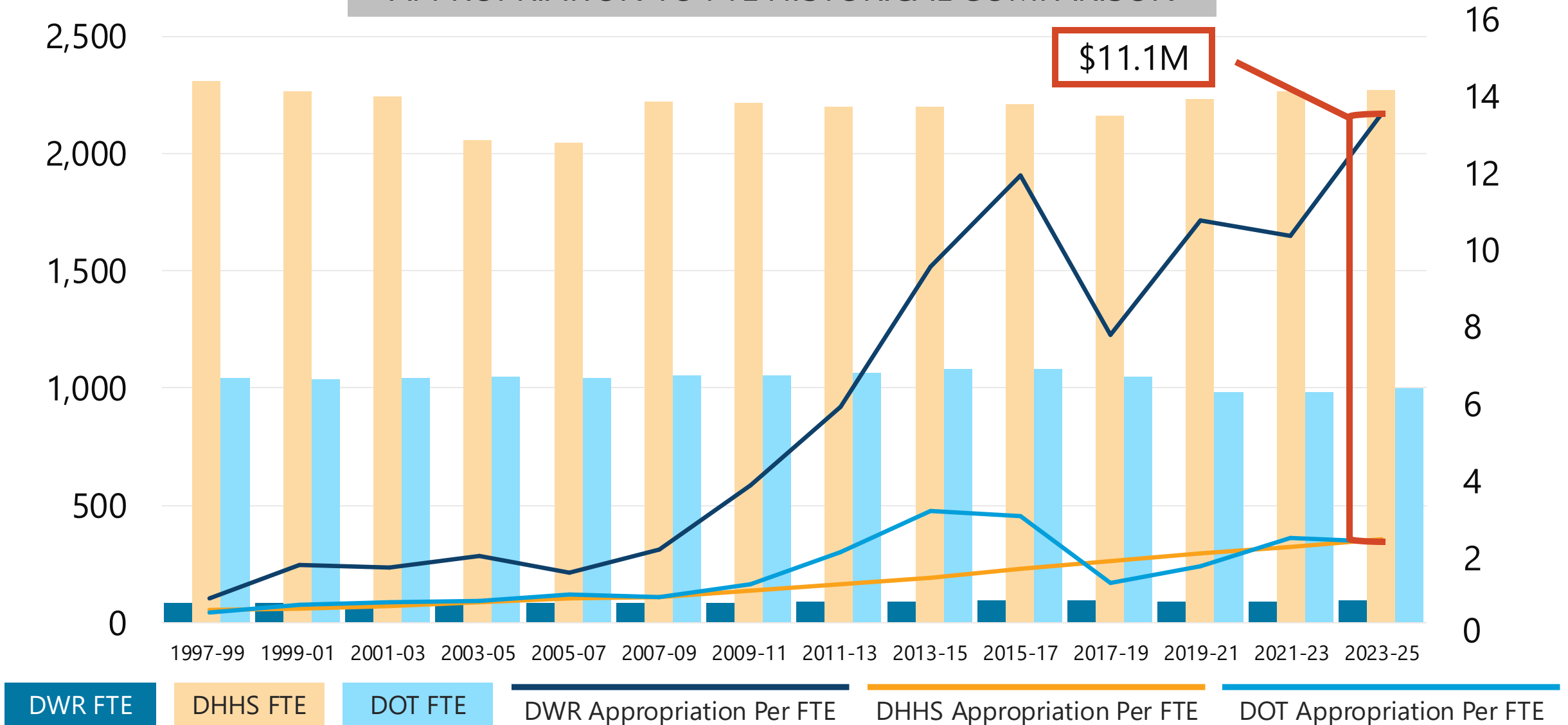
\$5,760,313

2025-2027 FTE REQUESTS

FTE Requests	Executive Recommendation	
	Federal Funds	Special Funds
Accountant/Budget Specialist	-	\$312,774
Deputy Director	-	\$482,253
NAWS Operator (Water Rate Funded)	-	\$380,893
General Counsel	-	\$482,253
Assistant NFIP Coordinator	\$250,028	\$83,345
RiskMAP Program Specialist	\$372,004	\$0
Silver Jackets Coordinator	\$0	\$15,533
TOTAL	\$622,032	\$1,757,051
TOTAL ALL FUNDS	\$2,379,083	
TOTAL FTE	7	

ACCOUNTANT & BUDGET SPECIALIST

APPROPRIATION TO FTE HISTORICAL COMPARISON



DEPUTY DIRECTOR

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 & Be Able To Step In As Acting Secretary At Commission Meetings, Represent The Department At National & International Meetings & Legislative Committee Commitments

Nearly Every Department Across ND State Government Has At Least One Deputy Director

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, & 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.

GENERAL COUNSEL

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

KEY STAKEHOLDERS SUPPORT FOR A GENERAL COUNSEL

North Dakota is involved in continual international discussions over water. **While we participate politically, we've lacked continual, constant legal representation to support DWR attendance.** Additionally, North Dakota experiences numerous agricultural land drainage legal issues regarding local government compliance and interpretation of existing state law and Water Commission policy. **These are legal issues, not engineering issues, and the Commission/DWR usually gets included in these issues.**

Based on my experiences, I support a DWR full time staff lawyer.

- Former Rep. Jim Schmit



*This is not just about protecting a resource; it's about defending North Dakota's sovereignty, securing economic stability, and preserving our ability to grow and innovate. **Without this investment in legal counsel, we risk losing the ability to effectively counter regulatory and legal challenges that could have far-reaching consequences for our state.***

- Jonathan Fortner, Lignite Energy Council

*An in-house general counsel will give the Department of Water Resources the expertise and capacity to protect our water rights. **We strongly encourage you to make this investment and protect our state's most vital resource.***

- Matt Perdue, North Dakota Farmers Union



*North Dakota Grain Growers Association strongly supports the addition of a new attorney position within the Department of Water Resources as proposed in HB 1020. Water is a critical resource for our state's agriculture industry, and **having adequate legal expertise within the department is essential for addressing the complex water issues that impact our members.***

- Dan Wogsland, North Dakota Grain Growers Association

***The inclusion of a general counsel for the ND Department of Water Resources is an essential step in protecting North Dakota's water sovereignty, infrastructure investments, and long-term economic growth.** Without dedicated legal expertise, the state is at risk of losing control over its water resources to out-of-state interests and facing costly legal battles that could delay or derail critical water projects.*

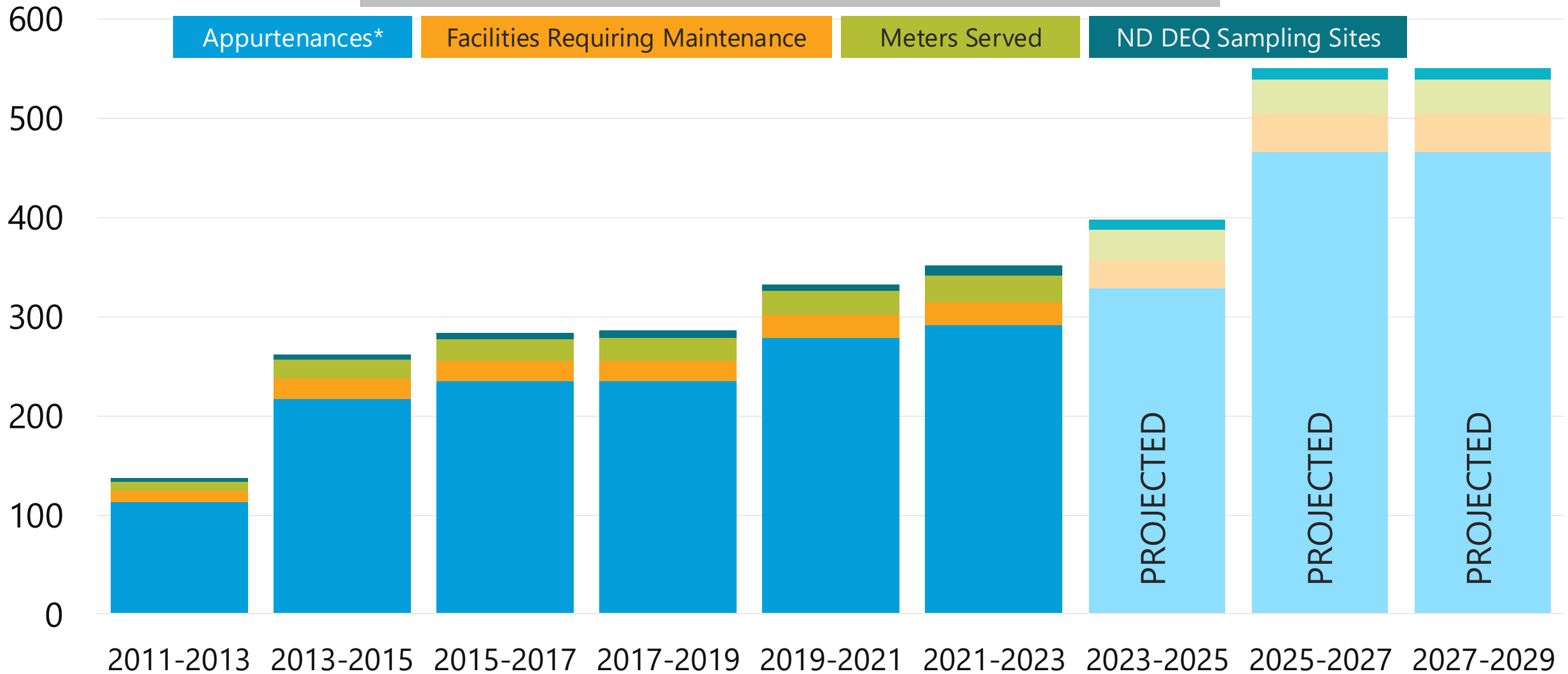
- Duane DeKrey, Garrison Diversion Conservancy District



NAWS OPERATOR

Paid By Water Rates

LOCATIONS WITH OPERATOR RESPONSIBILITIES



* 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.

ASSISTANT NFIP COORDINATOR

75% Federal Funded

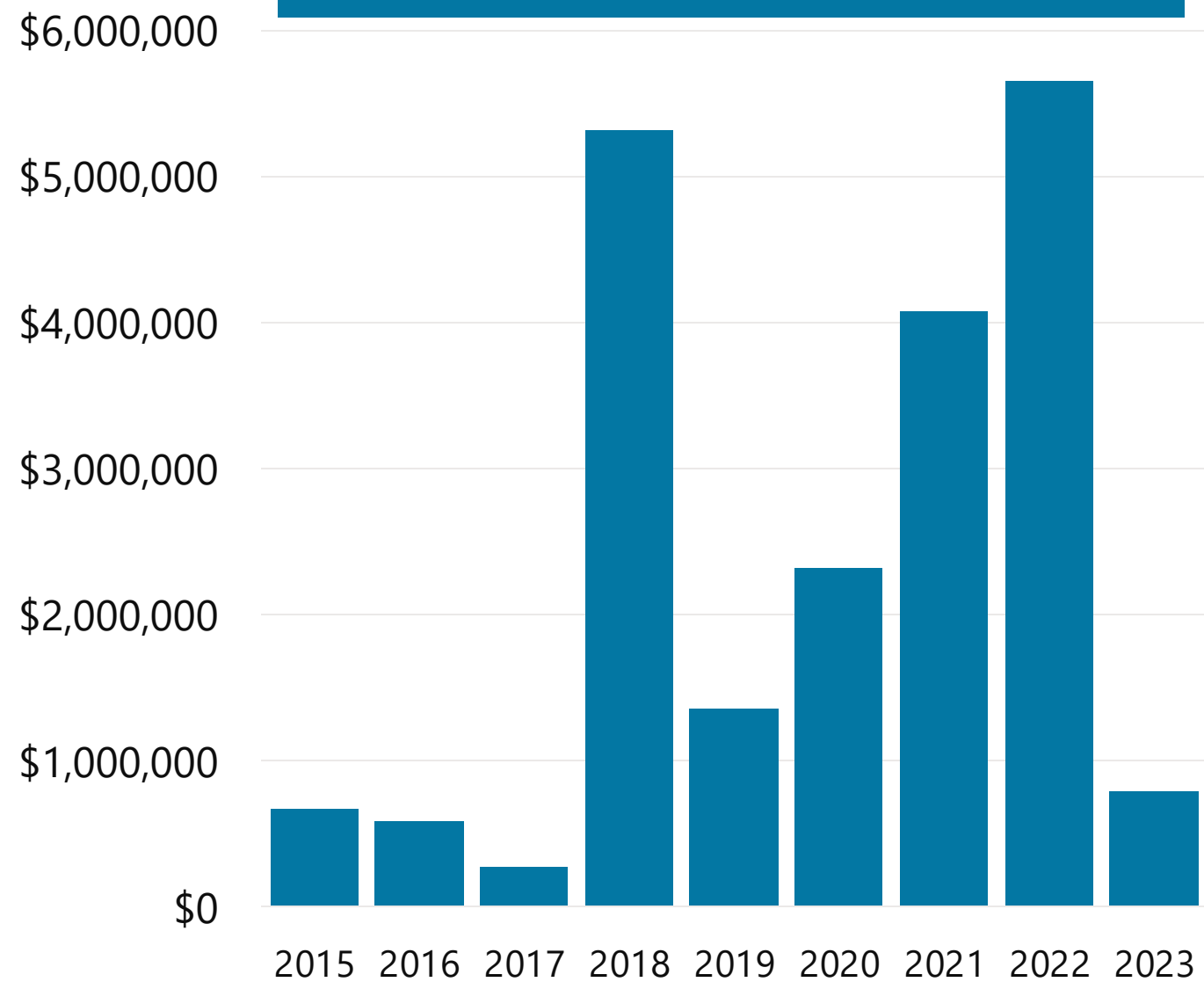
OTHER FEMA REGION 8 STATES & NUMBER OF COMMUNITIES PER FTE OF NFIP COORDINATING TEAM

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	339	1 (339 comm./FTE)

RISKMAP PROGRAM SPECIALIST

100% Federal Funded

RISKMAP GRANT AWARDS PER YEAR

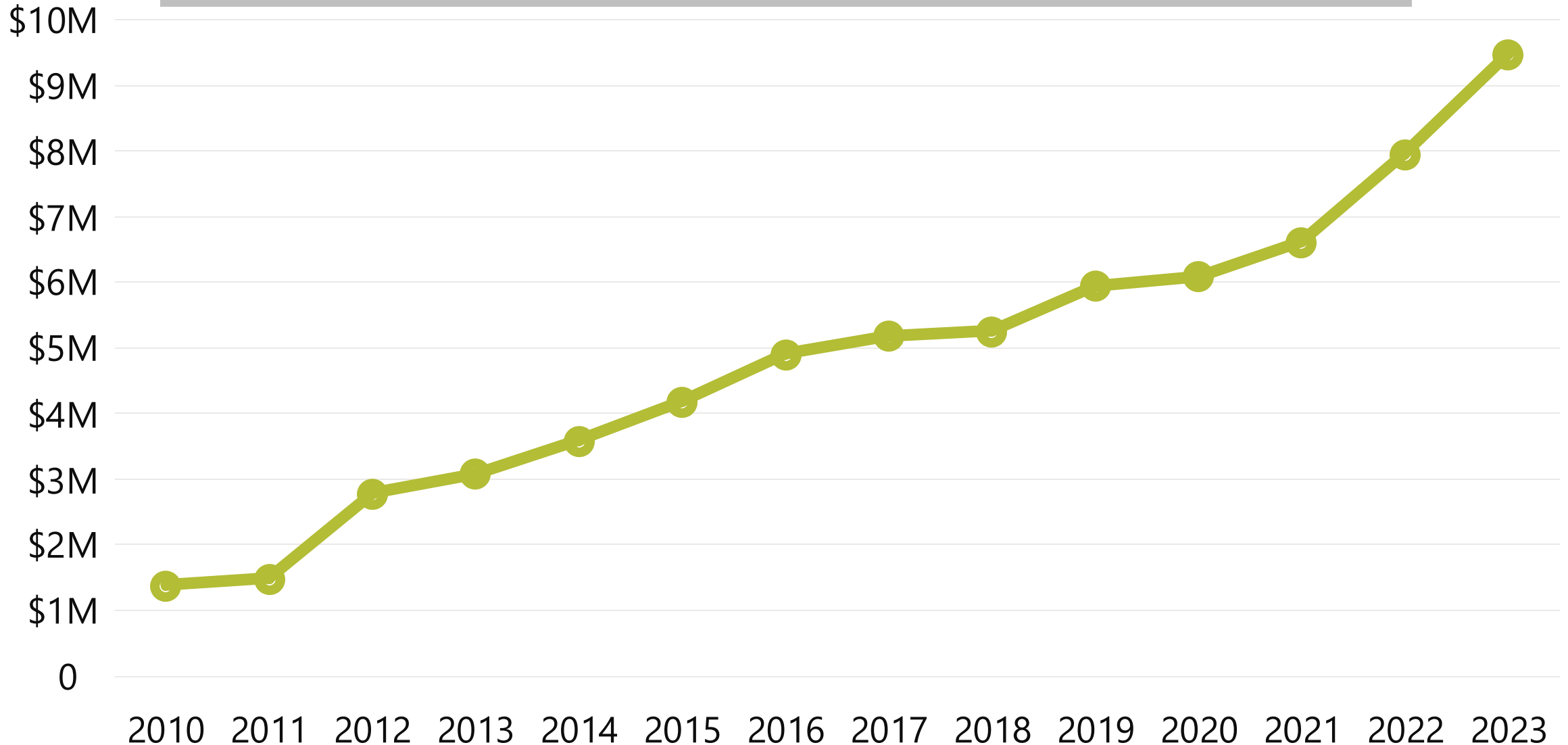


FEMA REGION 8 COOPERATIVE
TECHNICAL PARTNER STATES FTE
SUPPORT OF THE RISKMAP PROGRAM

Program	FTE
Montana	4
Colorado	3
Utah	3
North Dakota	1

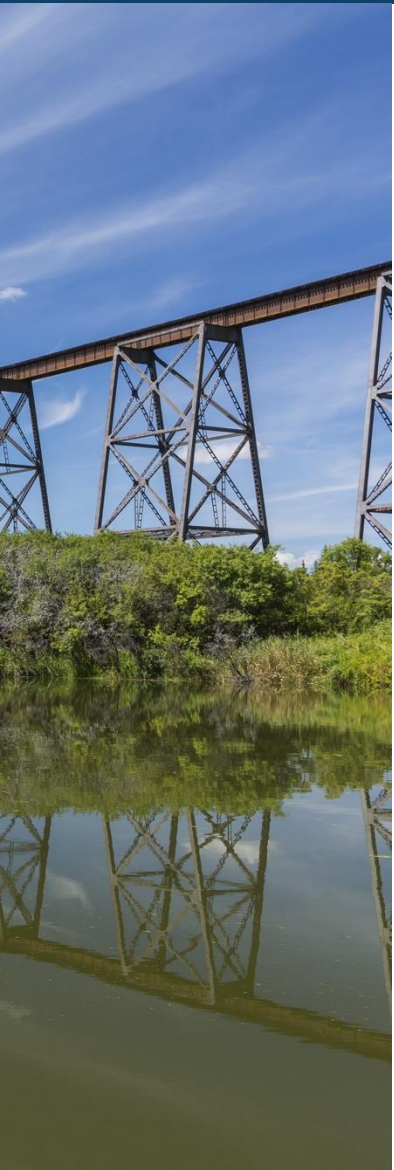
SILVER JACKETS COORDINATOR

ACCUMULATION OF ALL GRANTS ASSISTED BY SILVER JACKETS PROGRAM



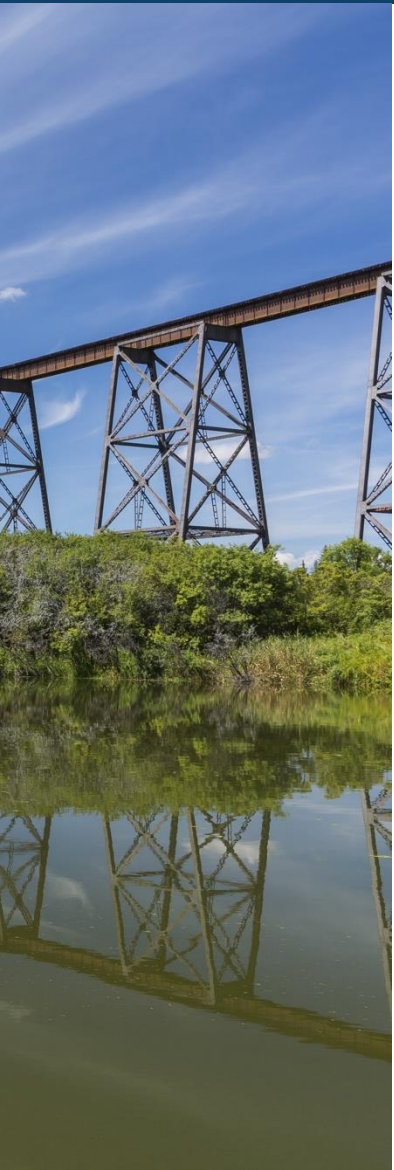
POLICY & OTHER LANGUAGE SECTIONS OF THE BILL

- **Section 3:** New & Vacant FTE Pool
- **Section 4:** Additional Income Appropriation
- **Section 5:** \$10 Million Deficiency Appropriation From SIIF To Pay Balance On LOC
- **Sections 6 & 7:** \$2.5 Million Appropriation To Parks & Recreation For Sovereign Lands & Directive For SWC To Provide A Grant To Parks & Recreation For That Purpose
- **Section 8:** Estimated Income Of \$42.5 Million Is From The Water Projects Stabilization Fund
- **Section 9:** Discretionary Funding Uses
- **Section 10:** Direct The SWC To Bond Up To \$100 Million For SWPP

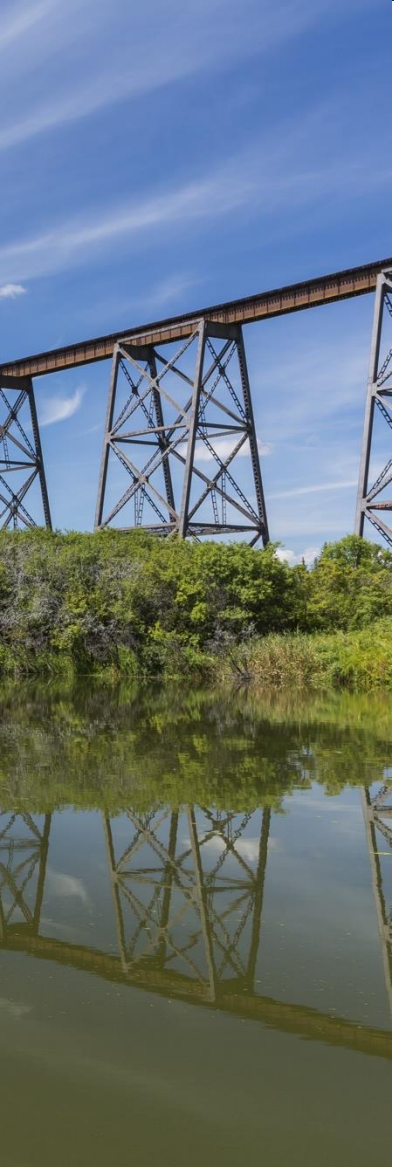


POLICY & OTHER LANGUAGE SECTIONS OF THE BILL

- **Section 11:** Transfer \$45 Million To The Water Infrastructure Revolving Loan Fund
- **Section 12:** Authorization Of A \$100 Million Line Of Credit From The Bank Of North Dakota For The Water Infrastructure Revolving Loan Fund
- **Section 13:** Authorization Of A \$200 Million Line Of Credit From The Bank Of North Dakota For Water Projects
- **Section 14:** Continuing Appropriation For NAWS Biota WTP Operations
- Legislative Intent For:
 - **Section 15:** Funding For Red River Water Supply Project
 - **Section 16:** Funding For Mouse River Flood Control Project
 - **Section 17:** Funding For South Bismarck Stormwater & Flood Control Project
 - **Section 19:** The DWR To Continue To Support Efforts To Protect & Develop Beneficial Use Of The Missouri River System



POLICY & OTHER LANGUAGE SECTIONS OF THE BILL

- 
- **Section 18:** Project Funding Designation
 - Legislative Directive To Study:
 - **Section 20:** The SWC To Study Regional Water Systems Governance & Finance
 - **Section 21:** The SWC To Study Its Cost-Share Policy
 - **Section 22:** Authorization To Transfer \$10 Million Between Line Items Except Salaries & Wages
 - **Section 23:** Authorization To Carryover Water Project Funding
 - **Section 24:** Emergency Clause

2025 LEGISLATION

10 Agency-Sponsored Bills

Red Tape Reduction

Clean Up & Clarification

SB 2308: Boards & Commissions

HB 1024: Deficiency Appropriations



BOARD OF WATER WELL CONTRACTORS



TOTAL
Appropriation
If SB 2308
Would Pass Is
\$81,123

Adjustments Requested
Contingent On SB 2308 Passing

Salaries & Wages

Already Includes \$66,023
(No Change)

Operating Expenses

Increase \$15,100 For Travel,
Conference Fees, Legal
Services, Public Notices, Etc.



NORTH
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THANK YOU



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