



Eric Volk, Executive Director

ND Rural Water Systems Association

In Support of House Bill 1020

Senate Appropriations Committee

March 22, 2021

Chairman Holmberg and members of the Senate Appropriations Committee, my name is Eric Volk. I am the executive director of the North Dakota Rural Water Systems Association (NDRWSA). Our vision is to ensure all of North Dakota has access to affordable, ample, and quality water. NDRWSA is committed to completing and maintaining North Dakota's water infrastructure for economic growth and quality of life. Today I am submitting testimony in support of a State Water Commission (SWC) budget that allows for adequate funding to meet the critical water needs of North Dakota.

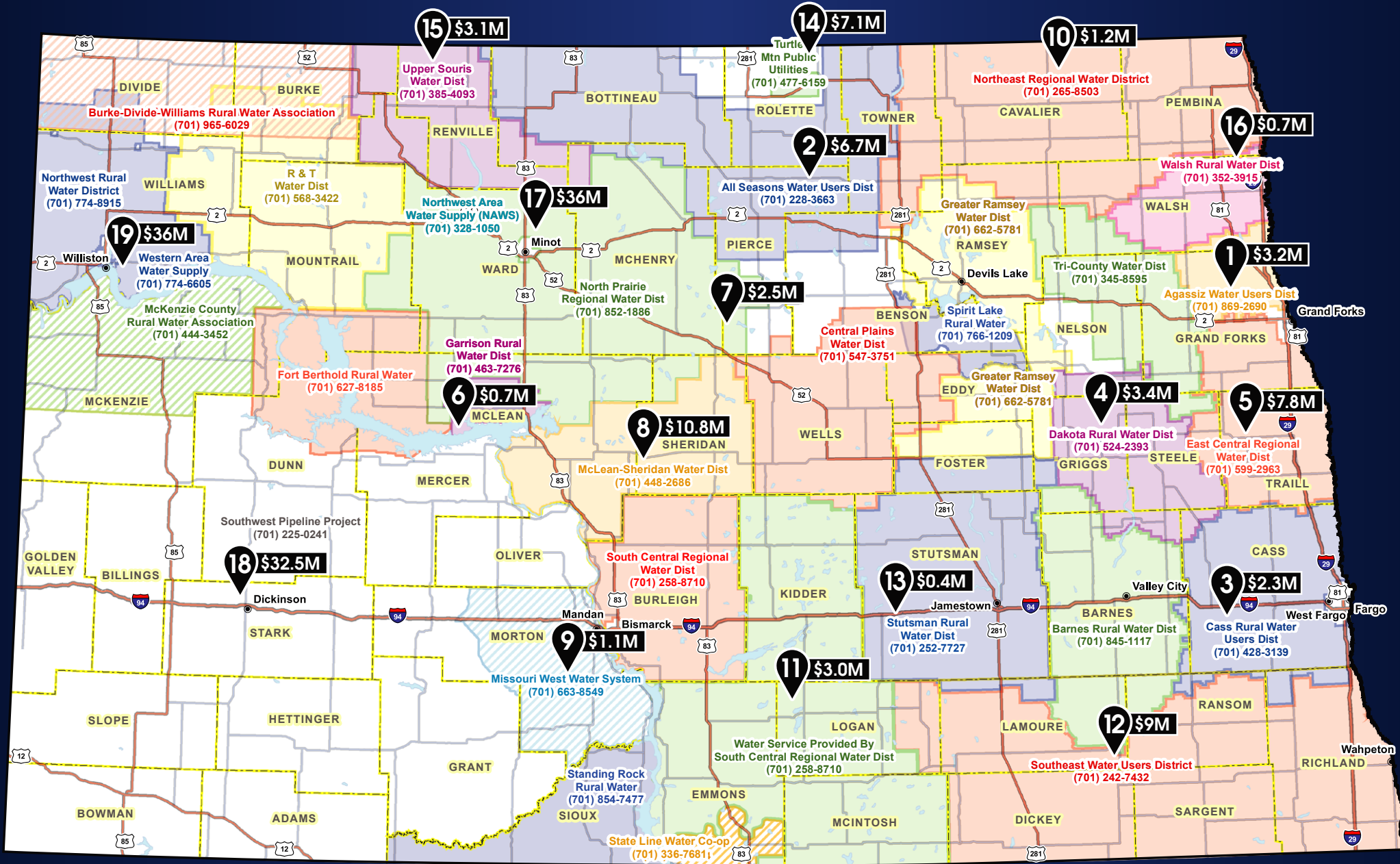
In addition to the Southwest Pipeline Project, Northwest Area Water System, the Red River Valley Water Supply Project and the Western Area Water Supply Project, there are currently many other rural and regional projects in various stages of development across the state. Some examples of these projects are the completion of the large expansion of the Dakota Rural Water District, the further development of the Walsh Rural Water District, and the completion of a multi-county expansion of the McLean-Sheridan Rural Water District, in addition to several others; many of them located in the energy impacted areas of our state. The total cost of these rural and regional projects for the next biennium is nearly \$87 million (\$63 million state grant is needed). (Please see attached funding map). Section 1 of Engrossed HB 1020 appropriates \$40.6 million in Rural Water Supply Grants. Section 11 intends to use \$1.6 million of the \$40.6 million to help All Seasons Water District complete a project that was approved in a previous biennium. This will leave \$39 million in the Rural Water Supply Grants line item. If funds are available, we would respectively request up to an additional \$24 million to meet the needs of rural North Dakota.

These projects are designed to meet similar needs. Those needs include water quality and quantity. On the water quality side, the projects will help communities comply with non-funded federal mandates required by the Safe Drinking Water Act, including arsenic levels, nitrates, disinfection by-products, and total coliform bacteria. Quality issues also include water very high in sodium, sulfates, iron, and manganese. On the quantity side, many families do not have a potable source of water and even in this day and age must haul water for their families and livestock.

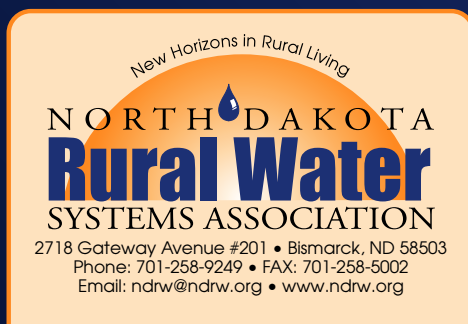
Meeting the demands of repairing & replacing aging infrastructure and complying with rules & regulations are taking its toll on many small and rural water systems. A study completed by the United States Environmental Protection Agency revealed the rates needed to cover future infrastructure repair and replacement for small systems will be four times as high as their larger counterparts. Another major challenge facing rural and small water systems is the ever increasing rural to urban migration, which continues to decrease the population base, and which adds to the cost to the individual consumer. This does offer a challenge in finding affordable ways to bring quality water to rural areas. Without significant state grant funding, the cost to the consumer is just too much for the average family to afford.

The money spent on water projects in the past has been an investment in the future of North Dakota – an investment in economic development and quality of life for our citizens (see attached 19-21 project funding). Every rural water system that has been built in our state is still operating. They are providing safe, clean water to their customers, reducing their debt, putting money in reserve, complying with every state and federal regulation, and doing so with a prudent rate structure; albeit higher than most municipalities charge (see attached rate schedule). Not only do rural water systems serve nearly 160,000 rural residents, they also provide water to 268 (75%) of the state's 357 incorporated cities (see attached map of cities not served by RW).

With that said, the NDRWSA supports a State Water Commission budget that allows for adequate funding to meet the critical water needs of North Dakota. Thank you for giving me the opportunity to provide testimony on behalf of the members of the NDRWSA. Eric Volk, ericvolk@ndrw.org.



- 1 – **AGASSIZ WATER USERS DISTRICT – GILBY**
User and Transmission Expansion Phase II
- 2 – **ALL SEASONS WATER USERS DISTRICT – BOTTINEAU**
System 1 Expansion Project
- 3 – **CASS RURAL WATER USERS DISTRICT – KINDRED**
System Wide Distribution Improvements
- 4 – **DAKOTA RURAL WATER DISTRICT – FINLEY**
Bulk Service to Hannaford, User Expansion Phase II
- 5 – **EAST CENTRAL REGIONAL WATER DISTRICT – THOMPSON**
Wellfield & WTP Expansion, Expanded Service to the Cities of Grandin and Hatton
- 6 – **GARRISON RURAL WATER DISTRICT – GARRISON**
Douglas Bay Pump Station
- 7 – **GENERAL RURAL WATER BUCKET**
Replacement of Defective Glued Pipe
- 8 – **MCLEAN-SHERIDAN RURAL WATER DISTRICT – TURTLE LAKE**
New Water Tower (McClusky) and Transmission Line, Phase II Rural System Expansion
- 9 – **MISSOURI WEST WATER SYSTEM – MANDAN**
Highway 1806 South Expansion Project
- 10 – **NORTHEAST REGIONAL WATER DISTRICT – CAVALIER**
Expansion to City of Adams/Interconnect with Walsh RWD, Individual Service to Milton
- 11 – **SOUTH CENTRAL REGIONAL WATER DISTRICT – BISMARCK**
Bulk Service to Ashley
- 12 – **SOUTHEAST WATER USERS DISTRICT – MANTADOR**
Regionalization of Southeast Water Users District - West System WTP
- 13 – **STUTSMAN RURAL WATER DISTRICT – JAMESTOWN**
Bulk Service to Streeter
- 14 – **TURTLE MOUNTAIN PUBLIC UTILITIES – BELCOURT**
Highway 43 Corridor - Phase III, Membrane Treatment Plant Expansion, Highway 43 Corridor - Phase IV, Thorne Reservoir - Phase II, Pump Station and Well Modifications
- 15 – **UPPER SOURIS RURAL WATER DISTRICT – KENMARE**
2021-23 System Improvements
- 16 – **WALSH RURAL WATER DISTRICT – GRAFTON**
Interconnect with Northeast RWD
- 17 – **NORTHWEST AREA WATER SUPPLY (NAWS) – MINOT**
2021-2023 Improvements/Expansion
- 18 – **SOUTHWEST PIPELINE PROJECT – DICKINSON**
2021-2023 Improvements/Expansion
- 19 – **WESTERN AREA WATER SUPPLY – WILLISTON**
2021-2023 Improvements/Expansion



OUR VISION
All of North Dakota has access to
affordable, ample, and quality water.



Local Sponsor	Project Name	Total Project Cost	SWC 2021-2023 Grant	Local Share	Grant %
Agassiz Water Users District	User and Transmission Expansion Phase II	\$ 4,237,636	\$ 3,178,227	\$ 1,059,409	75%
All Seasons Water Users District	System 1 Expansion Project	\$ 8,982,375	\$ 6,736,781	\$ 2,245,594	75%
Cass Rural Water District	System Wide Distribution Improvements	\$ 3,066,667	\$ 2,300,000	\$ 766,667	75%
Dakota Rural Water District	Bulk Service to Hannaford	\$ 2,183,740	\$ 1,637,805	\$ 545,935	75%
Dakota Rural Water District	User Expansion Phase II	\$ 2,330,940	\$ 1,748,205	\$ 582,735	75%
East Central Regional Water District	Wellfield & WTP Expansion	\$ 7,777,720	\$ 5,833,290	\$ 1,944,430	75%
East Central Regional Water District	Expanded Service to Hatton & Grandin (Elimination of City Water Towers)	\$ 2,626,982	\$ 1,970,237	\$ 656,745	75%
Garrison Rural Water District	Douglas Bay Pump Station	\$ 900,000	\$ 675,000	\$ 225,000	75%
General Rural Water Bucket	Replacement of Defective Glued Pipe	\$ 5,000,000	\$ 2,500,000	\$ 2,500,000	50%
McLean-Sheridan Rural Water District	New Water Tower(McClusky) and Transmission Line	\$ 3,400,000	\$ 2,550,000	\$ 850,000	75%
McLean-Sheridan Rural Water District	Phase II Rural System Expansion and Improvements	\$ 11,379,459	\$ 8,285,394	\$ 3,094,065	73%
Missouri West Water System	Highway 1806 South Expansion Project	\$ 1,500,000	\$ 1,125,000	\$ 375,000	75%
Northeast Regional Water District	Expansion to City of Adams/Interconnect with Walsh RWD	\$ 700,218	\$ 525,164	\$ 175,054	75%
Northeast Regional Water District	Individual Service to Milton	\$ 892,385	\$ 669,289	\$ 223,096	75%
South Central Regional Water District	Bulk Service to Ashley	\$ 4,041,900	\$ 3,031,425	\$ 1,010,475	75%
Southeast Water Users District	Regionalization of Southeast Water Users District - West System WTP	\$ 12,000,000	\$ 9,000,000	\$ 3,000,000	75%
Stutsman Rural Water District	Bulk Service to Streeter	\$ 554,000	\$ 415,500	\$ 138,500	75%
Turtle Mountain Public Utilities	Highway 43 Corridor - Phase III	\$ 2,750,000	\$ 2,000,000	\$ 750,000	73%
Turtle Mountain Public Utilities	Membrane Treatment Plant Expansion	\$ 2,187,500	\$ 1,500,000	\$ 687,500	69%
Turtle Mountain Public Utilities	Highway 43 Corridor - Phase IV	\$ 2,500,000	\$ 1,750,000	\$ 750,000	70%
Turtle Mountain Public Utilities	Thorne Reservoir - Phase II, Pump Station and Well Modifications	\$ 2,500,000	\$ 1,875,000	\$ 625,000	75%
Upper Souris Rural Water District	2021 System Improvements	\$ 4,075,000	\$ 3,055,000	\$ 1,020,000	75%
Walsh Rural Water District	Interconnect with Northeast RWD	\$ 901,933	\$ 676,450	\$ 225,483	75%
	Totals:	\$ 86,488,455	\$ 63,037,767	\$ 23,450,688	
NDSWC	Northwest Area Water Supply Project	\$ 56,000,000	\$ 36,000,000	\$ 20,000,000	64%
NDSWC	Southwest Pipeline Project	\$ 32,500,000	\$ 32,500,000	\$ -	100%
Western Area Water Supply Authority	2021-2023 Improvements/Expansion	\$ 47,938,000	\$ 35,953,500	\$ 11,984,500	75%
	Totals:	\$ 136,438,000	\$ 104,453,500	\$ 31,984,500	

Rural Water Funding 19-21

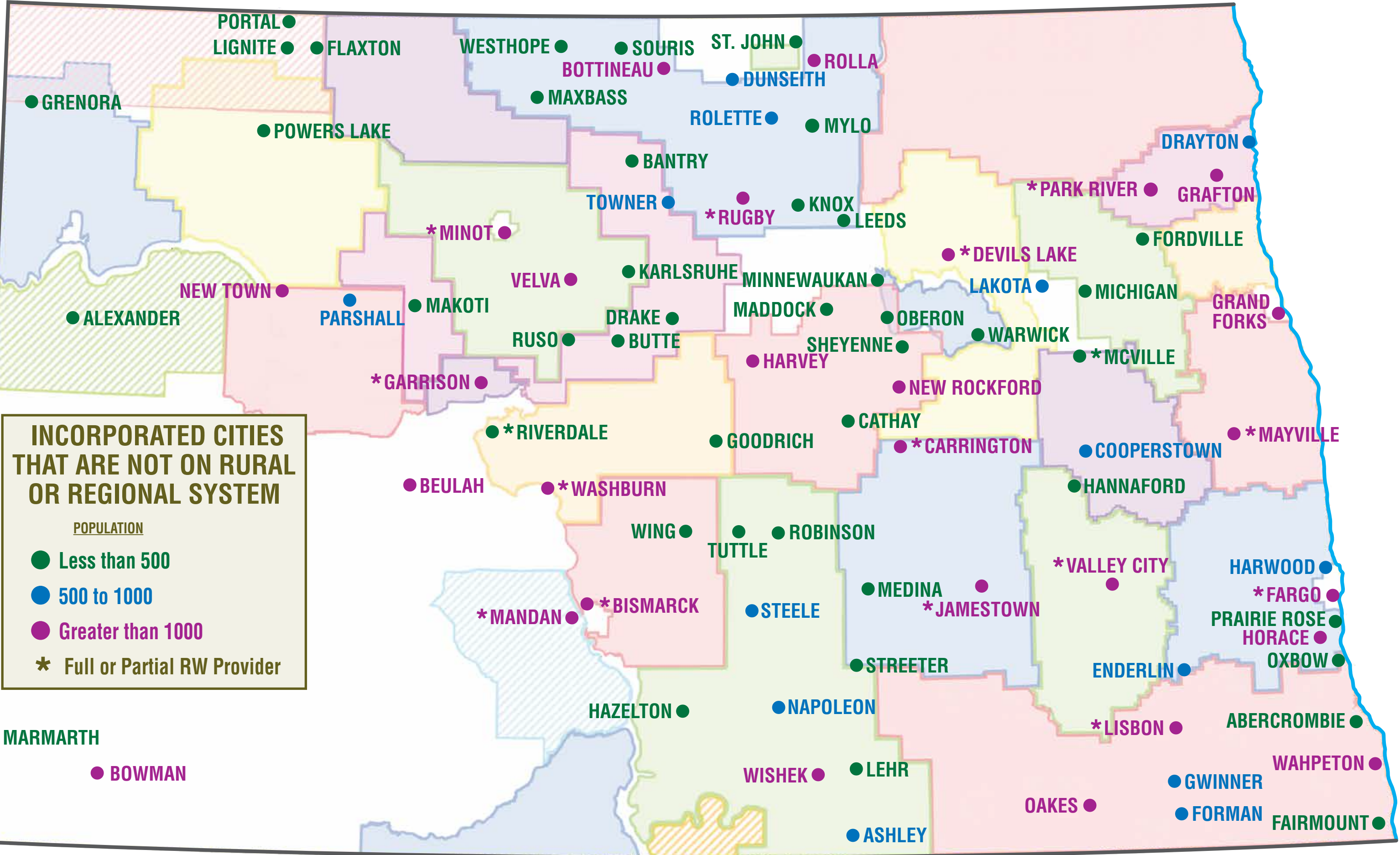
February 2021

Local Sponsor	Project Name	Total Project Cost	SWC 2019-2021 Grant	Grant %	SWC Actual Through 2/11/21
Agassiz Water Users District	System Expansion and Interconnect Project	\$ 3,983,343	\$ 2,987,507	75%	\$ 2,990,000
All Seasons Water Users District	System 1 Expansion Project	\$ 1,770,375	\$ 1,327,781	75%	\$ -
Dakota Rural Water District	User Expansion	\$ 6,196,312	\$ 4,647,234	75%	\$ 4,650,000
East Central Regional Water District	Service to Grandin and Cass RWD	\$ -	\$ -	75%	\$ 90,000
East Central Regional Water District	Grand Forks/Traill Project	\$ -	\$ -	75%	\$ 75,000
East Central Regional Water District	User, Transmission Pipeline Expansion, Well Expansion and District Interconnect	\$ 5,488,162	\$ 4,116,121	75%	\$ 4,086,000
Greater Ramsey Water District	Expansion Project - Oswald Bay/Tolna/Pekin	\$ 1,770,375	\$ 1,327,781	75%	\$ 619,752
McLean Sheridan Rural Water District	2019 System Wide Improvements/Expansion Project - Phased Approach	\$ 6,638,905	\$ 4,979,179	75%	\$ 4,980,000
Missouri West Water System	Harmon Lake Area Expansion Project	\$ 752,409	\$ 564,307	75%	\$ 565,000
Missouri West Water System	North Mandan/Highway 25 Project	\$ 1,062,225	\$ 531,112	50%	\$ 530,000
North Central Regional Water District	City of Benedict Water Distribution System	\$ 398,334	\$ 239,001	60%	\$ 67,500
North Prairie Rural Water District	Minot to Velva Hwy 52 Project	\$ 3,894,825	\$ 2,921,118	75%	\$ 3,249,000
Northeast Regional Water District	User Expansion Phase II *Federal Funding	\$ 885,187	\$ 663,891	75%	\$ -
Northeast Regional Water District	City of Devils Lake Phase II	\$ 1,770,375	\$ 1,327,781	75%	\$ 1,197,829
South Central Regional Water District	North Burleigh Water Treatment Plant Pretreatment Improvements	\$ 1,844,731	\$ 922,365	50%	\$ 920,000
Southeast Water Users District	System Wide Expansion	\$ 1,062,225	\$ 796,669	75%	\$ 225,000
Southeast Water Users District	Regionalization of SEWUD West Water Treatment Plant	\$ 1,327,781	\$ 995,836	75%	\$ 150,000
Stutsman Rural Water District	Water Supply to Streeter	\$ 446,134	\$ 334,601	75%	\$ -
Stutsman Rural Water District	Phase 7 Water Supply	\$ 2,788,340	\$ 1,812,421	65%	\$ 1,812,000
Tri-County Water District	Rural Distribution Pipeline Expansion	\$ 2,655,562	\$ 1,991,672	75%	\$ 1,990,000
Walsh Rural Water District	Water Supply to Drayton Phase 1	\$ 6,284,830	\$ 4,713,623	75%	\$ 4,713,600
Walsh Rural Water District	Water Supply to Drayton Phase 2	\$ -	\$ -	75%	\$ 3,256,100
Totals:		\$ 51,020,431	\$ 37,200,000		\$ 36,166,781
			Funds Remaining		\$ 1,033,219

Rural Water Supply SWC Project Summary

January 2021

Rural Water System	Project	Approved Date	Total Approved	Total Payments	Balance	% of Balance	Completion Status
North Central	Carpio/Berthold Phase 2	4/1/2015	\$926,882	\$668,191	\$258,691	0.86%	Mar. 2021
North Prairie	Storage & Water Main	10/6/2015	\$1,012,854	\$887,533	\$125,321	0.42%	Jun. 2021
All Seasons	System 4 Connection to System 1	12/11/2015	\$4,900,000	\$0	\$4,900,000	16.37%	\$5,284,012 17.66% 2015 RR/Tribal Easement Issues
North Central	Granville-Deering Area	10/24/2016	\$459,137	\$459,137	\$0	0.00%	\$0 0.00% 2016 Completed
North Central	Mountrail Expasion Phase 2	8/23/2017	\$3,034,288	\$0	\$3,034,288	10.14%	Dec. 2021
North Central	Mountrail Expasion Phase 3	8/23/2017	\$3,430,000	\$0	\$3,430,000	11.46%	\$6,464,288 21.60% 2017 Dec. 2022
Stutsman	Phase 6 Pettibone Project	4/12/2018	\$464,606	\$464,606	\$0	0.00%	Completed
Walsh	System Expansion Project	4/12/2018	\$624,987	\$624,987	\$0	0.00%	Completed
North Prairie	Reservoir 9 Water Supply	6/12/2018	\$398,997	\$58,204	\$340,793	1.14%	Feb. 2021
North Prairie	Surrey/Silver Spring	6/12/2018	\$38,289	\$6,629	\$31,660	0.11%	Feb. 2021
McLean-Sheridan	Turtle Lake Water Tower	8/9/2018	\$846,065	\$827,512	\$18,553	0.06%	Spring 2021
Tri-County	System Expansion Project	8/9/2018	\$1,316,004	\$1,287,074	\$28,930	0.10%	Completed
Cass	Horace Storage Tank	10/11/2018	\$1,336,637	\$1,336,637	\$0	0.00%	Completed
Northeast	Master Plan	10/11/2018	\$55,922	\$55,922	\$0	0.00%	Completed
East Central	Grand Forks/Trail Project	12/7/2018	\$2,004,028	\$1,833,069	\$170,959	0.57%	\$590,895 1.97% 2018 Spring 2021
Walsh	Drayton Feasibility	5/8/2019	\$37,500	\$37,500	\$0	0.00%	Completed
Northeast	Devils Lake Water Supply Phase 2	6/19/2019	\$1,197,829	\$1,197,829	\$0	0.00%	Completed
South Central	North Burleigh WTP	6/19/2019	\$920,000	\$920,000	\$0	0.00%	Completed
Stutsman	Phase 7	6/19/2019	\$1,812,000	\$1,524,601	\$287,399	0.96%	Completed
Missouri West	North Mandan/Hwy 25 & Harmon Lake Area	8/8/2019	\$1,095,000	\$915,201	\$179,799	0.60%	Completed
Tri-County	Phase 5	8/8/2019	\$1,990,000	\$1,990,000	\$0	0.00%	Spring 2021
Greater Ramsey	2019 Expansion	10/10/2019	\$619,752	\$619,752	\$0	0.00%	\$467,198 1.56% 2019 Completed
Southeast	System Wide Expansion	2/13/2020	\$3,473,377	\$3,246,867	\$226,510	0.76%	Spring 2021
Dakota	2019 Expansion	4/9/2020	\$4,650,000	\$2,007,298	\$2,642,702	8.83%	Fall 2021
McLean-Sheridan	2019 Expansion	4/9/2020	\$4,980,000	\$3,302,010	\$1,677,990	5.61%	Fall 2021
Agassiz	2019 Expansion	4/9/2020	\$2,990,000	\$2,232,975	\$757,025	2.53%	Spring 2021
North Prairie	Benedict Water Distribution System	8/13/2020	\$67,500	\$0	\$67,500	0.23%	Dec. 2021
East Central	2019 Expansion Phase IV	10/8/2020	\$4,086,000	\$311,814	\$3,774,186	12.61%	Dec. 2021 - July 2022
North Prairie	Minot to Velva Highway 52 Improvement	10/8/2020	\$3,249,000	\$0	\$3,249,000	10.86%	Dec. 2021
Walsh	Drayton Water Supply Project - Phase 1	10/8/2020	\$4,713,600	\$62,774	\$4,650,826	15.54%	Dec. 2021
East Central	Grand Forks/Trail Project	11/25/2020	\$75,000	\$0	\$75,000	0.25%	\$17,120,739 57.21% 2020 Fall 2021
			\$56,805,254	\$26,878,122	\$29,927,132	100.00%	\$29,927,132 100%
				47.32%	52.68%		



Rural Water System Rates
January 2021

SYSTEM	# of Users	Minimum Cost	\$/1000 Gal.	\$/6000 Gal.	Miles of Pipe
Agassiz Water Users District	1,334	\$25.00	\$8.50	\$76.00	350
All Seasons Water Users District System 1-4	883	\$34.00	\$7.25	\$77.50	
All Seasons Water Users District System 4 Phase 1&2	123	\$44.00	\$7.25	\$87.50	
All Seasons Water Users District System 5	523	\$44.00	\$7.25	\$87.50	1,700
Barnes Rural Water District #1	1,390	\$47.00	\$5.25	\$78.50	
Barnes Rural Water District #2	269	\$60.00	\$5.25	\$91.50	
Barnes Rural Water District #3	345	\$53.00	\$5.25	\$84.50	1,500
Cass Rural Water District	6,556	\$27.00	\$5.40	\$59.40	1,930
Central Plains Water District (Old)	790	\$30.00	\$6.00	\$66.00	
Central Plains Water District (New)	340	\$56.00	\$7.25	\$99.50	1,266
Dakota Rural Water District	897	\$45.00	\$4.80	\$73.80	900
Dakota Rural Water District Expansion	150	\$53.00	\$4.80	\$81.80	150
East Central Regional Water District	2,429	\$30.30	\$5.95	\$66.00	
East Central Regional Water District	325	\$55.00	\$5.95	\$90.70	
East Central Regional Water District	800	\$55.00	\$7.00	\$97.00	2,200
Garrison Rural Water District	508	\$43.15	\$6.00	\$79.15	
Garrison Rural Water District	154	\$53.15	\$6.00	\$89.15	
Garrison Rural Water District	22	\$55.00	\$6.00	\$91.00	
Garrison Rural Water District	102	\$60.00	\$6.00	\$96.00	158
Greater Ramsey Water District	634	\$20.00	\$4.50	\$47.00	
Greater Ramsey Water District	397	\$25.00	\$4.50	\$52.00	
Greater Ramsey Water District	940	\$35.00	\$4.50	\$62.00	
Greater Ramsey Water District	356	\$45.00	\$4.50	\$72.00	1,600
McKenzie County Water Resource District	1,200	\$45.90	\$6.59	\$85.44	929
McLean Sheridan Rural Water District	677	\$59.00	\$7.21	\$102.26	600
Missouri West Water System	1,860	\$40.00	\$6.19	\$77.14	825
North Prairie Regional Water District (Existing)		\$54.00	\$9.30	\$109.80	
North Prairie Regional Water District (New)	4,577	\$65.00	\$9.30	\$120.80	2,500
Northeast Regional Water District/Langdon Branch	1,113	\$55.00	\$6.00	\$91.00	
Northeast Regional Water District/North Valley Branch	1,355	\$39.00	\$6.00	\$75.00	2,468
Northwest Rural Water District	2,408	\$45.00	\$8.80	\$97.80	1,200
R&T Water District	700	\$50.00	\$7.70	\$96.20	514
South Central Regional Water District (Includes 500 gals)	5,988	\$34.00	\$7.50	\$75.25	
South Central Regional Water District	1,100	\$40.00	\$5.65	\$73.90	3,500
Southeast Water Users District Central	623	\$45.00	\$5.75	\$79.50	547
Southeast Water Users District Central-New	135	\$55.00	\$5.75	\$89.50	147
Southeast Water Users District East	1,810	\$26.00	\$4.50	\$53.00	1,372
Southeast Water Users District East-New	236	\$55.00	\$4.50	\$82.00	201
Southeast Water Users District West	732	\$45.00	\$3.50	\$66.00	743
Southeast Water Users District West-New	116	\$55.00	\$3.50	\$76.00	166
Southwest Water Authority	7,330	\$50.00	\$6.36	\$88.16	5,260
State Line Water Cooperative	452	\$40.00	\$6.25	\$77.50	200
Stutsman Rural Water District	1,226	\$43.00	\$5.00	\$73.00	1,100
Stutsman Rural Water District Expansion Project	1,255	\$48.00	\$5.00	\$78.00	1,085
Tri-County Water District	1,120	\$54.00	\$6.00	\$90.00	1,200
Upper Souris Water District	630	\$35.00	\$10.00	\$95.00	600
Walsh Rural Water District C1	21	\$42.00	\$7.75	\$88.50	
Walsh Rural Water District C2	5	\$68.00	\$7.75	\$114.50	
Walsh Rural Water District R1	1,248	\$36.00	\$7.75	\$82.50	
Walsh Rural Water District R3	160	\$48.00	\$7.75	\$94.50	
Walsh Rural Water District R4	132	\$55.00	\$7.75	\$101.50	672
	58,476				37,583
Median		\$45.00	\$6.00	\$82.50	
Average		\$45.52	\$6.28	\$83.12	
Yearly Average				\$997.47	