

## Sorvaag, Ronald G.

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**From:** Paczkowski, John A.  
**Sent:** Thursday, March 25, 2021 4:59 PM  
**To:** Sorvaag, Ronald G.  
**Cc:** Freije, Tim J.  
**Subject:** NAWS Biota Water Treatment Plant

Senator Sorvaag,

This email is my attempt to answer the questions you posed regarding the funding needs of the NAWS Biota Water Treatment Plant (BWTP), anticipated federal funding, and where the Line-of-Credit (LOC) is used to ensure a timely completion.

### BTP Costs:

- Phase I – total project cost is \$64 million (M). This initial phase will produce somewhere from 50% to 74% of the desired system output of 24.5 million gallons per day (MGD), dependent on the BWTP's performance.
- Phase II – ESTIMATED cost is \$27M. It should be noted that this cost is only an estimate given the yet-to-be-seen performance that will only come from Phase I operations.
- Phase III – ESTIMATED cost is \$21M. Again another estimate, but depending on whether Phases I & II are capable of producing the necessary 24.5 MGD, this phase may not be necessary.
- Therefore, anticipated BWTP costs are \$64M (Phase I) + \$27M (Phase II) = \$91M, but if these two phases don't produce the required 24.5 MGD, Phase III will become necessary at \$21M, which would then add up to a total \$112M.

### LOC (\$75M):

- The LOC serves two purposes.
  - The first is that it allowed us to award the contract for construction of Phase I of the BWTP.
  - Next, if the timing for receiving federal funds does not coincide with construction expenses, we could cover those costs using the LOC.

Though we have been approved through the Bank of ND to use \$20M of the \$75M for the 19-21 biennium, it is not likely we will need to utilize those funds prior to the end of the biennium given the currently authorized and approved federal funds.

- Based on the first LOC bullet point, it is essential that the \$75M LOC be included in HB 1020.

### Federal Funding (MR&I):

- As it currently stands there is only a SINGLE source of federal funding for the BWTP, and that is MR&I funding included in the Dakota Water Resources Act of 2000.
- It is the intent that MR&I funds will be used to cover the costs of the BWTP until those funds have been fully exhausted.
- The remaining available funding through the MR&I program is approximately \$82M
  - Note that the balance is indexed annually on the remaining authorization so this number is subject to change each federal year.

### Other items of note:

- Water cannot be delivered from Lake Sakakawea to Minot until:
  - Phase I of the BWTP is operational
  - Modifications to the Snake Creek Pumping Plant are completed and connection is made to the existing 45-mile transmission pipeline.
  - The South Prairie Reservoir and Control Structure have been constructed.

- Increases to the treatment capacity of the Minot Treatment Plant will be needed before we will also be able to reach the system design capacity.

I hope this information provides the information you are seeking regarding the NAWS BWTP. Please feel free to reach out to either Tim Freije (328-1050) or I (328-3446) with any additional questions you might have.

Sincerely,  
John

**John A. Paczkowski**  
*Interim State Engineer*

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