



Jeremy Schuler, General Manager

Northeast Regional Water District

In Opposition to Senate Bill 2299

Senate Energy and Natural Resources Committee

February 13, 2025

Chairman Patten and members of the Senate Energy and Natural Resources Committee, my name is Jeremy Schuler. I am the General Manager of the Northeast Regional Water District.

Northeast Regional Water District (NRWD) is in the Northeast corner of North Dakota and provides water to 2,678 rural connections, thirteen bulk cities, four hog operations and delivers supplemental water to two rural water districts consisting of 2,500 miles of pipe in six counties.

I am writing today in opposition to certain proposed amendments within Senate Bill 2299.

Section 1

I am content with adding water districts to section one. Our district has a yearly audit conducted, which typically costs the district \$15,000 - \$20,000 per year depending on what type of audit is required.

Section 2

In the event of a petition of ten percent or one hundred fifty participating members, whichever is fewer, I would recommend changing this to ten percent or three hundred participating members. This threshold is needed to protect the members from unwarranted costs associated with a petition to conduct a review of the books, records and financials of the district which already takes place during the yearly audit. This would just be an additional cost for the users.

Section 3 - Subsection 3

This needs to be entirely struck out. What other form of government only requires three signatures on a petition? Let us allow the water districts existing bylaws continue to govern this section.

NRWD allows any participating member to petition for election to the board of directors by submitting twenty signatures from the participating members if they reside in the appropriate district. (Twenty signatures is only .74% of the NRWD voting membership).

NRWD's voting process is conducted by mail in ballot only. Petitions being submitted to the secretary of the board at least five days prior to the annual meeting would obviously not allow enough time to send ballots out to the voting members and have them returned in time for the annual meeting.

By allowing members to vote by mail, it gives the entire membership a right in conducting business for the betterment of the district.

Section 4

I support removing county and county auditor. I also support the language regarding vacancies.

Section 4 – Subsection 4

I am not in support of subsection four. I have concerns about the proposed language of how it would be interpreted and applied. Thus, not correcting the intent of this section.

NRWD hires an outside source such as an accountant for the election. The members mail their ballots directly to the accountant by the due date which is three days prior to the annual meeting. The accountant counts the votes and provides a letter of the results which is signed, sealed, and given to the water district attorney to be opened at the annual meeting for the election results. The results are then made available to the entire membership if they wish to view.

Section 5

This needs to be entirely struck out as well. It serves no other purpose than to pick winners and losers of one specific district. This is not an emergency, and this is just poor legislation.

In closing, my understanding is that when water districts were formed the districts and membership were given little guidance by the State of North Dakota as how to structure themselves. I feel the water districts have done an excellent job creating a working structure and bylaws for their system to operate in an efficient manner. By allowing the membership to vote by mail this allows everyone a fair chance to support their district if they are unable to attend such meetings. My opinion on this bill is that it should not have even made it this far. These are all issues that can be corrected by the board of directors and its membership. If legislation is being drug into micromanage issues like this, it is just a waste of taxpayer dollars.

Thank you for allowing me to provide testimony in opposition to SB 2299. We respectfully ask for a Do Not Pass Recommendation. If you have any questions, please contact me at jeremy@nrwd.us