

2009 HOUSE APPROPRIATIONS

HB 1305

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1305

House Appropriations Committee
Education and Environment Division

☐ Check here for Conference Committee

Hearing Date: January, 22, 2009

Recorder Job Number: 7508

Committee Clerk Signature

Shirley Branning

Minutes:

Rep. Wald: The meeting was brought to order on HB 1305 (59.45) by calling on Chairman Skarphol to introduce HB 1305.

Chairman Skarphol: HB 1305 is the result of a real emergency in our area due to the increased oil activity and the demands on the water for the R and T water system. It became apparent that we were rationing water and we had to do something. The proposal that the R and T water system put together was a project that cost approximately \$6M. And the Water Commission has generously granted them \$4.2M toward that project. The balance of that \$6M would fall on the city of Ray to get a loan to cover. It should not be the city of Ray, and it should not be the normal water users in our communities, Ray, Tioga and Stanley that bear the cost. It is 100% the oil activity. For that reason, I introduce HB 1305. The bill says it shall come from the Oil Tax Trust Fund. The dollar amount is to cover whatever is necessary up to \$1.75M to pay off the loan that the city of Ray must take and the balance is to be used to pay off the bond payments that the city of Stanley still has with regard to constructing a pipe line to their community. The citizens in Stanley pay about \$20 a month more than the folks in Ray and Tioga because of the cost of that pipeline. Because of all of the other costs that the city of

Stanley is enduring at this time, due to the oil development, I deem it to be appropriate that we try to take care of that bond payment that is left on their pipeline.

Rep. Klein: Is this the only area that has problems in the oil patch?

Chairman Skarphol: I know of no other area as critical as this. Current capacity of the water treatment plant in Ray is 1M gallons a day. This \$6M project would double that. There are times the water gets shut off, rationed, revert back to the old well water.

Rep. Wald: Killdeer area may have a problem with water capacity.

Rep. Rust, District 2: Speaking in favor of HB 1305 and ask that you give it a Do Pass, see attachment # 1.

Michael Hynek, Mayor of Stanley: Testifies in favor of HB 1305, see attachment # 2.

Speaks to shortages in his community and the rise in costs of services. Refers to charts PP. 3 and 4.

Rep. Wald: Would the pipeline go right through Stanley? How far is it from the treatment plant?

Hynek: The treatment plant sits right outside the city of Ray to the east. Its 34 miles from Ray to Stanley. Stanley, from that high point, owns the pipeline.

Rep. Wald: Those two municipalities own that pipeline?

Hynek: City of Stanley owns the pipeline alone to the high point. The water system was put into effect in 1981. Stanley joined the R and T in 1993.

Rep. Wald: Is it wells?

Hynek: No, it is well water.

Rep. Onstad: City of Stanley is also capped out on their borrowing ability, right?

Hynek: We have several projects in the works as required by the North Dakota constitution limits. Our fear is that we don't reach that limit. And with all the projects we've done it is going to be extremely difficult to borrow the dollars to help our share of this project.

Chairman Skarphol: This \$6M project is to lay a new pipeline from the water treatment plant to the high point to give additional capacity and at the high point they are building a new 1M gallon reservoir, and the upgrade of the treatment plant.

Rep. Klein: Is the pipeline a 6 inch?

Hynek: 8 and 10.

Jerry Ranum, President of R and T Water and Mayor of Ray: Provided testimony in favor of HB 1305. In phase I the State Water Commission gave us \$4.2M, but we owe about \$500,000 right now in old debt and the plant is about 25 years old. We're asking for the \$2.1M partially for Stanley to pay off that \$350,000, and then the \$1.75M to put in this water and the high point reservoir. We will have about \$2M left to pay but will be selling more water. The Water Commission wants us to form the Northwest consortium and get water from the river. The first project is going to be \$6M and the second will be \$13M.

Chairman Skarphol: They could use Williston water and if they choose not to do so, there is a potential upgrade needed for the water plant for R and T that would cost maybe \$13M. And if they choose to use the Williston water, the cost is about \$20M.

Ranum: The \$13.1M is to totally revamp the plant.

Chairman Skarphol: Regardless if the water plant at R and T was upgraded or you got water from Williston, this current \$6M project was needed.

Ranum: We are on rationing in the summer and we have 5 employees who work 24 hours a day making water right now.

Rep. Onstad: The new Gas Plant construction outside of Ray, is that driving an increase on water usage.

Ranum: Only the office space uses water, but Amerada has requested 1M gallons a day once we get our plant up and running.

Chairman Skarphol: Do you have an estimate on Hess on what their water requirements are going to be for the new office building in Tioga?

Ranum: Not much.

Chairman Skarphol: Any idea how many employees there will be in that facility? The \$5M office facility that Hess is putting in in Tioga. That's a fair amount of people to add to the system.

Ranum: On going up there, we really can't go by oil being shut down because of the price.

Ron Ness, North Dakota Petroleum Council: The Mayor of Stanley has worked hard. EOG Resources is putting up two new facilities and expect 100 employees, a \$45M rail facility to haul future oil adding a potential 300 new employees. He supports the bill.

Mike Dwyer, North Dakota Water Coalition:. Spoke in support of the bill.

Rep. Wald: When will construction start?

Chairman Skarphol: You understand that this is not coming out of any of the moneys in the State Water Commission.

Rep. Wald: When will construction start?

Chairman Skarphol: Construction is ongoing on the high point reservoir and on the pipeline.

Ranum: The reservoir is started but closed down for the winter. The new water treatment plant is on two Skids. That can be operating late summer or fall next year.

Rep. Wald: Is an emergency clause needed so it is in effect when the Governor signs it?

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House Appropriations Committee
Education and Environment Division
Bill/Resolution No. 1305
Hearing Date: January 22, 2009

Chairman Skarphol: Has R&T taken a loan

Ranum: Yes

Chairman Skarphol: Closed hearing on HB 1305

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1305

House Appropriations Committee
Education and Environment Division

☐ Check here for Conference Committee

Hearing Date: February 2, 2009

Recorder Job Number: 8362

Committee Clerk Signature

Shirley Branning

Minutes:

Chairman Skarphol: We'll move to HB 1305. Rep. Monson had amendment # 90671.0202 drawn up to pay \$100,000 to assist in the local cost share of the Renwick Dam Project and it would appropriate those dollars out of the permanent oil tax trust fund as is the case with the appropriation in HB 1305.

Rep. Wald: I would move the amendment.

Rep. Klein: Second.

Chairman Skarphol: It increases the appropriation to \$2.2M and adds \$100,000 to assist with the local cost share for this project. The federal dollars were available and to some extent in jeopardy if it doesn't happen

Rep. Onstad: On the cost share, it seemed to be kind of a question of counties participating, both counties are recipients of that. I don't know if it has been fully exhausted to the point of getting the full cost share. If that \$200,000 of that project only came from one county or from both.....

Chairman Skarphol: I believe there was an anticipated \$417,000 total cost share, hoped for by the Federal Government and I don't think they'd raise more than a small portion of that. This is just an assist and there will still be a fair amount of local responsibility. Balance

remaining for local tax payers, \$497,000. There were two counties involved, one was the primary beneficiary. This is just to give them a little boost in getting it accomplished.

Rep. Wald: Is there some federal money forthcoming?

Chairman Skarphol: There's a cost share project, there's \$4.5M in federal money waiting to be used.

Rep. Wald: So the fact that it is a grant and if the federal money disappear, the grant wouldn't be made.

Brady Larson, Legislative Council Staff: Not sure, but I can check.

Rep. Wald: I don't want to hold up the vote, but I suspect that the fact that it's a grant and if the Federal Funds disappear, the Water Commission would make the grant. It is not mandating, it is a grant.

Chairman Skarphol: Any further discussion? If not we'll take a roll call vote on the amendment. **Do Pass** Yes 6, No 1, Absent 1.

A motion for a **Do Pass** as amended on HB 1305 made by Rep. Wald and Seconded by Rep. Klein. Further discussion.

It is not my intent that this money would in any jeopardize projects that the State Water Commission funds. This would be a separate grant over and above what would be contributed to their funding source by the Water Resources Trust Fund.

We'll take the roll on a **Do Pass as Amended**. **Do Pass** Yes 6, No 0, Absent 1.

Rep. Wald will carry this bill.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1305

House Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: February 11, 2009

Recorder Job Number: 9235

Committee Clerk Signature

Shirley Branning

Minutes:

Chairman Svedjan: Brought the Committee's attention to **HB 1305** which comes out of the Education and Environment section.

Rep. Skarphol: Distributed amendment .0202 (Attachment A). I would move the amendment.

Rep. Pollert: seconded the motion.

Rep. Skarphol: Explained the amendment. It provides a \$100,000 appropriation out of the Permanent Oil Tax Trust Fund with a local match on what is called the Renwick Dam Rehabilitation Project. This is a project that has a 65% federal cost share amounting to \$4.5 million. The state's share of that is \$1.378. It has been committed by the Water Commission. The local contribution is anticipated to be \$689,000. There are two counties involved in the local contribution. There is some degree of angst among those two counties as to whether or not they can raise that full amount. Rep. Monson asks that we add \$100,000 appropriation to this bill in an effort to give them some level of assistance on the local match.

Chm. Svedjan: The amendment is germane to the extent that it deals with water projects but it is different from what is provided in the bill.

Rep. Skarphol: Correct.

Rep. Wald: There is a sense of urgency that this dam must be repaired before there is a disaster downstream.

Rep. Delzer: I think we are going down the wrong path.

A voice vote was taken. Motion carries and the amendment is adopted.

Rep. Skarphol moved a Do Pass on HB 1305 as Amended. Rep. Wald seconded the motion.

Rep. Skarphol: I brought this bill forward because in our region based on what is happening in the oil industry. I understand the consternation that we have with regard going down this path. The situation with the R&T Water System that services Ray, Tioga, and Stanley is in a crisis. We are rationing water on somewhat of a daily basis to the community of Stanley, and it is caused by the fact that when the system was put in place in 1981 it was designed to handle the needs of the city of Ray and Tioga with some extra capacity. In 1993 Stanley asked to join the system, and there was significantly excess capacity so that Stanley was added to the system. It provides those communities with excellent water. The water treatment plant is located in Ray, and there is high point reservoir located about two thirds of the way between Ray and Tioga that services the entire system. As it stands right now, Stanley's water superintendent probably three to four times a week goes out in the evening and shuts off the water supply to the city of Stanley in order to build up enough water in the high point reservoir to service the needs of these communities. The appropriation here would allow them to buy an additional water treatment unit. They currently have in place one bladder unit that is capable of a million gallons a day. It would be able to buy us a surplus unit that is brand new that would add another million gallons a day to that capacity. They ultimately feel they need to get to 3.75. This buys time. They have borrowed \$1.8 million to build a new high point reservoir that is under construction. That does not apply to this bill at all. What this bill applies to is an

additional \$6 million project they are currently in the process of initiating and the State Water Commission has granted them \$4.2 million. This would pay the full \$6 million bill or close to it. This demand is not caused by lack of adequate preplanning. It is caused by the fact that the increased utilization out there has just driven it far beyond the means of the community to handle it. If this were the final step, I would not have even considered putting this bill there. Once this project is completed and what this money pays for is a larger pipeline from the water treatment plant in Ray to the high point reservoir and a pump system to push the water from that high point reservoir to Stanley. When this \$6 million project is paid for, these three communities then need to start thinking about what does the future hold and they are in the planning stage right now as to whether or not to build a completely new water treatment plant for about \$13.75 million or to access the city of Williston's water system for \$20 million. These folks have a debt load on this system that goes far beyond what is acceptable in this environment. The city of Stanley due to the oil field had a request from one oil company to add a 350 person camp in the city of Stanley for oil field employees to live in, and the mayor of Stanley told them we can't service you. They are moving forward with that project as I am told. A second company wanted to build a 500 person plant. Obviously, there is not enough water. This \$350,000 mentioned in here would pay off the bonds that Stanley still has for a 34 mile pipeline that they had to build from the high point reservoir into the city of Stanley. The residents in the city of Stanley currently pay \$20 a month more. Their minimum water bill is \$62. They pay \$20 a month more than the rest of the system because of the fact Stanley built that pipeline and paid for it. Currently Stanley is at the maximum amount as a community that they can borrow. I believe in the merit of this situation.

Rep. Kerzman: Is any of this water going into the drilling?

Rep. Skarphol: Very little is being sold. The processed water is not utilized for that except on an emergency basis.

Rep. Wald: I would move to further amend to put the emergency clause in this bill.

Rep. Onstad seconded the motion.

Chm. Svedjan: That would be a substitute motion. Because this is intended to pay off the bonds, is the emergency clause necessary?

Rep. Skarphol: I guess we could live with or without it. Obviously, the city of Ray, and the city of Ray is the one that has to borrow the money, not the system, has already borrowed the money to do this project. They are currently paying interest.

Chm. Svedjan: Would there be any penalty for the early payment of the bonds?

Rep. Skarphol: I can't speak to the configuration of that bond situation with regard to the city of Stanley. I would submit to you that if they got the money, they would certainly utilize it in the fashion that is appropriate.

Rep. Onstad: The city of Stanley, before they got the rural water system, they were off wells, and that is the water that they currently moved to oil companies. This is really for their development request for just straight drinking water.

A voice vote was taken to further amend adding the emergency clause. Motion carries.

Rep. Skarphol moved HB 1305 with a Do Pass as Amended. Rep. Wald seconded the motion.

Rep. Glassheim: Perhaps not enough, but a great deal of money does go back to oil producing counties for some of the impacts. Could you speak to the situation? Is any of that money available for this purpose?

Rep. Skarphol: There has been no oil impact money granted to this. Typically the oil impact dollars that are distributed today, the lion's share is going to the townships because of the

issues with regard to the infrastructure within the townships. The last impact round and the city of Tioga did apply for \$250,000 to repair a street that goes by the water depot that is in town. They received \$5,000 out of \$250,000.

Rep. Nelson: Are any of the counties involved with the Garrison diversion conservancy district?

Rep. Skarphol: Absolutely. Williams County was recently joined within the last three years. Mountrail County belongs. In this consideration, Garrison diversion did have input into the discussion about this project and strongly encourages the R&T Water System to access the water out of Williston. They would encourage the \$20 million project in the future. I suspect there would be a substantial local loan with regard to the match on that.

Rep. Nelson: Was this project part of the MR&I funding?

Rep. Skarphol: The MR&I dollars that come out of the Garrison diversion typically are distributed by the State Water Commission. A portion of that was used and it was approved by the State Water Commission because of the urgency of the project.

DO PASS AS AMENDED. 21 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING. Rep.

Skarphol is the carrier of this bill.

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1305

Page 1, line 1, remove "supply"

Page 1, line 6, replace "\$2,100,000" with "\$2,200,000"

Page 1, line 8, after "project" insert ", providing a grant of up to \$100,000 to assist in the local cost-share of the Renwick Dam project,"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment adds \$100,000 from the permanent oil tax trust fund to provide assistance with the local cost-share of the Renwick Dam project.

Date: Feb. 2, 2009
Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1305

House House Appropriations Education and Environment Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken ☒ Do Pass ☐ Do Not Pass ☒ Amended

Motion Made By Rep. Wald Seconded By Rep. Klein

Representatives	Yes	No	Representatives	Yes	No
Bob Skarphol – Chairman	✓		Joe Kroeber		
Francis Wald – Vice Chairman	✓		Kenton Onstad	1	✓
Kathy Hawken	✓		Clark Williams	✓	
Matthew M. Klein	✓				
Bob Martinson	✓				

Total Yes 6 No 1

Absent 1

Bill Carrier _____

If the vote is on an amendment, briefly indicate intent:

Do pass amendment # 90671.0202

Date: February 2, 2009
Roll Call Vote #: 2

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1305

House House Appropriations Education and Environment Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 90671.0202

Action Taken ☒ Do Pass ☐ Do Not Pass ☐ Amended

Motion Made By Rep. Wald Seconded By Rep. Klein

Representatives	Yes	No	Representatives	Yes	No
Bob Skarphol – Chairman	✓		Joe Kroeber		
Francis Wald – Vice Chairman	✓		Kenton Onstad	✓	
Kathy Hawken	✓		Clark Williams	✓	
Matthew M. Klein	✓				
Bob Martinson	✓				

Total Yes 7 No 0

Absent 1

Bill Carrier Rep. Wald

If the vote is on an amendment, briefly indicate intent:

Do pass as amended. 90671.0202

Date: 2/11/09
Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1305

Full House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 90671.0202

Action Taken Adopt Amend. 0202

Motion Made By Skarphol Seconded By Pollert

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan					
Vice Chairman Kempenich					
Rep. Skarphol			Rep. Kroeber		
Rep. Wald			Rep. Onstad		
Rep. Hawken			Rep. Williams		
Rep. Klein					
Rep. Martinson					
Rep. Delzer			Rep. Glassheim		
Rep. Thoreson			Rep. Kaldor		
Rep. Berg			Rep. Meyer		
Rep. Dosch					
Rep. Pollert			Rep. Ekstrom		
Rep. Bellew			Rep. Kerzman		
Rep. Kreidt			Rep. Metcalf		
Rep. Nelson					
Rep. Wieland					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Voice Vote carries

Date: 2/11/09
Roll Call Vote #: 2

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1305

Full House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 90671.0202

Action Taken No Pass as amended

Motion Made By Skarphol Seconded By Wald

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan					
Vice Chairman Kempenich					
Rep. Skarphol			Rep. Kroeber		
Rep. Wald			Rep. Onstad		
Rep. Hawken			Rep. Williams		
Rep. Klein					
Rep. Martinson					
Rep. Delzer			Rep. Glassheim		
Rep. Thoreson			Rep. Kaldor		
Rep. Berg			Rep. Meyer		
Rep. Dosch					
Rep. Pollert			Rep. Ekstrom		
Rep. Bellew			Rep. Kerzman		
Rep. Kreidt			Rep. Metcalf		
Rep. Nelson					
Rep. Wieland					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

VR
2/12/09

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1305

Page 1, line 1, remove "supply"

Page 1, line 2, after "grants" insert "; and to declare an emergency"

Page 1, line 6, replace "\$2,100,000" with "\$2,200,000"

Page 1, line 8, after "project" insert ", providing a grant of up to \$100,000 to assist in the local cost-share of the Renwick Dam project,"

Page 1, line 10, replace "biennium" with "period" and replace "July 1, 2009," with "with the effective date of this Act"

Page 1, after line 10, insert:

"SECTION 2. EMERGENCY. This Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment adds \$100,000 from the permanent oil tax trust fund to provide assistance with the local cost-share of the Renwick Dam project and adds an emergency clause to the bill.

Substitute Motion

Date: 2/11/09
Roll Call Vote #: 3

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1365

Full House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number add emerg. clause

Action Taken further amend w/ emerg. clause

Motion Made By Wald Seconded By Onstad

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan					
Vice Chairman Kempenich					
Rep. Skarphol			Rep. Kroeber		
Rep. Wald			Rep. Onstad		
Rep. Hawken			Rep. Williams		
Rep. Klein					
Rep. Martinson					
Rep. Delzer			Rep. Glassheim		
Rep. Thoreson			Rep. Kaldor		
Rep. Berg			Rep. Meyer		
Rep. Dosch					
Rep. Pollert			Rep. Ekstrom		
Rep. Bellew			Rep. Kerzman		
Rep. Kreidt			Rep. Metcalf		
Rep. Nelson					
Rep. Wieland					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Voices Vote - Carries

Date: 2/11/09
Roll Call Vote #: 4

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1305

Full House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 90671.0202 + Energy Clause

Action Taken As Amended

Motion Made By Skarphol Seconded By Wald

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan	✓				
Vice Chairman Kempenich	✓				
Rep. Skarphol	✓		Rep. Kroeber	✓	
Rep. Wald	✓		Rep. Onstad	✓	
Rep. Hawken	✓		Rep. Williams	✓	
Rep. Klein	✓				
Rep. Martinson	✓				
Rep. Delzer		✓	Rep. Glassheim	✓	
Rep. Thoreson	✓		Rep. Kaldor	✓	
Rep. Berg	✓		Rep. Meyer	✓	
Rep. Dosch	✓				
Rep. Pollert	✓		Rep. Ekstrom	✓	
Rep. Bellew		✓	Rep. Kerzman	✓	
Rep. Kreidt	✓		Rep. Metcalf	✓	
Rep. Nelson	✓				
Rep. Wieland	✓				

Total (Yes) 21 No 3

Absent 1

Floor Assignment Skarphol

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1305: Appropriations Committee (Rep. Svedjan, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (21 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING). HB 1305 was placed on the Sixth order on the calendar.

Page 1, line 1, remove "supply"

Page 1, line 2, after "grants" insert "; and to declare an emergency"

Page 1, line 6, replace "\$2,100,000" with "\$2,200,000"

Page 1, line 8, after "project" insert ", providing a grant of up to \$100,000 to assist in the local cost-share of the Renwick Dam project,"

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STATEMENT OF PURPOSE OF AMENDMENT:

This amendment adds \$100,000 from the permanent oil tax trust fund to provide assistance with the local cost-share of the Renwick Dam project and adds an emergency clause to the bill.

2009 SENATE APPROPRIATIONS

HB 1305

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1305

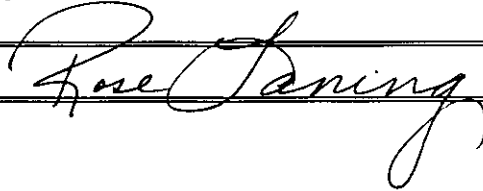
Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: March 12, 2009

Recorder Job Number: 10773

Committee Clerk Signature



Minutes:

Chairman Holmberg called the committee hearing to order on HB 1305 which is an appropriation to the state water commission for water project grants. Roll call was taken.

All committee members were present.

Rep. Bob Skarphol, District 2

House Bill 1305 is really about public safety. In our area of the state, we have R&T water that was put in place in 1981. Tioga and Ray were added in 1993. Stanley was added as a customer because they could not afford to buy into the system. Since then we have a very nice supply of high quality water. The system that was designed in 1981 is insufficient to handle the needs. The water treatment plant is in the city of Ray and the water is piped from there on to Stanley. The high point reservoir between Tioga and Ray and there's a subsequent high point reservoir between Tioga and Stanley. Over the last period of months, we don't have a sufficient water supply. There are times when the city of Stanley needs to go out and shut off the pipeline coming into Stanley to ensure there is enough water in the high point reservoir to where they will have sufficient water in the morning when the residents of Stanley start to get ready for the next day. We want to help these folks alleviate the immediate problem. It doesn't serve their long term problem, but it is necessary even to serve the long term problem. There are three phases of the plan that are involved in this. The first phase is

going on right now. There are building a million gallon high point reservoir between Ray and Tioga. That's costing the city about \$2 M. They have about \$2 M dollars in obligations with regard to just them. What HB 1305 seeks to do is to pay off the balance of a second project which is a \$6 M dollar project in total which would increase the pipeline size from Ray and that million gallon reservoir and install a pumping system to make sure there is sufficient pressure to move the water to Stanley. They are also adding decent pumps and some other equipment installed to make sure that at all times there is sufficient water for the city of Stanley. The third phase of this and it's not even in the financing stage, however it's going to be necessary ultimately is to connect to the city of Williston's water supply, or hopefully the facilities at Ray will prepare the water treatment. Right now the water treatment facility that is in place will hold a million gallons a day. What HB 1305 also does is add one portable unit which would double the capacity of the water treatment plant at Ray. It was a surplus piece of equipment that was available. HB 1305 has three aspects; one is to pay off the \$1.75 M dollars for the \$6 M dollar project; the second part is a \$350,000 appropriation to the city of Stanley to pay off their bond for the 32 miles of pipeline that they built back in 1993 in order to get the cost of water somewhat back in line for the citizens of Stanley. The third aspect is a \$100,000 appropriation that we put on in the House Appropriations committee for the folks around Renwood Dam. They have a \$4 M plus federal appropriation pending with about a \$1.25 M state water commission match that requires a \$600,000 local contribution. In an effort to stimulate that local contribution, we put \$100,000 in for the locals. All of this money is from the Permanent Oil Trust Fund at this time. If the Renwood Dam project is not consummated, the federal money goes away. There are 3 aspects to the \$1.2 M dollars. Under the current scenario, it is financed out of the Permanent Oil Trust Fund; the needs of the R & T Water System are totally attributable to the water. However, I learned last night that the Department of Health

suggested the stimulus dollars fit the R&T project. I am certainly amenable to that financing mechanism; however, I think it would best be resolved in a conference committee meeting.

I will stand for questions.

Senator Warner: This bill is coming to us as it was in the House, so unless we amend it, it will see a conference committee?

Rep. Skarphol: That is probably true, but if you want to amend it, you could amend it somewhat to the effect of stimulus dollars will supplant the oil funds in the event that stimulus dollars qualify for this project.

Senator Warner: The Renwood project is nowhere near Stanley.

Rep. Skarphol: Absolutely, it's in northeastern North Dakota. It was an effort to try help out the locals with a \$600,000 match.

Chairman Holmberg: It's outside of Cavalier and they have been working on that and having issues with collecting local money.

Senator Krauter: The \$350,000 to make payment along with 1993 bond, what was the revenue source they had that they would have made their payments on?

Rep. Skarphol: Their financial situation is really tough. They have so much that the city needs to do and this would in essence give them an ability to continue to do the upgrades in their community that they need to do. They need to improve infrastructure. The water users in Stanley pay about \$20 more per month than the water users in the town of Ray simply because they plan to pay off this waterline.

Jerry Ranum, Mayor of Ray, ND and President, R&T Water Supply Association

Testified in favor of HB 1305. No written testimony.

The R&T Water was originally created in the 70s to meet the municipal and industrial water needs of the cities of Ray & Tioga as well as the surrounding areas. In 1998, the Assoc.

providing waters to Amerado Hess and started sending water to Stanley. He described water rationing measures that have been taken. On the average, the 1.1 M gallon plant, we've been producing .86 million gallons a day of water. We've been running the plant 24/7 days a week. They are expecting about 1000 new residents with the oil industry. They can't get water from Wildrose because they have an arsenic problem. They are bringing in portable units for one million gallons to help them get through. We raised water rates \$1.00 a thousand and altogether, with the \$600,000 that we owe before, we're going to owe about \$2,265,000 that we'll have to pay by water usage.

Senator Krauter: When you did the project originally, you used to have a cash flow statement that showed your ability to repay this loan. What has changed in that cash flow now that you need this money?

Jerry Ranum: We are paying our loans right now, but with the added construction. Now is when we're having the problems. We aren't back on any loans.

Senator Krauter: Has your financial obligation changed?

Jerry Ranum: We have the monies needed to pay, but I'll let an expert answer the question.

Cory Cherne, AEZS, Bismarck: The Association applied for an SRF (state revolving fund) loan and they were able to prove that they were able to take on that debt. They made some changes, but they will run into some issues with funding during phase 4. The user rates are going to be very high, specifically for the city of Stanley.

Senator Krauter: What are revenue sources other than user fees for these types of projects?

Cory Cherne: For the funding, there is the SRF program which is most commonly used. It has role development and also has a loan program available, and then the state MR&I. For any of the debt retirement for these kinds of utilities, it all goes back to the water users that end up paying any of the debt that you take on for these types of projects.

Senator Andrist, District 2

Testified in favor of HB 1305. No written testimony.

I am making people aware of our special needs county which is Mountrail. In approving this loan, you'll help them get by this first step, but this isn't going to be the end for them. Mountrail County has become recognizable in oil language wherever you go. I wish I had taken the time to find the figures what percent of our state oil revenue is coming from Mountrail County right now. The damaged roads and infrastructure has been incredible and so has its needs for water. The oil development is a thirsty business. I'm hoping that you will help them out with this project because you're helping all of us out.

Senator Krauter: Would you be willing to change your mind and increase the dollar amount for the impact grants so you could fund these things? This is the type of thing with infrastructure needs that are needed immediately versus long term by increasing the production tax.

Senator Andrist: There are a lot of bills out there, and I'm one of those from the oil patch that is trying to expand as much as we can and investing in infrastructure. The other bills don't really relate to this one as much, but the bill to remove the caps is most important because it will solve Mountrail County's needs. It will give them a big infusion, and then what we can do by increasing the impact funds is have that money for the other counties which still have impact but probably to a lesser degree than Mountrail County. Bringing an adequate water supply into Mountrail, the oil industry is really a thirsty business.

Senator Krauter: That's exactly what I said. These are special needs. These are the impact issues and that's why I asked the question if you raised that cap on the dollar amount you sadly reduce the pay downs to avoid 50% of the grant money that is needed for these projects. That's why I asked the question. You said these are immediate needs.

Rep. David Rust, District 2

Testified in favor of HB 1305. No written testimony.

I am from the same area as Rep. Skarphol and Senator Andrist represent. You've had people here who are able to tell you details and give you information, but I am here to ask for your support for this bill. Nearly everyone I talked to in the city of Stanley mentioned the impact of the oil industry. It was both positive and negative. It's wonderful for our state and community, but there are needs and water is one of them, so I would ask for your support.

Rep. Skarphol gave an update to the stimulus money: \$864,000 for a grant and \$864,000 as a loan. It may be possible to service the community of Wildrose. In that case, they would give a grant of \$1.78 to Wildrose and there would be a required \$593,000 loan. In HB 1305, there is at this time, enough money to pay for out of the permanent oil trust fund to pay for the needs of R&T over and above the grant they are going to get and also to pay for the Wildrose project over and above the grant they're going to get. It's exciting but right now, the city of Wildrose is in violation with the quality of water needed for their citizens.

Senator Christmann: There are some of us that have thought for years that the legislature ought to be taking more control over what water projects are done and what ones aren't done instead of leaving it up to the water commission. In this particular case, if the legislation continues to be successful to eliminate the caps, does that provide enough money? Or is this necessary in addition to that in case that doesn't happen?

Rep. Skarphol: I believe we need to do this and allow Mountrail County to get the additional revenue they're going to get with taking the caps off. I say that because they're not going to realize any of that revenue until sometime in June. They've been capped already in the 2nd or 3rd month and since then have received zero dollars from the state for their county.

Dave Glatt, Chief of Environmental Health Section, North Dakota Department of Health

I'd be happy to answer any questions regarding the stimulus package. There will be public comment and hearing on this and this has to go through the EPA, however we are reasonably confident that it will go through as proposed and the projects identified.

Senator Robinson: We would assume that if this qualifies for the stimulus package, and the likelihood is high, this would be on a fast track so these folks could move?

Dave Glatt: That is correct. This money has to be obligated within the year of enacting the bill.

Senator Krebsbach: Is the \$350,000 for the repayment, would that qualify under stimulus or not? It's the grant for up to \$350,000 to assist in outstanding bonds. It's for the bonds that were acquired back in 1993.

Dave Glatt: It's for new projects and wouldn't pay for things that already have loans.

Michael Hynek, Mayor of Stanley, ND

Testified in favor of HB 1305. Written attached testimony # 2.

V. Chair Bowman: As you notice this huge increase in economic activity, have you noticed the valuations of your property within the city limits gone up accordingly? The same thing happened in Bowman. We thought the increased valuations would cover the costs, but it didn't, so we get about double our taxes to keep up with all of our improvements.

Michael Hynek: I spoke with our assessor before I left town and we need to increase just to stay within the five percent. We've increased the valuation of our homes 18% this year.

Ron Nelson, North Dakota Petroleum Council

Testified in favor of HB 1305. No written testimony.

I'm here to support this bill and support these mayors. Senator Krauter has some very good points. Last week in Senate Natural Resources, I offered an amendment to add HB 1225 which is now the vehicle that has the oil impact money in. That bill came across with a \$5 M

dollar infusion with an emergency provision this year and it raised the oil impact funding from \$6-8 M dollars for the next biennium. I offered an amendment, it was accepted that we add another \$3 M to that bill and split it over two bienniums. We have to look at these two issues separately. The caps impact in counties like Bowman, and Mountrail clearly because you need big wells to reach those caps quickly. They won't get new money until they've reached those caps. Their new money will come, but it will depend upon the production and the price of that production. That's what the distribution formula follows – not rigs, trucks or any of those things.

Mike Dwyer, North Dakota Water Users

Testified in favor of HB 1305. No written testimony.

Chairman Holmberg closed the hearing on HB 1305 and commended it to the subcommittee which is **Senator Fischer, Senator Holmberg, and Senator Lindaas.**

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1305

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 04-03-09

Recorder Job Number: 11721

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the hearing on HB 1305 in regards to state water commission.

Senator Fischer HB 1305 is a bill that provides funds for the cost of the Ray and Tioga water supply project and a grant for the Renwick Dam project and money to assist for outstanding bond. This project, the pipeline project and the Ray and Tioga project is to get water up to Ray and Tioga for man camps that are being assembled for 500 people. The Renwick Dam project is designated as the number one high hazard dam in the state. He explained the amendment #90671.0303 to the committee(2.41)

Chairman Holmberg That is the concept, not the amendment. Roxanne from Legislative Council will see that this gets drafted. The goal here is to put this in the stimulus money. Are you comfortable with passing the amendments taking the money out of the stimulus or do you want to wait. (3.25)

Senator Christmann If these projects are the number 1 priority of the water commission certainly they are going to do something, why don't they just do it. Projects that I am particularly interested in I keep hearing from them that we dare not alter their plan and time structure but then when it is convenient we are suppose to fund their number 1 priority so they can fund numbers greater than 1.

Senator Fischer This goes a little further than that. The Renwick Dam project has been funded by the water commission and other people. The county that participates in sending water to it The idea was in the House they would put money in . Cavalier county refused to participate. The reason is that Cavalier County is higher above sea level than Pembina county. This will supplement the local shares so they can get the project done. It is a number one dam project for the water commission

Senator Christmann I feel like this is a supplement plan so that someone doesn't have to pay the local share, and I've got people who have paid the local share for decades and still have nothing to show for it.

Senator Fischer I agree but does that mean that we don't do this? I understand where you are coming from. There are other organizations, a lot of our counties, 29 in particular, that paid into and some will not receive anything of that. I can sympathize with that. I live in one of those counties.

Senator Krauter Since we did SB 2388 5 years ago, we stuck to the priority list. I can't support this. Someone has to reconcile these numbers here.

Senator Fischer I hadn't looked at the amendment. Someone else prepared it.

Chairman Holmberg we will move on and come back to this later. The hearing was closed on HB 1305.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1305

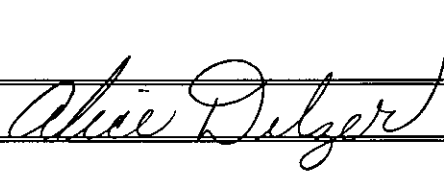
Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 04-07-09

Recorder Job Number: 11756

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the hearing on HB 1305.

Senator Fischer introduced amendment 90671.0303 and explained the amendment.

Senator Fischer moved the amendment.

Senator Wardner seconded.

Senator Warner I am going to support this because I know it is very necessary for the NW to get adequate water supply. I can't let this go without saying, this is the exact kind of project that should have been funded by the oil and tax impact trust fund.

Senator Krauter Can Senator Fischer explain the new numbers because they are a lot larger.

Senator Fischer: (3:00)

Chairman Holmberg It looks like the bill has the dollars in the Skarphol amendment minus the money for the dam.

Senator Krauter What is the Wildrose water supply project?

Senator Fischer expressed need for the Wildrose water supply north of Ray.

Senator Krauter expressed his concern for funding these projects because we have the state water commission. He said that we have a NAWWS project and now we are doing an end fund. He agreed that they need water but asked why we make these end runs. We are going

to jump around and do these things. We should take the next one on the list and not jump around.

Senator Fischer: This is critical for the oil production up there. I have worked with the water commission for a long time and the bottom line is that it has become the dictators of what is built and what is not built. He expressed his concern.

Senator Krauter: They have their priorities. They have done their homework. I agree with Senator Warner that this is the impact from energy and should be used out of that fund. (8:00)

Senator Fischer: Would you prefer this be a line item in the water commission budget? Why should this wait? It is not something that can wait.

Senator Krauter: If we are going to fund this, the energy impact office should fund it. These amendments through the Health Department are not the process we have set up.

V. Chair Bowman: Did they apply for a grant? They should have been in requesting, ? It would be appropriate to use money from oil production and it is directly related to that.

Senator Mathern: Does the water commission priority process include updating regularly. Do they set a process for the next ten years or do they look at it every year and if something comes as an emergency do they shift their priority?.

Senator Fischer: The water coalition you pay a thousand dollars for a vote. The fact of the matter is the water commissions budget is two line items, administrative and private. They have complete flexibility. They can do what they want. He expressed his concern.

Senator Mathern: If this project would have been submitted to the water commission it would have been on the list and even moved to the top of the list.

Senator Fischer Rep.Skarphol gave this to me. The relationship between Tioga, Ray, Wildrose, the mechanics I am not aware of but the financing and the stimulus package made sense so that is why I brought it forward. The dam project has got to be built.

Chairman Holmberg The stimulus package is the source of the money involved versus the trust fund which was in the original bill.

Senator Wardner: I think the points made are very good. I understand. I see the problems with NAWS. We know of all the problems and delays they have had. Why didn't they go to the state water commission but they didn't and we have this in front of us. I don't think it will happen again. We have to be careful of these things so in the future we don't get caught doing the job of the state water commission. I think we need to pass this bill.

Senator Christmann: Are we positive one way or the other if this will finish the project?

Tammy Dolan, OMB: I recall what they told us about Ray and Tioga, this money completes the current needs. There are future plans to expand, but for this project this will complete it entirely. There is not a phase two for this need.

Senator Christmann: The main notes I have are from Stanley. With these oil prices I am not certain this 200 man camp will come in anyway, depends on oil prices. Hopefully this is enough to get it taken care of.

Chairman Holmberg: Let us vote, all in favor of amendment say aye. Motion carried.

SENATOR WARNER MOVED A DO PASS AS AMENDED. SECONDED BY SENATOR WARDNER.

Senator Krauter: I will just repeat what I said. When we do something like this we set a precedent and they will be back.

A ROLL CALL VOTE WAS TAKEN RESULTING IN 13 YEAS, 1 NAY, 0 ABSENT.

SENATOR WARNER WILL CARRY THE BILL. The hearing on 1305 was closed.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1305

Page 1, line 1, replace "water commission" with "department of health"

Page 1, line 4, after "**APPROPRIATION**" insert "- **FEDERAL FISCAL STIMULUS FUNDS**" and replace "moneys in the" with "federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009 for the drinking water revolving loan fund"

Page 1, line 5, remove "permanent oil tax trust fund in the state treasury"

Page 1, line 6, replace "\$2,200,000" with "\$2,792,000" and replace "water commission" with "department of health"

Page 1, line 7, replace "\$1,750,000" with "\$864,000"

Page 1, line 8, replace "\$100,000" with "\$985,000"

Page 1, line 9, replace "Renwick Dam" with "Burke, Divide, and Williams water district water supply project, providing a grant of up to \$593,000 to assist in the local cost-share of the Wildrose water supply"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 90671.0303 FN 2

A copy of the statement of purpose of amendment is attached.

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1305 - Summary of Senate Action**

	Executive Budget	House Version	Senate Changes	Senate Version
State Department of Health				
Total all funds	\$0	\$0	\$2,792,000	\$2,792,000
Less estimated income	0	0	2,792,000	2,792,000
General fund	\$0	\$0	\$0	\$0
State Water Commission				
Total all funds	\$0	\$2,200,000	(\$2,200,000)	\$0
Less estimated income	0	2,200,000	(2,200,000)	0
General fund	\$0	\$0	\$0	\$0
Bill total				
Total all funds	\$0	\$2,200,000	\$592,000	\$2,792,000
Less estimated income	0	2,200,000	592,000	2,792,000
General fund	\$0	\$0	\$0	\$0

House Bill No. 1305 - State Department of Health - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Grants			\$2,792,000	\$2,792,000
Total all funds	\$0	\$0	\$2,792,000	\$2,792,000
Less estimated income	0	0	2,792,000	2,792,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

Department No. 301 - State Department of Health - Detail of Senate Changes

	Provides Funding for Water Project Grants¹	Total Senate Changes
Grants	\$2,792,000	\$2,792,000
Total all funds	\$2,792,000	\$2,792,000
Less estimated income	2,792,000	2,792,000
General fund	\$0	\$0
FTE	0.00	0.00

¹ This amendment appropriates \$2,792,000 of federal fiscal stimulus funds made available to the State Department of Health for the drinking water revolving loan fund for the following water project grants:

Assist in the local cost-share of the Ray and Tioga water supply projects	\$864,000
Assist in the local cost-share of the Burke, Divide, and Williams water district water supply project	985,000
Assist in the local cost-share of the Wildrose water supply project	593,000

Assist in the repayment of outstanding bonds associated with the Stanley water pipeline construction project	350,000
Total	<u>\$2,792,000</u>

House Bill No. 1305 - State Water Commission - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Grants		\$2,200,000	(\$2,200,000)	
Total all funds	\$0	\$2,200,000	(\$2,200,000)	\$0
Less estimated income	0	2,200,000	(2,200,000)	0
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

Department No. 770 - State Water Commission - Detail of Senate Changes

	Removes Funding for Water Project Grants ¹	Total Senate Changes
Grants	(\$2,200,000)	(\$2,200,000)
Total all funds	(\$2,200,000)	(\$2,200,000)
Less estimated income	(2,200,000)	(2,200,000)
General fund	\$0	\$0
FTE	0.00	0.00

¹ This amendment removes the appropriation of \$2.2 million from the permanent oil tax trust fund to the State Water Commission for water project grants.

Date: 4/7/09
Roll Call Vote #: 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1305

Senate Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Amend .0303

Action Taken ☐ Do Pass ☐ Do Not Pass ☐ Amended

Motion Made By Fischer Seconded By Wardner

Representatives	Yes	No	Representatives	Yes	No
Senator Wardner			Senator Robinson		
Senator Fischer			Senator Lindaas		
V. Chair Bowman			Senator Warner		
Senator Krebsbach			Senator Krauter		
Senator Christmann			Senator Seymour		
Chairman Holmberg			Senator Mathern		
Senator Kilzer					
V. Chair Grindberg					

Total 10 Yes Carried No

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 4/7
Roll Call Vote #: 2

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1305

Senate Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken ☒ Do Pass ☐ Do Not Pass ☒ Amended

Motion Made By _____ Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Senator Krebsbach	✓		Senator Seymour	✓	
Senator Fischer	✓		Senator Lindaas	✓	
Senator Wardner	✓		Senator Robinson	✓	
Senator Kilzer	✓		Senator Warner	✓	
V. Chair Bowman	✓		Senator Krauter		✓
Senator Christmann	✓		Senator Mathern	✓	
V. Chair Grindberg	✓				
Chairman Holmberg	✓				

Total Yes 13 No 1

Absent _____

Floor Assignment Fischer Warner

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1305, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). Engrossed HB 1305 was placed on the Sixth order on the calendar.

Page 1, line 1, replace "water commission" with "department of health"

Page 1, line 4, after "**APPROPRIATION**" insert "- **FEDERAL FISCAL STIMULUS FUNDS**" and replace "moneys in the" with "federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009 for the drinking water revolving loan fund"

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Page 1, line 9, replace "Renwick Dam" with "Burke, Divide, and Williams water district water supply project, providing a grant of up to \$593,000 to assist in the local cost-share of the Wildrose water supply"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 90671.0303 FN 2

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

2009 HOUSE APPROPRIATIONS

CONFERENCE COMMITTEE

HB 1305

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1305

House Appropriations Committee
Education and Environment Division

☒ Check here for Conference Committee

Hearing Date: April 20, 2009

Recorder Job Number: 11970

Committee Clerk Signature

Shirley Branning

Minutes:

Chairman Skarphol: Called the Conference Committee to order to discuss HB 1305, by calling the Roll and noting that Senator O'Connell was a substitute for Sen. Lindaas. Other members present were Senators Tom Senator Fischer and Holmberg, Representatives Hawken and Onstad.

Senator Tom Fischer: Began the discussion of the Proposed Amendments to Engrossed HB 1305, **90671.0303**. We made a change to replace the Water Commission with the Department of Health and then the appropriation came with the Stimulus package. But I had it drafted with the wrong language and the wrong sources and has been corrected.

Wayne Kern, Municipal Facilities Division Director, State Health Department: Distributed attachment 1 and explained the Stimulus Fund affect on the State Health Department. regarding the receipt of moneys for drinking water. The concerns we had with the amendments include:

We are not sure the amendments did satisfy the original intent which we concurred with.

This process has already occurred through Federal requirements in a public hearing so if we were to go with the bill as amended, they would have to redo that process. The Stimulus funds

come with a lot of strings, including tight time frames for committing the money by February 17 of next year.

If the amendments go forward the way they are, we would have to go through that process again. We would have to go resubmit this to EPA and gain approval again and possibly result in loss of money. The bill does contain a provision that goes against the Federal Law. It contains a provision that requires \$350,000 of the stimulus funds to be used as a grant to assist the city of Stanley. Federal law excludes use of the stimulus funds to refinance anything that was constructed prior to October 1 of last year. We wouldn't be able to work with that part of the law.

Chairman Skarphol: When you say "Return to the original intent", you mean to have so much of the project be a grant and the balance of it paid off by the Permanent Oil Trust fund or the loan, whichever.....

Kern: Original intent was to pay was to pay the local share with some other source of funds, so between the stimulus funds and that other source of funds, it would basically have a free project. We were not opposed to that because by doing it as originally proposed we could use the stimulus funds and go further down the list. See attachment # 1.

Chairman Skarphol: Under the principle Loan Forgiveness, that portion of it would be a grant and something else would be utilized to fund a loan portion prior to that.

Kern: The loan portion was going to be stimulus funds.

Chairman Skarphol: But a loan, correct?

Kern: It was to be a loan for 20 years which is different than our normal rate of 3% for 20 years.

Chairman Skarphol: But if we were to pay those off, then you could utilize that money further down for other priorities that are down the list.

Senator Holmberg: Anticipate any addendum after the waters recede at the Valley City, does that add another addition to FEMA?

Kern: This is for upgrades to their water treatment plant, a standalone project. This is work that would have been needed even if it were not for the flood. Not looking for a crystal ball as to what may be coming down the road with the stimulus project.

Chairman Skarphol: Valley City's biggest emergency is for the clean water site. Addressing **Roxanne Woeste, Legislative Council Representative.** We have an amendment coming down that would change the Senate's amendment.

Woeste: Explained the amendments **90671.0304.** Senate receding from their amendments. It appropriates approximately \$2.892M.

Chairman Skarphol: Should we act on it even though it is not exactly what we want either. Is it the consensus of the committee that this is kind of where we are headed? Should we act on it today on the condition of changing the amendment?

Woeste: We have to remove the Renwick Dam which is \$100,000.

Senator Fischer: Support that:

Senator Holmberg: When we had that bill in the Senate appropriations committee there was support for the need for the bill but there was angst over having Pembina County being involved on that dam project and the thought that it should be in Water Commission budget. Our intention is putting it there.

Chairman Skarphol: You moved it from the Water Commission to the Health Department. Do you want to move that?

Woeste: the only reason we moved it to the Health Department was because we were using their source of funding, the stimulus dollars.

Senator Fischer: No need to leave Water Commission language in there when Renwick Dam is taken out. Put it back in the Water Commission and take it all out of the Permanent Oil Tax Trust Fund.

Chairman Skarphol: Council will prepare .0305 and we will meet again.

Senator Fischer: Make sure there is no mention of Renwick Dam at all.

Chairman Skarphol: The \$350 for the City of Stanley will continue to be paid off and loans will be paid for all out of the Permanent Oil Tax Trust Fund. The loans would be at 1% interest.

Rep. Hawken: Combining our money with Stimulus money to get the job done

Chairman Skarphol: Adjourn for now and wait for the amendments

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1305

House Appropriations Committee
Education and Environment Division

☒ Check here for Conference Committee

Hearing Date: April 25, 2009

Recorder Job Number: 12255

Committee Clerk Signature

Shirley Branning

Minutes:

Chairman Skarphol: Called the Conference Committee to order to discuss HB 1305, by calling the Roll and noting that Senator O'Connell was a substitute for Sen. Lindaas. Other members present were Senators Tom Fischer and Holmberg, Representatives Hawken and Onstad.

I passed out the Amendments 0305. I believe they accomplish what we discussed last time. Addressing **Roxanne Woeste, Legislative Council Representative**, do you agree with that? Woeste: Explains P. 2, the very back page is perhaps the best summary. It funds the same projects included in the Senate version of the bill, however it switches the funding source back to the Permanent Oil Tax Trust Fund. (POTTF) For the grants that are in this bill, all the funds are from the POTTF.

Senator Holmberg: I would make a motion that the Senate recede from its amendments as printed on P. 1270 of the House Journal and 1182 of the Senate Journal and that we amend it this way.

Rep. Hawken: Second

Vote taken: Yes 5 No 0 Absent 1 Motion Carried.

Meeting adjourned.

90671.0304
Title.
Fiscal No. 1

HB 1305 Attachment #2
April 20, 2009
Prepared by the Legislative Council staff for
Representative Skarphol
April 20, 2009

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1305

That the Senate recede from its amendments as printed on page 1270 of the House Journal and page 1182 of the Senate Journal and that Engrossed House Bill No. 1305 be further amended as follows:

Page 1, line 6, replace "\$2,200,000" with "\$2,892,000"

Page 1, line 7, replace "\$1,750,000" with "\$864,000"

Page 1, line 8, after the comma insert "providing a grant of up to \$985,000 to assist in the local cost-share of the Burke, Divide, and Williams water district water supply project, providing a grant of up to \$593,000 to assist in the local cost-share of the Wildrose water supply project,"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 90671.0304 FN 1

A copy of the statement of purpose of amendment is attached.

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1305 - Summary of Conference Committee Action**

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
State Department of Health						
Total all funds	\$0	\$0	\$0	\$0	\$2,792,000	(\$2,792,000)
Less estimated income	0	0	0	0	2,792,000	(2,792,000)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
State Water Commission						
Total all funds	\$0	\$2,200,000	\$692,000	\$2,892,000	\$0	\$2,892,000
Less estimated income	0	2,200,000	692,000	2,892,000	0	2,892,000
General fund	\$0	\$0	\$0	\$0	\$0	\$0
Bill total						
Total all funds	\$0	\$2,200,000	\$692,000	\$2,892,000	\$2,792,000	\$100,000
Less estimated income	0	2,200,000	692,000	2,892,000	2,792,000	100,000
General fund	\$0	\$0	\$0	\$0	\$0	\$0

House Bill No. 1305 - State Water Commission - Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Grants		\$2,200,000	\$692,000	\$2,892,000		\$2,892,000
Total all funds	\$0	\$2,200,000	\$692,000	\$2,892,000	\$0	\$2,892,000
Less estimated income	0	2,200,000	692,000	2,892,000	0	2,892,000
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department No. 770 - State Water Commission - Detail of Conference Committee Changes

	Adjusts Funding for Water Project Grants ¹	Total Conference Committee Changes
Grants	\$692,000	\$692,000
Total all funds	\$692,000	\$692,000
Less estimated income	692,000	692,000
General fund	\$0	\$0
FTE	0.00	0.00

amendment appropriates \$2,892,000 from the permanent oil tax trust fund for water project grants, an increase of \$692,000 from the House version of the bill. The Senate version of the bill appropriated \$2,792,000 of federal fiscal stimulus funds made available to the State Department of Health for water project grants. The following is a summary of the funding provided for in this bill.

	House Version	Senate Version	Proposed Version
Assist in the local cost-share of the Ray and Tioga Water Supply Project	\$1,750,000	\$864,000	\$864,000
Assist in the local cost-share of the Burke, Divide, and Williams Water District Water Supply Project		985,000	985,000
Assist in the local cost-share of the Wildrose Water Supply Project		593,000	593,000
Assist in the local cost-share of the Renwick Dam Project	100,000		100,000
Assist in the repayment of outstanding bonds associated with the Stanley water pipeline construction project	350,000	350,000	350,000
Total - Permanent oil trust fund	\$2,200,000		\$2,892,000
Total - Federal fiscal stimulus funds		\$2,792,000	

90671.0305
Title.0500
Fiscal No. 2

Prepared by the Legislative Council staff for
Representative Skarphol
April 20, 2009

VR
4/25/09
103

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1305

That the Senate recede from its amendments as printed on page 1270 of the House Journal and page 1182 of the Senate Journal and that Engrossed House Bill No. 1305 be amended as follows:

Page 1, line 6, replace "\$2,200,000" with "\$2,792,000"

Page 1, line 7, replace "\$1,750,000" with "\$864,000"

Page 1, line 8, replace "\$100,000" with "\$985,000"

Page 1, line 9, replace "Renwick Dam project" with "Burke, Divide, and Williams water district water supply project, providing a grant of up to \$593,000 to assist in the local cost-share of the Wildrose water supply project"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 90671.0305 FN 2

A copy of the statement of purpose of amendment is attached.

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1305 - Summary of Conference Committee Action**

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
State Department of Health						
Total all funds	\$0	\$0	\$0	\$0	\$2,792,000	(\$2,792,000)
Less estimated income	0	0	0	0	2,792,000	(2,792,000)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
State Water Commission						
Total all funds	\$0	\$2,200,000	\$592,000	\$2,792,000	\$0	\$2,792,000
Less estimated income	0	2,200,000	592,000	2,792,000	0	2,792,000
General fund	\$0	\$0	\$0	\$0	\$0	\$0
Bill total						
Total all funds	\$0	\$2,200,000	\$592,000	\$2,792,000	\$2,792,000	\$0
Less estimated income	0	2,200,000	592,000	2,792,000	2,792,000	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0

House Bill No. 1305 - State Water Commission - Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Grants		\$2,200,000	\$592,000	\$2,792,000		\$2,792,000
Total all funds	\$0	\$2,200,000	\$592,000	\$2,792,000	\$0	\$2,792,000
Less estimated income	0	2,200,000	592,000	2,792,000	0	2,792,000
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department No. 770 - State Water Commission - Detail of Conference Committee Changes

	Adjusts Funding for Water Project Grants ¹	Total Conference Committee Changes
Grants	\$592,000	\$592,000
Total all funds	\$592,000	\$592,000
Less estimated income	592,000	592,000
General fund	\$0	\$0
FTE	0.00	0.00

¹ This amendment appropriates \$2,792,000 from the permanent oil tax trust fund for water project grants, an increase of \$592,000 from the House version of the bill. The Senate version of the bill appropriated \$2,792,000 of federal fiscal stimulus funds made available to the State Department of Health for water project grants. The following is a summary of the funding provided in this bill:

	House Version	Senate Version	Proposed Version
Assist in the local cost-share of the Ray and Tioga Water Supply Project	\$1,750,000	\$864,000	\$864,000
Assist in the local cost-share of the Burke, Divide, and Williams Water District Water Supply Project		985,000	985,000
Assist in the local cost-share of the Wildrose Water Supply Project		593,000	593,000
Assist in the local cost-share of the Renwick Dam Project	100,000		
Assist in the repayment of outstanding bonds associated with the Stanley water pipeline construction project	350,000	350,000	350,000
Total - Permanent oil tax trust fund	\$2,200,000		\$2,792,000
Total - Federal fiscal stimulus funds		\$2,792,000	

**REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)**

Bill Number 1305 (, as (re)engrossed):

Date: April 25, 2009

Your Conference Committee House Appropriations: Educ and Envir.

For the Senate:

For the House:

	YES / NO		YES / NO
<input checked="" type="checkbox"/> Senator Tom. Fischer	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> Rep. Skarphol	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/> Senator Halmburg	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> Rep. Hawken	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/> Senator O'Connell Lindas	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> Rep. Onstad	<input checked="" type="checkbox"/>

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE) from)

the (Senate/House) amendments on (S/HJ) page(s) 1182 - 1270
and place _____ on the Seventh order.

☒ , adopt (further) amendments as follows, and place 1305 on the Seventh order:

_____, having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) _____ was placed on the Seventh order of business on the calendar.

DATE: _____

CARRIER: Rep. Skarphol

LC NO.	of amendment
LC NO.	of engrossment
Emergency clause added or deleted	
Statement of purpose of amendment	

MOTION MADE BY: Senator Halmburg

SECONDED BY: Rep. Hawken

VOTE COUNT 5 YES 0 NO 1 ABSENT

REPORT OF CONFERENCE COMMITTEE

HB 1305, as engrossed: Your conference committee (Sens. Fischer, Holmberg, Lindaas and Reps. Skarphol, Hawken, Onstad) recommends that the **SENATE RECEDE** from the Senate amendments on HJ page 1270, adopt amendments as follows, and place HB 1305 on the Seventh order:

That the Senate recede from its amendments as printed on page 1270 of the House Journal and page 1182 of the Senate Journal and that Engrossed House Bill No. 1305 be amended as follows:

Page 1, line 6, replace "\$2,200,000" with "\$2,792,000"

Page 1, line 7, replace "\$1,750,000" with "\$864,000"

Page 1, line 8, replace "\$100,000" with "\$985,000"

Page 1, line 9, replace "Renwick Dam project" with "Burke, Divide, and Williams water district water supply project, providing a grant of up to \$593,000 to assist in the local cost-share of the Wildrose water supply project"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 90671.0305 FN 2

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

Engrossed HB 1305 was placed on the Seventh order of business on the calendar.

2009 TESTIMONY

HB 1305

HB 1305
January 22, 2009 *Attachment # 1*
Chairman Skarphol (Wald) and members of the Committee:

For the record I am Representative David Rust, District 2. I am here in support of HB 1305. There is much that I could say with regards to impact to communities and their water supplies due to oil and gas development and production; however, there are a number of individuals here from the great northwest who are much closer to the situation. They can give you details that will be much more meaningful.

As such, I am here to voice my support of HB 1305 and ask that you give the bill a "Do Pass."

Should you have any questions, I'd be happy to try to answer them.

HB 1305

attachment # 2

TESTIMONY FOR HB 1305
HOUSE APPROPRIATIONS
JANUARY 22, 2009

Michael Hynek - Mayor of Stanley

Thank you for allowing me this opportunity to speak on behalf of HB 1305.

The City of Stanley must have a larger supply of water to meet our current and future needs. The cost of the improvements needed would put a huge burden on our city residents.

The impact in the City of Stanley over the last year has been good and bad. Good because people are employed and building is taking place. Bad because revenues have not kept up with the demands of growth.

Here are some examples of the demands we are trying to meet:

- Volunteer ambulance had 288 runs in 2008.
- Volunteer fire department had oil related fire losses of \$2.8 million
- Water consumption is up 28% with 82 new hook-ups
- Affordable housing is in shortage. Houses were renting by the week, by the bed.
- Cost of garbage service was up 37% in 2008
- Police Department went from 1 full- time to 3 full- time officers

Through these changes the only increase in income was the Oil and Gas Production tax. Stanley reached its cap in 2 months, just under \$300,000. Stanley will not receive further oil funds until September of 2009.

Stanley applied for \$183,000 in Oil and Gas Impact funds in 2008 and was awarded zero dollars.

Passage of HB 1305 would provide the city affordable high quality water and would support the tremendous energy industry in Mountrail County.

OIL & GAS PRODUCTION TAX - AFTER JULY 31, 2008

Amount	First 1/5 State	Remaining 4/5	State	County→	Cities	County Share Schools	Gen. Fund
1st \$ Million	250,000	1,000,000	0% 25% 50% 75%	100% 75% 50% 25%	20% 20% 20% 20%	35% 35% 35% 35%	45% 45% 45% 45%
2nd \$ Million	250,000	1,000,000	250,000	750,000	150,000	262,500	337,500
3rd \$ Million	250,000	1,000,000	500,000	500,000	100,000	175,000	225,000
Over 3 Million (For every 1 Million)	250,000	1,000,000	750,000	250,000	50,000	87,500	112,500
Sub-total	1,000,000	4,000,000	1,500,000	2,500,000	500,000	875,000	1,125,000
Add'l to reach 4.6 \$ Million	2,100,000	8,400,000	6,300,000	2,100,000	420,000	735,000	945,000
Add'l to reach 5.6 \$ Million	1,000,000	4,000,000	3,000,000	1,000,000			1,000,000
TOTALS	4,100,000	16,400,000	10,800,000	5,600,000	920,000	1,610,000	3,070,000

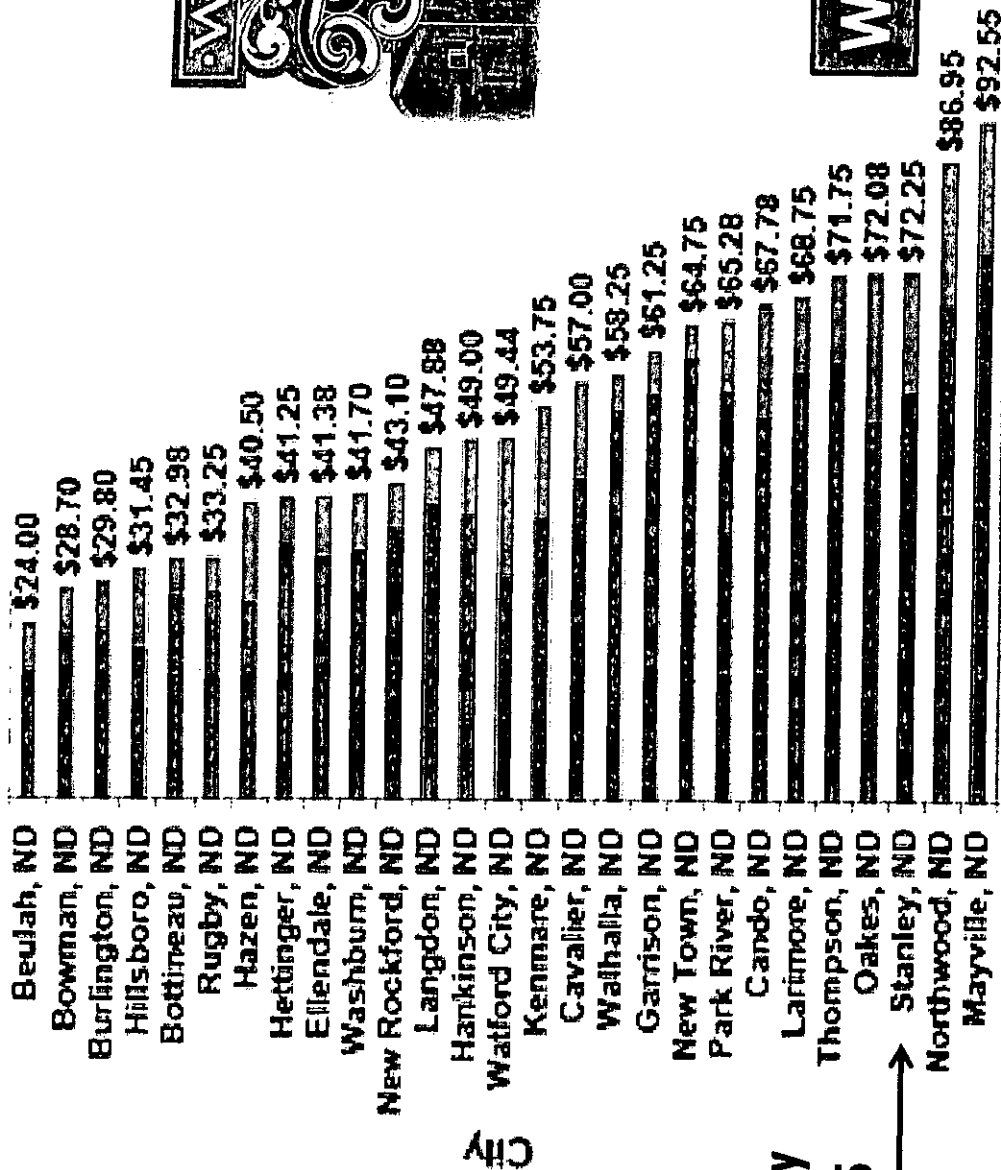
To reach 5.6 Million Max - State receives \$14,900,000 & County (Cities, Schools & General) receives \$5,600,000

P. 3

2008 Rates

Without Improvements

NORTH DAKOTA



Stanley

\$72.25

We Need Help!

Typical Monthly Residential Total Utility Bill (\$)

P. 24

2

TESTIMONY FOR HB 1305
SENATE APPROPRIATIONS
MARCH 12, 2009

Michael Hynek - Mayor of Stanley

Thank for your allowing me this opportunity to speak on behalf of HB 1305.

The City of Stanley must have a larger supply of water to meet our current and future needs. The costs of the improvements needed would put a huge burden on our city residents.

The impact in the City of Stanley over the last year has been good and bad. Good because people are employed and building is taking place. Bad because revenues have not kept up with the demands of growth.

Here are some examples of the demands we are trying to meet:

- Volunteer ambulance had 288 runs in 2008
- Volunteer fire department had oil -related fire losses of 2.8 million dollars in 2008
- Water consumption was up 28% with 82 new hook-ups in 2008
- Affordable housing is in shortage. Houses were renting by the week, by the bed.
- Cost of garbage service was up 37% in 2008
- Police department went from 1 full-time to 3 full-time offices.

Through these challenges, the only increase in income was through the Oil and Gas Production tax. Stanley reached its cap in 2 months, just under \$300,000. Stanley will not receive further oil funds until September of 2009.

Stanley applied for \$183,000 in Oil and Gas Impact funds in 2008, and was awarded zero dollars.

The City of Stanley receives its water from the Ray-Tioga Water Plant. Stanley owns the 33-mile pipeline to the Ray-Tioga High Point reservoir. The R/T System has provided water to

page(s) missing

R&T Water Supply Association Improvement/Expansion Project Summary
Last Updated: October 31, 2008

PROPOSED PROJECTS

The Association recently completed a Facility Plan Report outlining proposed improvements and expansion of the Association's infrastructure. The improvements and expansion of the Associations system will involve the phased development of the following projects:

- Phase 1:** ***Storage System Expansion:*** Includes a 1,000,000 gallon expansion of an existing storage facility that will provide the Association with additional storage to extend full service during peak demand periods. Bid in July 2008. **Under Construction. Funding: DWSRF Loan - \$1,265,000**
- Phase 2:** ***Telemetry System Improvements:*** Remote meter stations and storage facilities throughout the Association's system will be linked via a centralized control and monitoring system to allow system operators to monitor real time water demands and storage levels and divert water deliveries to the most deficient areas. Bid in July 2008. **Under Construction. Funding: DWSRF Loan - \$450,000**
- Phase 3:** ***Phase I Regional Water Supply, Treatment, and Distribution Expansion:*** Expansion of the Association's existing well field, water treatment facility, and main transmission pipeline to increase service capacity from 1 MGD to 2 MGD for the Association's existing users and potential new users.
- Phase 4:** ***Phase II Regional Water Supply and Treatment Expansion:*** Further expansion of the Association's existing well field and water treatment facility to increase service capacity from 2 MGD to 3 MGD to the Association's existing users and potential new users.

COST SUMMARY AND POTENTIAL FUNDING SOURCES

Project Phase	Estimated Total Project Cost (2009)	Proposed Year of Construction - Indexed Project Costs		Potential Funding Sources	
				70% MR&I	30% Local (USDA/ DWSRF Loans)
Phase 1	1,265,000	2008	\$ 1,265,000	\$ 0	\$ 1,265,000
Phase 2	\$ 450,000	2008	\$ 450,000	\$ 0	\$ 450,000
Phase 3	\$ 6,000,000	2009/2010	\$ 6,000,000	\$ 4,200,000	\$ 1,800,000
Phase 4	\$ 6,600,000	2011/2012	\$ 7,293,000	\$ 5,105,000	\$ 2,188,000
Total	\$14,315,000		\$15,008,000	\$9,305,000	\$ 5,703,000

Indicates projects bid and under construction.

**Estimated Total Project Costs do not include the costs to construct new transmission pipelines for potential new users. Those transmission facilities will be owned and operated either by those entities or Williams Rural Water District and as such, funding requests will be made independently for those projects by the appropriate project sponsor.

ARRA Comprehensive Project List

FY 2009

State of North Dakota

Drinking Water State Revolving Loan Fund Program

Priority Points	Assistance Recipient	Assistance Requested (\$1000)	Date of Construction	Cumulative Total (\$1000)
54	BDW	3,485	9/1/2009	3,485
44	R&TWSA	2,300	10/1/2009	5,785
32	Karlsruhe	824	7/15/2009	6,609
31	Wildrose	2,373	1/1/2010	8,982
28	Grafton	3,794	5/15/2010	12,776
28	Grafton	6,350	5/15/2013	19,126
28	Strasburg	2,230	6/15/2009	21,356
26	Washburn	4,143	6/1/2009	25,499
26	Hillsboro	4,260	8/1/2009	29,759
23	Valley City	4,605	12/15/2009	34,364
23	Kenmare	1,600	6/1/2009	35,964
22	Watford City	7,810	1/15/2011	43,774
21	Wimbledon	319	8/15/2009	44,093
19	Jamestown	3,200	6/15/2009	47,293
19	CPWD	1,270	7/1/2009	48,563
19	Jamestown	2,630	6/15/2010	51,193
19	Mayville	5,500	6/15/2009	56,693
19	Minto	400	8/15/2009	57,093
18	Granville	265	9/15/2009	57,358
17	Max	429	8/1/2009	57,787
16	Beulah	1,013	7/15/2009	58,800
16	Edgeley	400	6/15/2009	59,200
16	Langdon	2,700	11/15/2009	61,900
16	State Line Coop	275	8/1/2009	62,175
15	Fairmount	725	7/15/2009	62,900
15	Park River	920	10/15/2009	63,820
14	Enderlin	8,100	5/15/2009	71,920
14	Killdeer	2,500	2/1/2010	74,420
14	Velva	767	7/1/2009	75,187
13	Kindred	725	7/15/2009	75,912
13	Langdon RWD	503	9/15/2009	76,415
13	Oakes	220	6/15/2009	76,635
13	West Fargo	21,000	5/15/2012	97,635
12	Kathryn	150	10/1/2009	97,785
12	Page	200	5/15/2009	97,985
12	Williston	3,102	9/1/2009	101,087
11	BRWD	6,000	8/1/2009	107,087
11	Colfax	315	7/15/2009	107,402
11	Dakota RWD	1,978	8/15/2009	109,380
11	Lisbon	2,250	4/15/2009	111,630
11	Oakes	250	6/15/2009	111,880
11	Pembina	1,105	9/1/2009	112,985

ARRA Comprehensive Project List
FY 2009
State of North Dakota
Drinking Water State Revolving Loan Fund Program

Priority Points	Assistance Recipient	Assistance Requested (\$1000)	Date of Construction	Cumulative Total (\$1000)
11	Portland	650	5/15/2009	113,635
10	Carrington	6,150	6/15/2009	119,785
10	Drayton	870	10/15/2009	120,655
10	Mandan	4,000	9/1/2009	124,655
10	Mandan	1,500	10/1/2009	126,155
10	Sawyer	373	7/1/2009	126,528
10	West Fargo	20,000	5/15/2010	146,528
9	Bismarck	9,000	7/1/2010	155,528
9	Buffalo	200	6/15/2009	155,728
9	Christine	485	7/15/2009	156,213
9	Cooperstown	705	6/15/2009	156,918
9	Enderlin	2,500	6/15/2009	159,418
9	NVWD	784	6/15/2010	160,202
9	NVWD	1,300	6/15/2012	161,502
9	Wilton	4,250	4/1/2010	165,752
8	Mandan	1,100	8/1/2009	166,852
8	Mandan	1,500	9/1/2009	168,352
8	Mandan	8,600	4/1/2010	176,952
8	Mapleton	1,300	6/15/2009	178,252
8	Sawyer	556	7/1/2009	178,808
7	Bismarck	2,100	12/15/2009	180,908
7	Dickinson	1,240	5/15/2009	182,148
7	Grafton	750	11/15/2009	182,898
7	Grand Forks	730	6/15/2009	183,628
7	Grand Forks	520	6/15/2009	184,148
7	Grand Forks	650	7/15/2009	184,798
7	Grand Forks	205	5/15/2009	185,003
7	Grand Forks	962	6/15/2009	185,965
7	Minto	100	7/1/2009	186,065
7	NPRWD	550	8/1/2009	186,615
6	Cavalier	200	8/1/2009	186,815
6	Grand Forks	620	6/15/2009	187,435
6	Leonard	2,000	8/15/2009	189,435
6	New Leipzig	99	6/15/2009	189,534
5	Bismarck	770	7/15/2009	190,304
5	Bowman	530	12/31/2009	190,834
5	Fargo	675	10/15/2009	191,509
5	Grand Forks	1,500	7/15/2009	193,009
5	Grand Forks	126	5/15/2009	193,135
5	Mandan	1,800	6/1/2009	194,935
5	NPRWD	1,650	8/15/2009	196,585
4	Casselton	800	5/15/2009	197,385

ARRA Comprehensive Project List
FY 2009
State of North Dakota
Drinking Water State Revolving Loan Fund Program

Priority Points	Assistance Recipient	Assistance Requested (\$1000)	Date of Construction	Cumulative Total (\$1000)
4	Fargo	16,800	11/15/2009	214,185
4	Grand Forks	150	11/15/2009	214,335
4	TRWD	1,720	6/15/2009	216,055
3	Fargo	280	8/15/2009	216,335
3	Fargo	4,400	9/15/2009	220,735
3	Fargo	4,750	2/15/2010	225,485
3	Garrison RWA	445	9/15/2009	225,930
3	Williams RWD	750	9/1/2009	226,680
1	Wahpeton	125	7/1/2009	226,805
1	Wahpeton	300	8/1/2009	227,105
1	Wahpeton	525	4/15/2010	227,630
1	Wahpeton	180	7/1/2011	227,810
1	Wahpeton	180	7/1/2011	227,990

Fundable Project List
ARRA 2009
State of North Dakota
Drinking Water State Revolving Loan Fund Program

* All loans are for a maximum of 20 years with an effective interest rate of 1%

** "Green Project" key: Green Infrastructure=G, Energy Efficiency=E, Water Conservation=W, Other=O

Project Rank	Source of Funds	Assistance Recipient	Service Area Pop.	Project Description	Date of Construction	Assistance Requested (\$1000)	Total Estimated Assistance (\$1000)	Loan * (\$1000)	Principle Forgiveness (\$1000)	Green Project**	Green Project Reserve (\$1000)
1	ARRA	BDW	1,089	Bulk Service to Fortuna, Noonan & Columbus	9/1/2009	3,485.0	3,485.0	985.0	2,500.0		
2	ARRA	R&TWSA	1,891	Well field, WTP and transmission main improvements for arsenic compliance	10/1/2009	1,728.0	1,728.0	864.0	864.0	E&W	600.0
3	ARRA	Karlsruhe	119	WTP or regionalization for arsenic compliance	7/15/2009	825.0	825.0	206.0	619.0		
4	ARRA	Wildrose	100	Rural water connection, pipeline, and booster station for arsenic compliance	1/1/2010	2,373.0	2,373.0	593.0	1,780.0	E&W	150.0
5	ARRA	Strasburg	549	Watermain and water tower replacement	6/15/2009	2,230.0	2,230.0	558.0	1,672.0	W	1,115.0
6	ARRA	Washburn	1,389	WTP improvements and water meter replacement	6/1/2009	4,143.0	4,143.0	2,071.0	2,072.0	E&W	1,400.0
7	ARRA	Hillsboro	1,563	New water source, WTP, storage, transmission main and rural water connection	8/1/2009	4,260.0	3,301.0	3,058.0	243.0		
8	ARRA	Valley City	6,826	WTP upgrade	12/15/2009	4,605.0	635.0	635.0	0.0	E	635.0
						Assistance under ARRA =	18,720.0	8,970.0	9,750.0		3,900.0

Abbreviations

BDW = Burke, Divide Williams Rural Water District

R&TWSA = Ray and Tioga Water Supply Association

WTP = Water Treatment Plant

4121305
Attachment #1
April 20, 2009

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1305

Page 1, line 6, replace "\$2,200,000" with "\$2,892,000"

Page 1, line 7, replace "\$1,750,000" with "\$864,000"

Page 1, line 8, after the first comma insert "providing a grant of up to \$985,000 to assist in the local cost-share of the Burke, Divide, and Williams water district water supply project, providing a grant of up to \$593,000 to assist in the local cost-share of the Wildrose water supply project,"

Renumber accordingly