

Sixty-first
Legislative Assembly
of North Dakota

SENATE BILL NO. 2193

Introduced by

Senators Wardner, Christmann, Robinson

Representatives Hanson, Hofstad, Nottestad

1 A BILL for an Act to amend and reenact sections 61-24.5-01, 61-24.5-09, and 61-24.5-10 of the
2 North Dakota Century Code, relating to the powers and duties and tax levy of the southwest
3 water authority.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Section 61-24.5-01 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **61-24.5-01. Findings and declaration of policy.** It is hereby found and declared by
8 the legislative assembly that many areas and localities in southwestern North Dakota do not
9 enjoy adequate quantities of high-quality drinking water. It is also found and declared that other
10 areas and localities in southwestern North Dakota do not have sufficient quantities of water to
11 ensure a dependable, long-term supply. It is further found and declared that supplementation
12 of the water resources of southwestern North Dakota, with water supplies from Lake
13 Sakakawea and the Missouri River, utilizing a pipeline transmission and delivery system, is a
14 feasible approach to provide southwestern North Dakota with a safe, good quality, dependable
15 source, and adequate quantity of water.

16 It is further declared that opportunity for greater economic security, protection of health,
17 property, enterprise, preservation of the benefits from the land and water resources of this
18 state, and the promotion of the prosperity and general welfare of all of the people of North
19 Dakota depends on the effective development and utilization of the land and water resources of
20 this state, and necessitate and require the exercise of the sovereign powers of the state and
21 concern a public purpose. Therefore, in order to accomplish this public purpose, it is hereby
22 declared necessary that a project to supply and distribute water to southwestern North Dakota,
23 as authorized by chapter 61-24.3, and acts amendatory thereof and supplementary thereto, be
24 established and constructed, to:

1 1. Provide for the supply and distribution of water to the people of southwestern North
2 Dakota through a pipeline transmission and delivery system for purposes including,
3 but not limited to, domestic, rural water, municipal, livestock, light industrial, mining,
4 and other uses, with primary emphasis on domestic, rural water, and municipal
5 uses.

6 2. Provide for the future economic welfare and property of the people of this state,
7 and particularly the people of southwestern North Dakota, by making available
8 waters from Lake Sakakawea and the Missouri River for beneficial and public uses.

9 It is also declared necessary to study and further develop water resources to provide adequate
10 water supplies for energy, industrial, agriculture, and other opportunities in southwest North
11 Dakota. The provisions hereof may not be construed to abrogate or limit the rights, powers,
12 duties, and functions of the state water commission or the state engineer, but must be
13 considered supplementary thereto.

14 **SECTION 2. AMENDMENT.** Section 61-24.5-09 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 **61-24.5-09. Powers and duties of the district board of directors.** The board of
17 directors of the southwest water authority has the power:

- 18 1. To sue and be sued in the name of the authority.
- 19 2. To exercise the power of eminent domain in the manner provided by title 32 for the
20 purpose of acquiring and securing any right, title, interest, estate, or easement
21 necessary to carry out the duties imposed by this chapter, and particularly to
22 acquire the necessary rights in land for the construction of pipelines, reservoirs,
23 connections, valves, and all other appurtenant facilities used in connection with the
24 southwest pipeline project, or any part thereof.
- 25 3. To accept funds, property, and services or other assistance, financial or otherwise,
26 from federal, state, and other public or private sources for the purpose of aiding
27 and promoting the construction, maintenance, and operation of the southwest
28 pipeline project, or any part thereof.
- 29 4. To cooperate and contract with the state, its agencies, or its political subdivisions,
30 or any agency of the United States, in research and investigation or other activities

- 1 promoting the establishment, construction, development, or operation of the
- 2 southwest pipeline project, or any part thereof.
- 3 5. To furnish assurances of cooperation, and as principal and guarantor or either to
- 4 enter into a contract, or contracts, with the United States of America, or any
- 5 department or agency thereof, and with public corporations and political
- 6 subdivisions of North Dakota for the performance of obligations for the
- 7 construction, operation, or maintenance of the southwest pipeline project, or any
- 8 part thereof, or for the delivery of water to any such department, agency, or political
- 9 subdivision.
- 10 6. To construct or purchase separately or in cooperation with agencies of the United
- 11 States, or the state of North Dakota, its agencies or political subdivisions, and to
- 12 equip, maintain, and operate an office and principal place of business for the
- 13 district, or other buildings or facilities to carry out activities authorized by this
- 14 chapter.
- 15 7. To appoint and fix the compensation of such employees as the board shall deem
- 16 necessary to conduct the business and affairs of the authority, and to procure the
- 17 services of engineers and other technical experts, and to retain an attorney or
- 18 attorneys to assist, advise, and act for it in its proceedings.
- 19 8. To appoint from their number an executive committee and vest the same with such
- 20 powers and duties as the board may from time to time delegate thereto, in order to
- 21 facilitate the duties and work of the board in connection with the business affairs
- 22 involved in the development, construction, operation, and maintenance of the
- 23 southwest pipeline project, or any part thereof.
- 24 9. To enter into a contract or contracts for a supply of water from the United States or
- 25 the state water commission and to sell, lease, and otherwise contract to furnish any
- 26 such water for beneficial use to persons or entities within or outside the authority.
- 27 10. To accept, on behalf of the district, appointment of the district as fiscal agent of the
- 28 United States or the state water commission and authorization to make collections
- 29 of money for and on behalf of the United States or the state water commission in
- 30 connection with the southwest pipeline project, or any part thereof.

- 1 11. To sell or exchange any and all real property purchased or acquired by the
2 authority. All moneys received pursuant to any such sale or exchange shall be
3 deposited to the credit of the authority and may be disbursed for the payment of
4 expenses of the authority.
- 5 12. Notwithstanding any other law, to exercise the powers granted to a municipality
6 under subsection 5 of section 40-33-01 pursuant to the limitations set forth therein.
7 The authority may pay the cost of leasing any waterworks, mains, and water
8 distribution system and any equipment or appliances connected therewith and any
9 property related thereto pursuant to subsection 5 of section 40-33-01 solely from
10 revenues to be derived by the authority from the ownership, sale, lease,
11 disposition, and operation of the waterworks, mains, and water distribution system;
12 the funds or any other amounts invested by the authority pursuant to the laws of
13 the state or invested on the authority's behalf by the state, or any agency or
14 institution of the state, in conformity with policies of the industrial commission,
15 including investment in a guaranteed investment contract and any earnings
16 thereon, to the extent pledged therefor; and funds, if any, appropriated annually by
17 the board of the authority or received from federal or state sources.
- 18 13. To study and analyze options for providing additional water supplies to southwest
19 North Dakota for purposes including domestic, rural water, municipal, livestock,
20 energy development, industrial, mining, and other uses.
- 21 14. To conduct engineering, legal, financial, educational, and other activities to further
22 the completion of the southwest pipeline project, or any part thereof, or any other
23 works or projects necessary to provide adequate water supplies for southwest
24 North Dakota.

25 **SECTION 3. AMENDMENT.** Section 61-24.5-10 of the North Dakota Century Code is
26 amended and reenacted as follows:

27 **61-24.5-10. District budget - Tax levy.** For each taxable year through ~~2010~~ 2020, the
28 authority may levy a tax of not to exceed one mill annually on each dollar of taxable valuation
29 within the boundaries of the authority for the payment of administrative expenses of the
30 authority, including per diem, mileage, and other expenses of directors, expenses of operating
31 the office, engineering, surveying, investigations, legal, administrative, clerical, and other

1 related expenses of the authority. All moneys collected pursuant to the levy must be deposited
2 to the credit of the authority and may be disbursed only as herein provided. The board may
3 invest any funds on hand, not needed for immediate disbursement or which are held in reserve
4 for future payments, in bonds of the United States, certificates of deposit guaranteed or insured
5 by the United States or an instrumentality or agency thereof, and bonds or certificates of
6 indebtedness of the state of North Dakota or any of its political subdivisions. During the period
7 of time in which the authority may levy one mill annually as provided herein, any joint water
8 resource board created pursuant to section 61-16.1-11, by or among one or more of the water
9 resource districts in the counties which are included in the authority, must be limited to one mill
10 under the authority of section 61-16.1-11.