

www.garrisondiversion.org



***Garrison Diversion's mission:
to provide a reliable, high quality and affordable
water supply to benefit the people of North Dakota.***



Water plays a vital role in North Dakota's future for individuals, families and the economic viability of the state. The Garrison Diversion Conservancy District (Garrison Diversion) is a leader in building North Dakota's water supply infrastructure and managing this priceless resource to benefit everyone who works and lives here.

Garrison Diversion Overview

Garrison Diversion was created by the state in 1955 to develop the Garrison Diversion Unit project. Garrison Diversion encompasses 28 counties; each member county elects a citizen to serve on the board of directors and levies one mill to support the activities of Garrison Diversion.

Focus Areas

The Municipal, Rural and Industrial (MR&I) Water Supply Program

Reliable and high quality water can mean the difference between success and failure for small towns and family farms. Garrison Diversion works to ensure North Dakotans have access to reliable and high quality water through the MR&I Program.

Garrison Diversion is the fiscal agent and, along with the State Water Commission, is responsible for administering the state MR&I Program. This program has \$400 million authorized in federal funding to help water systems deliver quality water to homes, businesses and farms across North Dakota.

To date, over \$250 million has been awarded for system expansions and improvements. Systems that received funding include, among others, the Southwest Pipeline Project, Southeast Water Users District, All Seasons Rural Water, South Central Regional Water District and the Northwest Area Water Supply. Through future federal funding, several new and existing regional projects and the four Indian Reservations in North Dakota will benefit from a reliable, high quality and affordable water supply.

Agriculture & Natural Resources

Garrison Diversion's roots are in agriculture, and though we are now a multi-purpose project, we have not forgotten our roots. Garrison Diversion continues to invest in agricultural initiatives throughout the state. We have partnered with NDSU Extension Service and the North Dakota Irrigation Association to develop, expand and enhance irrigation efforts.

There are 75,480 acres authorized for federal irrigation development in North Dakota, and we continue to work with individual producers and irrigation districts to expand the number of acres under irrigation.

Garrison Diversion works to maintain, enhance and protect North Dakota's natural resources. From wildlife habitat mitigation to the North Country Trail, Garrison Diversion plays a part in keeping North Dakota a beautiful and environmentally friendly place.





Recreation

Garrison Diversion has been careful to set aside public land accessible to people with a variety of recreational interests. We dedicate two-tenths, or 20%, of our one mill levy to our Matching Recreation Grant Program. To date, this program has awarded over \$3.1 million to local recreation projects within the Garrison Diversion Conservancy District.

The \$6.5 million Dakota Water Resource Act Recreation Program is ready to implement. We are developing the Chain of Lakes Recreation Area along the McClusky Canal, in partnership with the Bureau of Reclamation, and we partnered with the ND State Parks and Recreation Department to develop the Devils Lake Park System.



Red River Valley Water Supply Project

Red River Valley residents rely on the drought-prone Red River for their primary water supply needs. Present water supplies would be insufficient if the Valley were to face a severe drought similar to the 1930s. It is not a question of if a severe drought will occur; it is a question of how soon.

Garrison Diversion was designated by Governor Hoeven to be the state lead in developing the Red River Valley Water Supply Project. The proposed Project will supplement existing water supplies to meet the needs of the Red River Valley. The proposed Project will use the McClusky Canal and a buried pipeline to bring treated Missouri River water east to Lake Ashtabula. Using Lake Ashtabula as a regulating reservoir, the water would continue down the Sheyenne River and flow into the Red River, ensuring the Valley a much needed, reliable supply of drinking water.



Operations & Maintenance

Garrison Diversion is responsible for the operations and maintenance (O&M) on the Garrison Diversion Unit project facilities under a cooperative agreement with the Bureau of Reclamation. These facilities consist of the McClusky Canal, New Rockford Canal and Oakes Test Area.

We employ a skilled workforce and maintain a large fleet of equipment to aid in the completion of O&M projects. We are also able to provide support to systems experiencing water emergencies. Our crew can mobilize quickly with equipment and is able to handle just about any situation that arises.

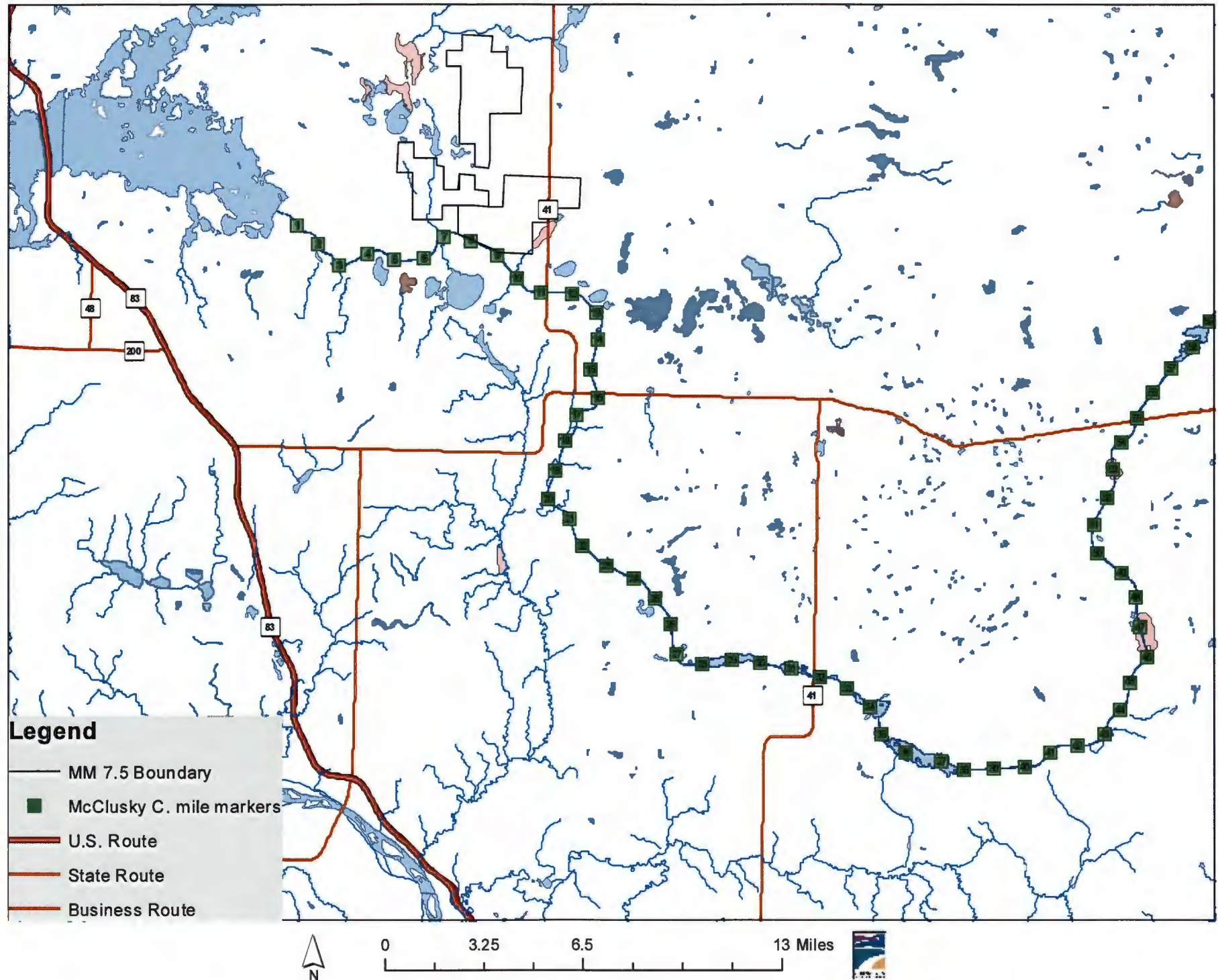
Learn More

Garrison Diversion is unwavering in our commitment to provide a reliable, high quality and affordable water supply for the benefit of North Dakota. We are proud to play a vital role in the future of our state.

For comprehensive information, please contact us at:

- Garrison Diversion Conservancy District, PO Box 140, Carrington, ND 58421
- www.garrisonsdiversion.org
- gdcd@daktel.com
- 1-800-532-0074

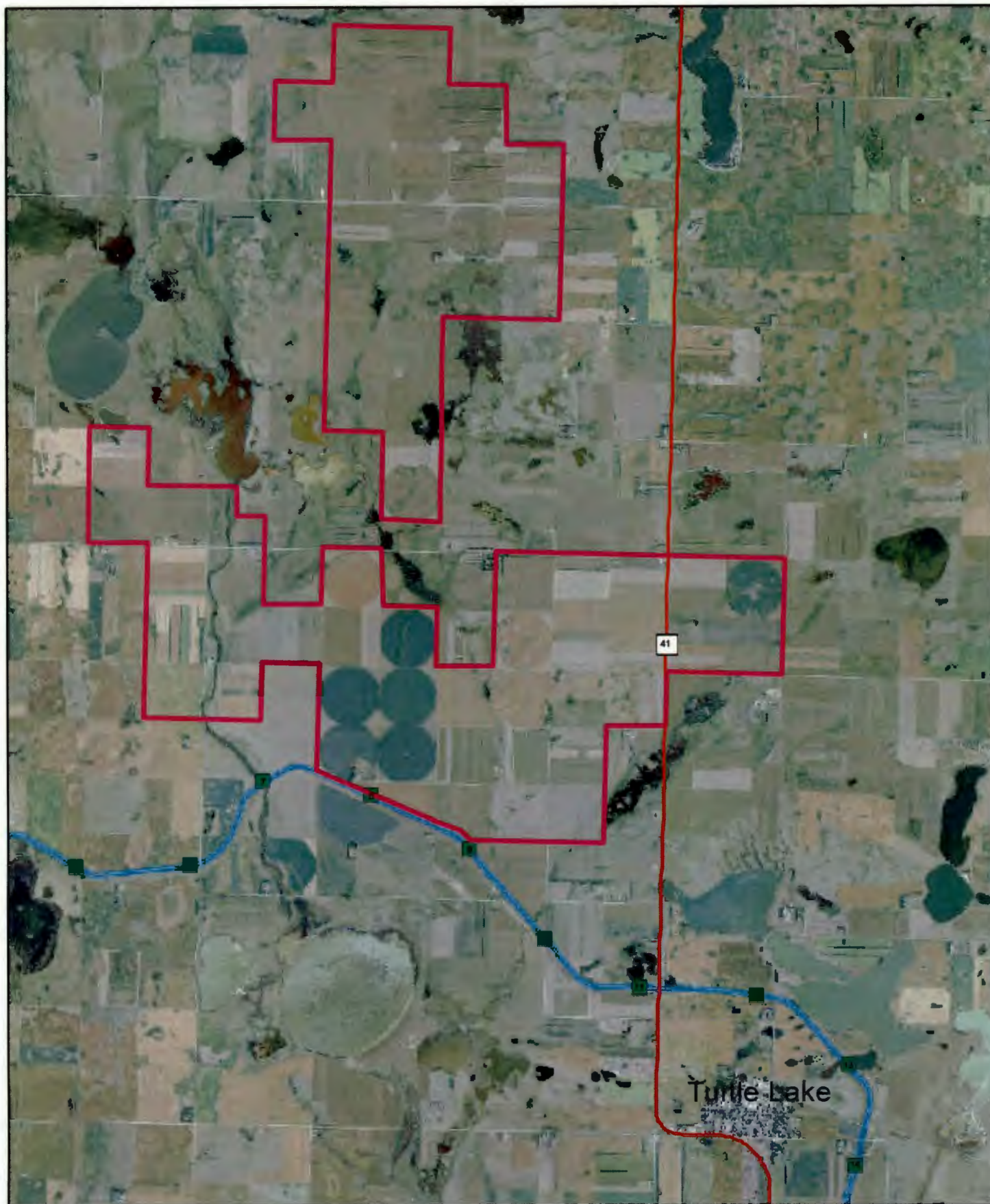
McClusky Canal Area Map



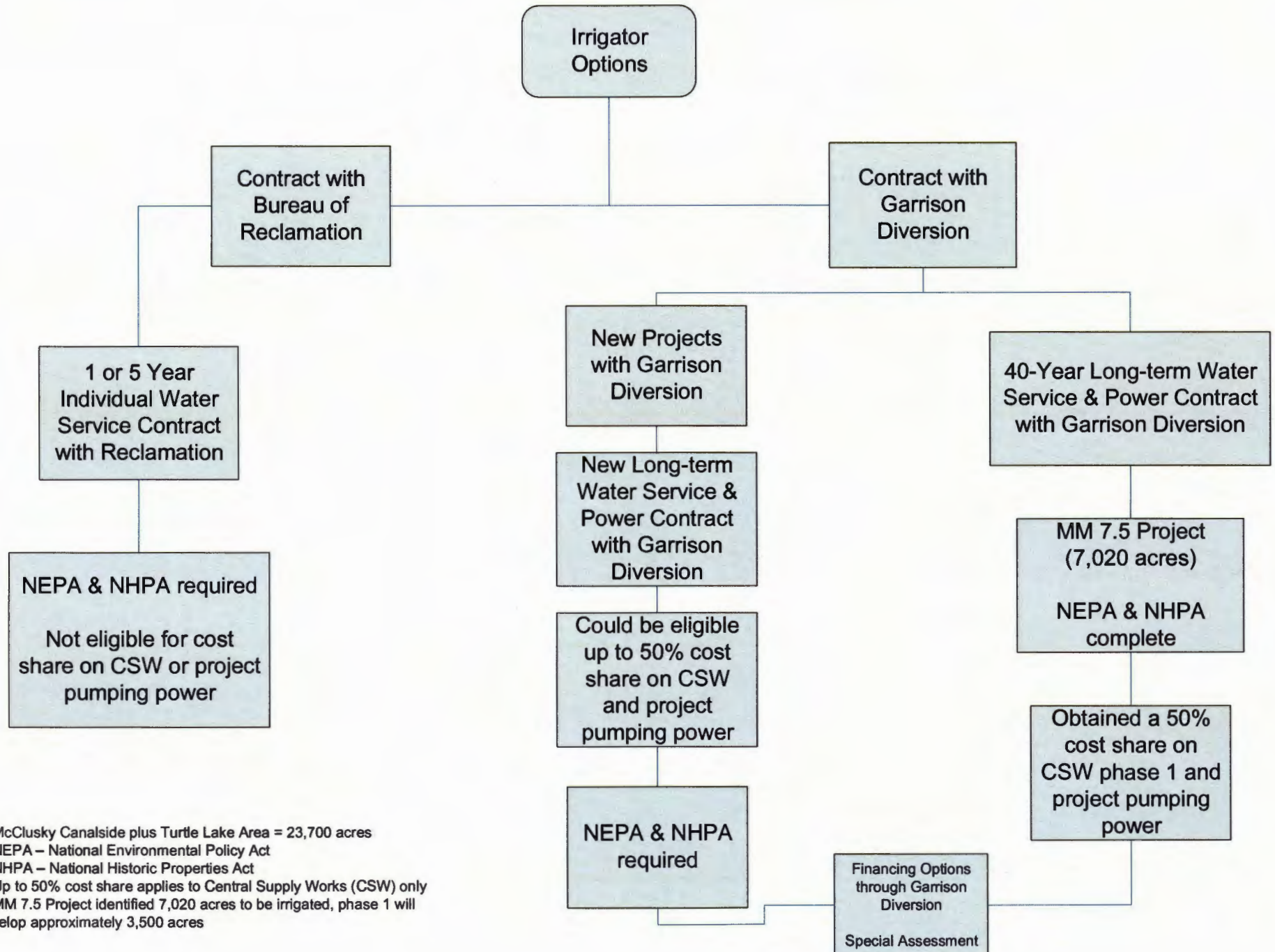
MM 7.5 McClusky Canal 7,020 Irrigation Project Area



0 0.3 0.6 1.2 Miles



McClusky Canal Irrigation (23,700 acres)



- 1) McClusky Canalside plus Turtle Lake Area = 23,700 acres
- 2) NEPA – National Environmental Policy Act
- 3) NHPA – National Historic Properties Act
- 4) Up to 50% cost share applies to Central Supply Works (CSW) only
- 5) MM 7.5 Project identified 7,020 acres to be irrigated, phase 1 will develop approximately 3,500 acres

Mile Marker 7.5 Irrigation Project
February 22, 2012
Garrison Diversion Conservancy District

Estimated Water Service Contract Costs			
	Low	High	Most Likely
Minimum Charge			
Debt Service Payments (\$/acre) ¹	\$30.00	\$50.00	\$42.00
Canal O&M (\$/acre) ²	\$13.00	\$22.00	\$18.00
Total Minimum Charge	\$43.00	\$72.00	\$60.00
Variable Water Rate			
Power (\$/acre inch) ³	\$2.00	\$5.50	\$3.00
10" Water Power Cost	\$20.00	\$55.00	\$30.00
Garrison Diversion O&M (\$/acre) ⁴	\$15.00	\$25.00	\$15.00
Totals (\$/acre for 10" of water/year)	\$78.00	\$150.00	\$105.00

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| 1. Debt Service Payments will be based on the final cost of the project and terms of the financing. |
| 2. Operation and maintenance cost will be the cost for purchasing the water from the Bureau of Reclamation. This cost will be based on the pro rata share of the used capacity of the canal and the cost to operate the canal. |
| 3. Power costs will be based on the volume of water used and the electric rates charged by the utility. |
| 4. Garrison Diversion operation and maintenance will be based on the pro rata share of Garrison Diversion's costs to operate, maintain and replace the irrigation systems. |

Funding Assistance Programs for Irrigation Development in North Dakota



*Financial incentives
for irrigators and
irrigation districts*



NDSU
Extension Service
North Dakota State University



March 2008

Programs for Individual Irrigators ...



Bank of North Dakota (BND) Programs

AgPACE Program (Agricultural Partnership in Assisting Community Expansion)

- The AgPACE program is an interest rate buy-down program available to farmers to create an on-farm business integrated into the farm operation.
- The producer initiates the loan through a local lender, who requests the participation of the BND.
- The interest rate buy-down is up to 5 percent below yield rate. The maximum buy-down per borrower may not exceed \$20,000 per biennium, with a lifetime cap of \$60,000.
- To receive buy-down funds in excess of \$20,000, the applicant must have a net worth of less than \$1 million.
- For irrigation development, an additional \$20,000 is available from the North Dakota Water Commission through the BND for a total buy-down of \$40,000 for the first-time borrower.
- The program may be used only for new irrigated acres.
- The AgPACE program is limited to the interest buy-down maximums, whether it is through one or more loans.

■ For more information,
Brad Thompson
(800) 472-2166, ext. 5687
or visit the Bank of North Dakota Web site
www.banknd.com



U.S. Department of Agriculture

Natural Resources Conservation Service

Environmental Quality Incentives Program (EQIP) Ground and Surface Water Program

- The program offers farmers and ranchers a tool to address their water-related natural resource concerns while achieving environmental benefits.
- Agricultural producers may be eligible.
- To be eligible, land must have been irrigated at least two of the last five years and meet Natural Resource Conservation Service soil/water quality compatibility standards and hold a current water permit.
- EQIP offers contracts for the reorganization of existing irrigation systems with incentive payments and financial assistance on conservation practices. Assistance is available for practices that result in a net water savings in the current water application method or for conversion to a more efficient water application method.
- Financial assistance is based on a payment schedule that accounts for a typical irrigation installation cost.
- Program participants will be required to implement an irrigation water management plan.
- The program also offers technical assistance in the design of the system.
- Applications are accepted on a continual basis for the program. Applications on hand before Oct. 15 will be considered for funding with the current year's EQIP allocation.
- Limited-resource and beginning farmers may be eligible for financial assistance 20 percent higher than typical contract holders.

■ For more information,
contact your local Natural Resources Conservation Service office. More information is available at
www.nrcs.usda.gov/programs/eqip.

Programs for Irrigation Districts . . .



State Water Commission

State Water Commission Cost-share Program for Irrigation Development

- The program is available only to political subdivisions, such as irrigation districts.
- The State Water Commission's cost-share is up to 40 percent for eligible items, depending on availability of funds.
- Eligible items are those associated with new central supply works, such as pump intakes, pumps, power units, conveyance facilities, electric power facilities, other related facilities and engineering.
- Maintenance costs are not eligible.
- Plans and cost estimates are required for a new project, along with an economic feasibility determination.

■ For more information,
contact the director of the
Water Appropriations Division,
State Water Commission,
at (701) 328-2754.



North Dakota Public Finance Authority

Capital Financing Program

- The program is available to qualifying organizations, including irrigation districts.
- The program may be used for equipment and water supply infrastructure that the irrigation district owns for the capture, conveyance and distribution of the irrigation water.
- The North Dakota Public Finance Authority issues the bonds.

Irrigation and Related Facilities Program

- The program is available to qualifying organizations, including irrigation districts.
- The program may be used for equipment and water supply infrastructure that the irrigation district owns, as well as storage facilities for commodities produced under irrigation.
- The North Dakota Public Finance Authority issues the bonds.
- The program requires that the irrigation district have 20 percent equity in the project.
- The U.S. Department of Agriculture, through the Guaranteed Business and Industry Loan Program, guarantees the bonds for up to 80 percent of the project cost on qualifying projects.

■ For more information,
Tim C. Porter
North Dakota Public Finance Authority
(701) 328-7120
e-mail: tporter@nd.gov

**For more information
about
irrigation financing**

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Irrigation Equipment Suppliers

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Williston, ND 58802-1166
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K & T Irrigation Inc.

Ken Storm
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West Fargo, ND 58078
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