

March 14, 2023



DWR AGENCY & BUDGET

House Appropriations Committee | Eng. Senate Bill 2020 | 68th Legislative Assembly

NORTH
Dakota | Water Resources
Be Legendary.

SB 2020: DWR BUDGET SUMMARY

	2021-2023 Base Level	2023-2025 Executive Rec.	Engrossed SB 2020
Salaries & Wages	\$20,537,867	\$23,809,878	\$23,465,326
Operating Expenses	\$43,366,550	\$59,479,068	\$59,479,068
Capital Assets	\$98,467,437	\$172,396,344	\$300,383,950
Water Supply Projects	\$125,000,000	\$270,000,000	\$283,000,000
Rural Water Supply	\$59,600,000	\$35,000,000	\$40,000,000
Flood Control Projects	\$48,000,000	\$115,000,000	\$114,600,000
General Water Projects	\$14,227,275	\$14,233,275	\$12,000,000
Discretionary Projects	-	\$5,000,000	\$1,000,000
Basinwide Plan	-	\$0	\$1,000,000
TOTAL	\$409,199,129	\$694,918,565	\$834,928,344
Full Time Equivalents (FTE)	90	93	93

SB 2020: DWR BUDGET SUMMARY

2023-25 SALARIES AND WAGES

	2023-2025 Executive Rec.	Engrossed SB 2020
2021-23 Salaries & Wages Base	\$20,537,867	\$20,537,867
Cost to continue adjustment	148,098	148,098
Salary and health insurance increase	1,795,562	1,499,354
3 FTE (Regulatory Division, Water Appropriation & PRESENS System Support)	751,742	703,398
1 Full Time Temp - NAWS	170,000	170,000
4 temporary employees to install PRESENS systems	345,000	345,000
Full Time Temp (Benefits)	61,609	61,609
2023-25 Salaries & Wages	\$23,809,878	\$23,465,326

	Base	Request	Recommendation
Full Time Equivalent (FTE)	90	3	93

ADDRESSING SALARY CHALLENGES FOR OUR TEAM MEMBERS

EXECUTIVE REQUEST

\$645K

Recommended To Address Internal Equity & External Market Factors That Affect Existing Team Members. This Would Assist With Reducing Turn-over & Would Support Competitive Pay & Compression Adjustments.

DWR SUPPORTS SENATE BILL 2015

Example:
Hydrologist Positions Are **Well** Below Private Sector.

HYDROLOGIST POSITIONS

22%

SB 2020: DWR BUDGET SUMMARY

2023-25 OPERATING EXPENSES

2023-2025
Executive Rec.

Engrossed
SB 2020

	2023-2025 Executive Rec.	Engrossed SB 2020
2021-23 Operating Expenses Base	\$43,366,550	\$43,366,550
Shifted Funding From Capital Assets Primarily For Engineering Fees & Utilities	7,744,789	7,744,789
IT Standardization, Applications, & Security (\$1,532,980 one-time)	5,615,764	5,615,764
PRESENS Installations	1,227,800	1,227,800
Professional Development	80,000	80,000
Groundwater Modeling/Analysis Software (\$72,665 one-time)	94,665	94,665
Computers for 3 New FTE (\$19,320 one-time) & Travel Expense Increase (\$2,000)	21,320	21,320
AEM Survey Technology (All one-time)	750,000	750,000
Motor Pool Rate Increase (All one-time)	118,180	118,180
Drilling Supply Cost Increases (All one-time)	180,000	180,000
Navigability Study (All one-time)	180,000	180,000
RiskMAP - <i>*Federal Funding Spending Authority</i>	100,000	100,000
2023-25 Operating Expenses	\$59,479,068	\$59,479,068

SB 2020: DWR BUDGET SUMMARY

2023-25 CAPITAL ASSETS

	2023-2025 Executive Rec.	Engrossed SB 2020
2021-23 Capital Assets Base	\$98,467,437	\$98,467,437
Shifted Funding From Capital Assets Primarily For Engineering Fees & Utilities	(7,740,789)	(7,740,789)
State Owned Water Project Funding (All one-time)*	77,869,696	205,857,302
Bowman Radar Replacement (All one-time)	1,800,000	1,800,000
New Drilling Rig (All one-time)	1,800,000	1,800,000
Office Modification (All one-time)	200,000	200,000
2023-25 Capital	\$172,396,344	\$300,383,950

*A \$100 million line of credit from the Bank of North Dakota was provided, of which \$50 million was for SWPP and \$50 million was for NAWS. Federal funding was also increased from \$25 million to \$78 million.

**DWR OPTIONAL
REQUESTS**

3 FTE (\$19,320 equipment and \$2,000 travel)
 1 Full Time Temp - NAWS
 Motor Pool Rate Increase
 IT Standardization, Applications, & Security
 PRESENS Installations & Temp Salaries
 Drilling Supply Cost Increases
 Navigability Study
 AEM Survey Technology
 Groundwater Modeling/Analysis Software
 Professional Development
 Full Time Temp - FTE Conversion
 Bowman Radar Replacement
 New Drilling Rig
 Office Modifications
*RiskMAP - *Federal Funding Spending Authority*

TOTAL OPTIONAL REQUESTS

EXECUTIVE RECOMMENDATIONS

\$773,062
 \$170,000
 \$118,180
 \$5,615,764
 \$1,572,800
 \$180,000
 \$180,000
 \$750,000
 \$94,665
 \$80,000
 \$61,609
 \$1,800,000
 \$1,800,000
 \$200,000
 \$100,000*

\$13,496,080

ENGROSSED SB 2020

\$724,718
 \$170,000
 \$118,180
 \$5,615,764
 \$1,572,800
 \$180,000
 \$180,000
 \$750,000
 \$94,665
 \$80,000
 \$61,609
 \$1,800,000
 \$1,800,000
 \$200,000
 \$100,000*

\$13,447,736

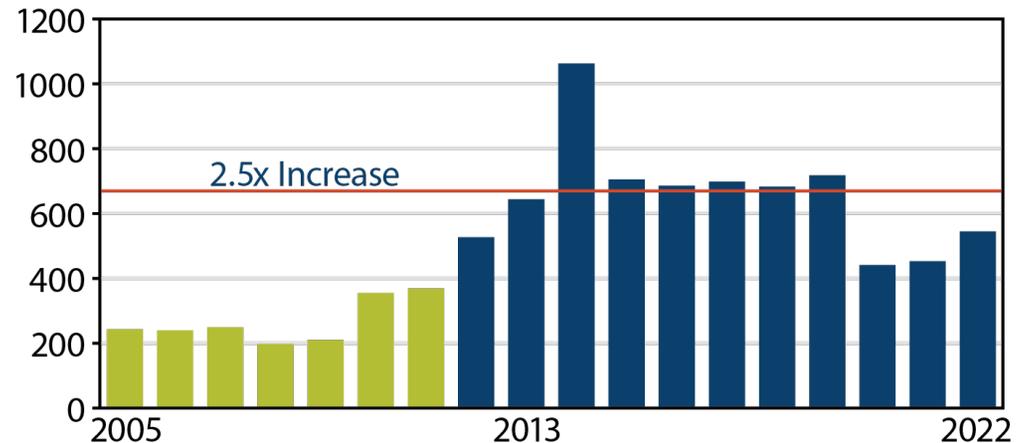
REQUEST FOR 3 FTE

2023-2025 REQUEST:
\$773,062

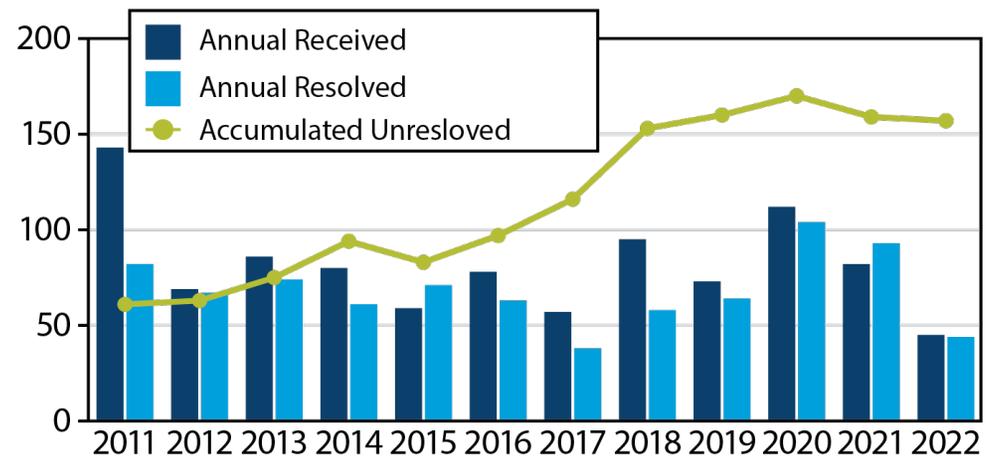
Includes One For The Regulatory Division To Assist With Permitting & Two For The Water Appropriation Division That Would Work On Water Appropriation & PRESENS System Support

Assist With Significantly Reducing Delays So Constituents Receive Permits In A Timelier Manner

TEMPORARY WATER PERMIT APPLICATIONS (ANNUAL)



TRENDS IN REGULATORY APPLICATIONS & REVIEWS



IT STANDARDIZATION, APPLICATIONS & SECURITY



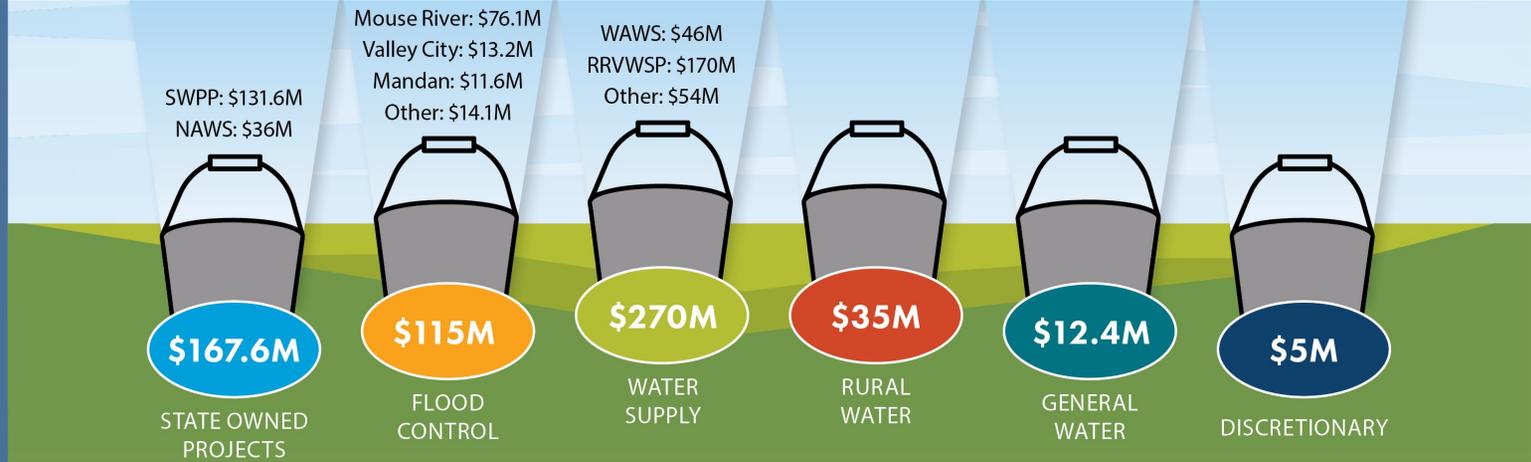
To Consolidate & Standardize IT Services Under One Umbrella Through NDIIT:

- File Services
- Computational Infrastructure For Scientific Applications
- Big Data Development/Production For Various Data Types
- Big Data Administrative Costs
- Costs Associated With Additional FTE For NDIIT
- Business Analysis
- Project Management
- Project Oversight

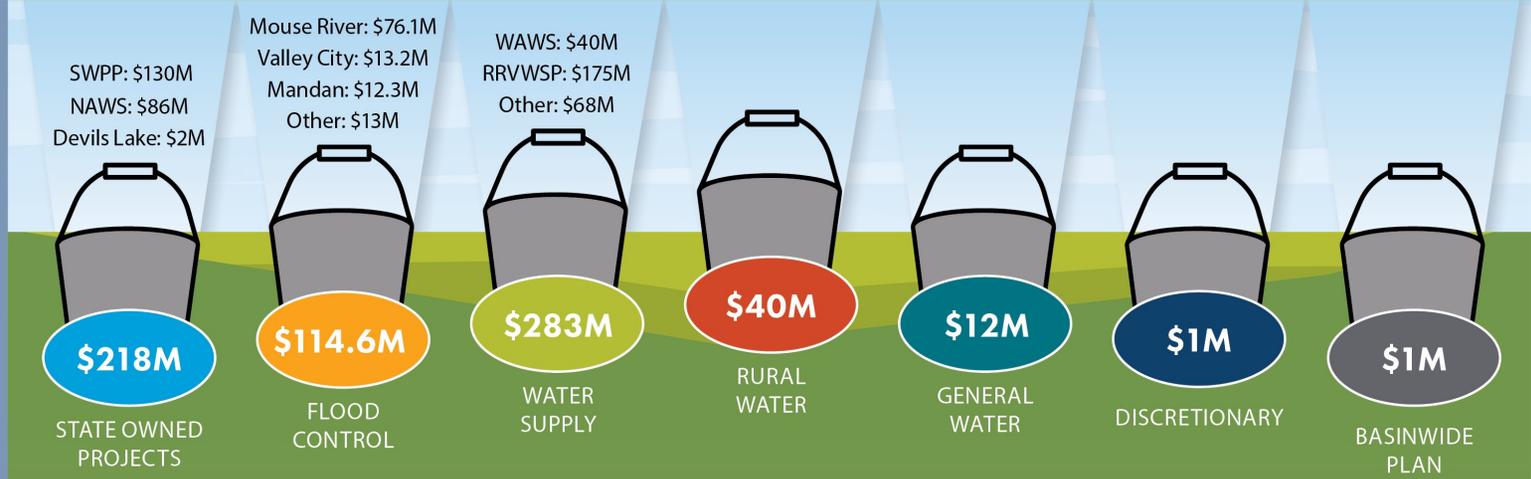
**2023-2025 Request:
\$5,615,764**

2023-2025 PURPOSE FUNDING

Executive
Rec.



Eng.
SB 2020

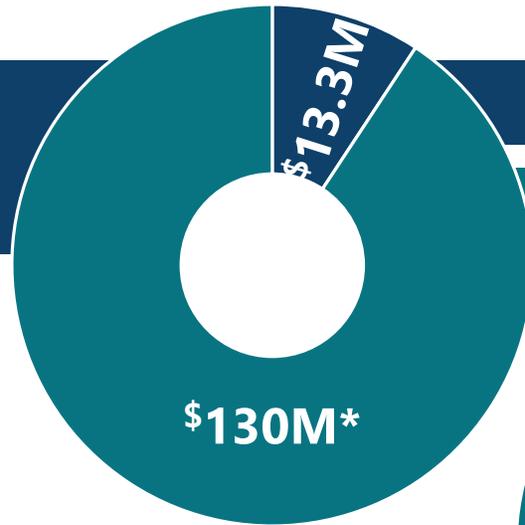


Northwest Area Water Supply (NAWS) | Southwest Pipeline Project (SWPP) | Red River Valley Water Supply Project (RRVWSP) | Western Area Water Supply (WAWS)

SOUTHWEST PIPELINE PROJECT

2023-2025

\$143.3M



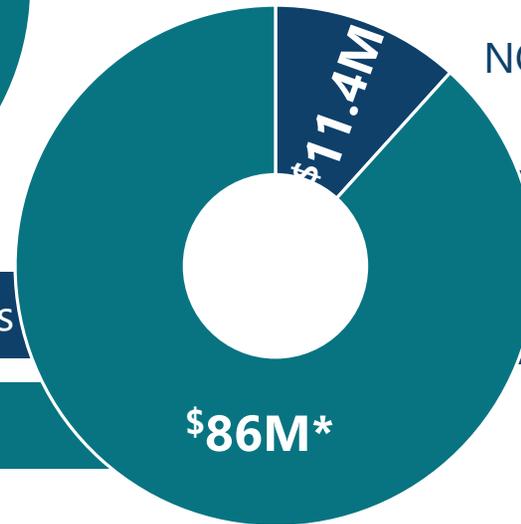
Engineering Fees – Operating Expenses

Construction Costs – Capital Assets

NORTHWEST AREA WATER SUPPLY PROJECT

2023-2025

\$97.4M



Engineering Fees – Operating Expenses

Construction Costs – Capital Assets

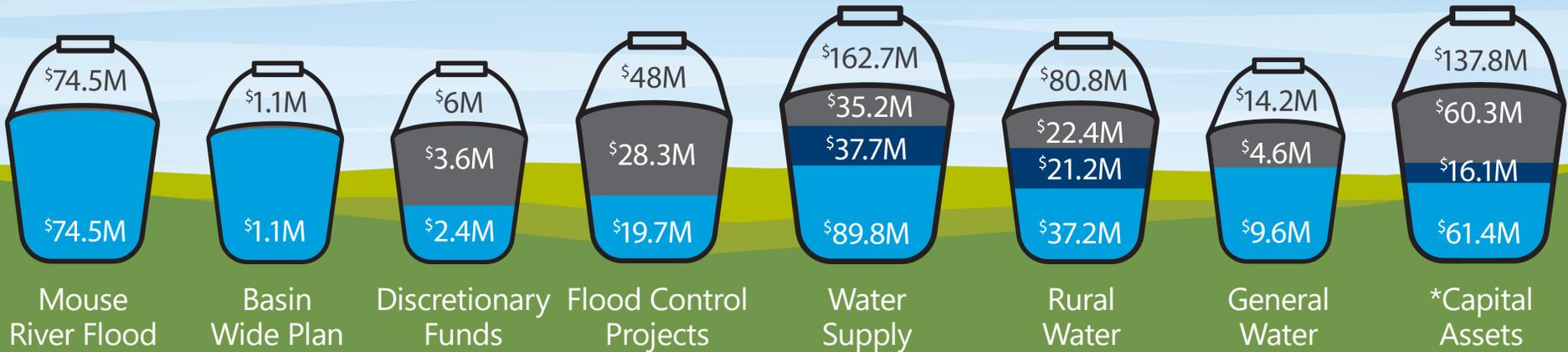
Other: \$2M was provided for the Devils Lake outlet

*A \$100M line of credit from the Bank of North Dakota was provided, of which \$50M was for SWPP and \$50M was for NAWS.

STATE OWNED WATER PROJECTS \$240.7M

2021-2023 PURPOSE FUNDING

FEBRUARY 28, 2023



UNOBLIGATED

APPROVED

ESTIMATED CARRYOVER
\$405M



Federal Funds-State
Fiscal Recovery Funds -
SB 2345

Spent or Obligated

*Capital Assets bucket includes \$45.6M line of credit.

OTHER ENG. SB 2020 SECTIONS



SECTION 3

- Additional Income Appropriation Section For Additional Amounts In The Resources Trust Fund For Defraying The Expenses Of The Department, Excluding Operating Expenses & Salaries & Wages.

SECTION 5

- A Section Identifying The Purpose Of The Discretionary Funds Which May Be Used As Necessary Except For Salaries & Wages.

SECTION 8

- A Section Authorizing A \$100 Million Line Of Credit From The Bank Of North Dakota For NAWS (\$50 Million) & SWPP (\$50 Million). SB 2196 Also Includes A Line Of Credit For NAWS That Should Be Removed.

OTHER ENG. SB 2020 SECTIONS



SECTIONS 10, 11, & 12

- Intent Related To Red River Valley Water Supply (\$175M 2023-2025 With \$953M Total Remaining), Mouse River Flood Control (\$76.1M 2023-2025 With \$380.5M Total Remaining), & Southwest Pipeline Project (\$40M Through 2025-2027).

SECTION 13

- A Section Providing Authority For Line-Item Transfers Up To \$13,292,362 Between The Operating & Capital Assets Line Items.

SECTION 14

- Exemption Section Providing Authority To Carryover \$405 Million Of Unexpended Obligated & Unobligated Funding Related To Water Projects.

SECTION 15

- A Section Declaring SB 2020 To Be An Emergency Measure.

SB 2020: REQUESTED CHANGES

Changes to Eng. SB 2020:

- Increase discretionary funding from \$1 million to the executive recommendation of \$5 million.
- Increase salary and wage increases to the executive recommended level of 6% and 4%.
- Amend Section 12 to identify the \$40 million is for the SWPP water treatment plant.





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THANK YOU



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