

MINUTES

North Dakota State Water Commission Casselton, North Dakota

July 17, 2007

The North Dakota State Water Commission held a meeting at the Governors Inn and Conference Center, Casselton, North Dakota, on July 17, 2007. Governor John Hoeven, Chairman, called the meeting to order at 9:30 AM, and requested State Engineer, and Chief Engineer-Secretary to the State Water Commission, Dale L. Frink, to call the roll. Governor Hoeven announced a quorum was present. Edward McConnell, Mayor, City of Casselton, welcomed the State Water Commission.

STATE WATER COMMISSION MEMBERS PRESENT:

Governor John Hoeven, Chairman
Jeff Weispenning, representing Roger Johnson, Commissioner,
North Dakota Department of Agriculture, Bismarck
Arne Berg, Member from Devils Lake
Maurice Foley, Member from Minot
Larry Hanson, Member from Williston
Elmer Hillesland, Member from Grand Forks
Jack Olin, Member from Dickinson
Harley Swenson, Member from Bismarck
Robert Thompson, Member from Page

OTHERS PRESENT:

Dale L. Frink, State Engineer, and Chief Engineer-Secretary,
North Dakota State Water Commission, Bismarck
State Water Commission Staff
Approximately 75 people interested in agenda items

The attendance register is on file with the official minutes.

The meeting was recorded to assist in compilation of the minutes.

CONSIDERATION OF AGENDA

There being no additional items for the agenda, Governor Hoeven announced the agenda approved as presented.

**REAPPOINTMENT OF STATE
WATER COMMISSION MEMBERS -
ELMER HILLESLAND, GRAND FORKS,
ND; AND ROBERT THOMPSON, PAGE, ND**

are effective on July 1, 2007 and expire on June 30, 2013.

Elmer Hillesland, Grand Forks, ND, and Robert Thompson, Page, ND, were reappointed by Governor Hoeven to serve six-year terms as members of the State Water Commission. Their terms

**CONSIDERATION OF DRAFT MINUTES
OF MAY 9, 2007 STATE WATER
COMMISSION MEETING - APPROVED**

The draft minutes of the May 9, 2007, State Water Commission meeting were approved by the following motion:

It was moved by Commissioner Olin, seconded by Commissioner Thompson, and unanimously carried, that the draft minutes of the May 9, 2007, State Water Commission meeting be approved as prepared.

**STATE WATER COMMISSION
BUDGET EXPENDITURES,
2005-2007 BIENNIUM**

In the 2005-2007 biennium, the State Water Commission had two special line items - administrative and support services, and water and atmospheric resources expenditures. The allocated program expenditures for the period ending May 31, 2007, reflecting 96 percent of the 2005-2007 biennium, were presented and discussed by Secretary Frink. The expenditures, in total, are within the authorized budget. The final 2005-2007 biennium allocated program expenditures were not available for reporting at this meeting. **SEE APPENDIX "A"**

In the 2005-2007 biennium, the State Water Commission had two special line items - administrative and support services, and water and atmospheric

The Contract Fund spreadsheet, attached hereto as **APPENDIX "B"**, provides information on the committed and uncommitted funds from the Resources Trust Fund, the Water Development Trust Fund, and the potential bond proceeds. The total approved for projects is \$65,235,804, leaving a balance of \$7,849,385 available to commit to projects.

**RESOURCES TRUST FUND
AND WATER DEVELOPMENT
TRUST FUND REVENUES,
2005-2007 BIENNIUM**

The oil extraction tax deposits into the Resources Trust Fund total \$24,357,050 and are currently \$7,921,494, or 48.2 percent ahead of the budgeted revenues.

Deposits into the Water Development Trust Fund total \$19,722,653 and are currently \$952,207, or 4.6 percent behind budgeted revenues.

**REFUNDING OF SOUTHWEST
PIPELINE PROJECT BOND AND
USDA RURAL DEVELOPMENT LOANS
(SWC Project No. 1736-02)**

loans - Series 1997B, Series 1999A, Series 2000B, Series 2001A, Series 2002A, and Series 2003A; and to adopt the general authorization resolution.

On May 9, 2007, the State Water Commission passed a motion to proceed with refunding the outstanding Southwest Pipeline Project bond-Series 1997A, and USDA Rural Development

The 2007 Series B bond was issued on June 27, 2007, and the refunded bonds will be called on August 1, 2007. The refunded bond will have approximately the same payment amounts as the existing bonds but will shorten the repayment period. The final payment is scheduled to be made in July, 2032, 11 years earlier than the final 2003 Series A bond payment.

**APPROVAL OF RURAL FLOOD
CONTROL PROJECTS COST SHARE
LIMITATION OF \$250,000 FOR
2007-2009 BIENNIUM
(SWC Project No. 1753)**

percent of new funding available for general projects. This limitation has been in effect for rural flood control projects since that time, although the dollar amount of the limitation has varied each biennium.

On August 13, 1998, the State Water Commission approved several cost share policy changes including a limitation on the amount of money that can be provided in a single biennium for a rural flood control project to no more than 5

Secretary Frink explained that the budgeting process has changed since that policy was adopted. The State Water Commission's budget for the 2007-2009 biennium includes \$5,000,000 for general water projects, thus, the funding limitation for the 2007-2009 biennium was set at 5 percent of \$5,000,000 (\$250,000) for rural flood control projects. He said that although the amount available per project would be limited to \$250,000 from the 2007-2009 biennium appropriated funds, the total amount approved per project consists of all biennium cost share approvals.

It was the recommendation of Secretary Frink that the State Water Commission approve the policy of limiting funding for rural flood control projects to \$250,000 per project for the 2007-2009 biennium.

It was moved by Commissioner Olin and seconded by Commissioner Hanson that the State Water Commission approve the cost share policy of limiting funding for individual rural flood control projects to \$250,000 per project for the 2007-2009 biennium. This motion is contingent upon the availability of funds.

Commissioners Berg, Foley, Hanson, Hillesland, Olin, Swenson, Thompson, Jeff Weispfenning representing Commissioner Johnson, and Governor Hoeven voted aye. There were no nay votes. Governor Hoeven announced the motion unanimously carried.

***NORTH DAKOTA IRRIGATION
ASSOCIATION - APPROVAL OF
\$100,000 IN 2007-2009 BIENNIUM
FOR STRATEGIC PLAN INITIATIVES
FOR IRRIGATION DEVELOPMENT IN
NORTH DAKOTA
(SWC File AOC/IRR)***

A request from the North Dakota Irrigation Association was presented for the State Water Commission's consideration for state cost participation in the amount of \$100,000 from July 1, 2007 through June 30, 2009 to pursue the initiatives outlined in the Strategic Plan for Irrigation Development in North Dakota.

The North Dakota Irrigation Association's Strategic Plan identified six components necessary for the development of irrigation and diversification of the state's economic base. These components include communications and coordination, irrigation development, marketing, funding and financing, research related to irrigation, and the pursuit of federal hydropower and affordable energy. These elements provide the basis for substantially increasing the irrigated acreage and economic output in North Dakota.

It was the recommendation of Secretary Frink that the State Water Commission support the efforts of the North Dakota Irrigation Association with an allocation not to exceed \$100,000 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), in pursuance of the activities outlined in the Strategic Plan for Irrigation Development in North Dakota.

It was moved by Commissioner Hanson and seconded by Commissioner Foley that the State Water Commission support the efforts of the North Dakota Irrigation Association and approve an allocation not to exceed \$100,000 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), from July 1, 2007 through June 30, 2009, in pursuance of the activities outlined in the Strategic Plan for Irrigation Development in North Dakota. This action is contingent upon the availability of funds.

Commissioners Berg, Foley, Hanson, Hillesland, Olin, Swenson, Thompson, Jeff Weispfenning representing Commissioner Johnson, and Governor Hoeven voted aye. There were no nay votes. Governor Hoeven announced the motion unanimously carried.

**APPROVAL OF REQUEST FROM
GARRISON CONSERVANCY DISTRICT
FOR CONTINUATION OF CONTRACT
WITH WILL AND CARLSON; AND
COST SHARE OF \$70,000 FROM
JULY 1, 2007 THROUGH JUNE 30, 2009
(SWC Project No. 237)**

A request was presented from the Garrison Diversion Conservancy District to continue participation in support of the Will and Carlson consulting contract in the amount of \$70,000 for services relating to the appropriation under the Garrison Diversion Unit.

The State Water Commission initially entered into a cost share agreement for the services of Peter Carlson in 1991. Since that time, Mr. Carlson has provided services for the State of North Dakota in Washington, DC relating to the Dakota Water Resources Act, Missouri River issues, Devils Lake, the Northwest Area Water Supply (NAWS) Project, agriculture irrigation, and hydro power generation. Considerable efforts are still needed to obtain funding through the Dakota Water Resources Act.

It was the recommendation of Secretary Frink that the State Water Commission approve an allocation not to exceed \$70,000 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), to continue the Will and Carlson consulting contract from July 1, 2007 through June 30, 2009. These funds are to be cost shared 50 percent with the Garrison Diversion Conservancy District.

It was moved by Commissioner Thompson and seconded by Commissioner Berg that the State Water Commission approve an allocation not to exceed \$70,000 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), to continue the Will and Carlson consulting contract from July 1, 2007 through June 30, 2009. These funds are to be cost shared 50 percent with the Garrison Diversion Conservancy District. This action is contingent upon the availability of funds.

Commissioners Berg, Foley, Hanson, Hillesland, Olin, Swenson, Thompson, Jeff Weispenning representing Commissioner Johnson, and Governor Hoeven voted aye. There were no nay votes. Governor Hoeven announced the motion unanimously carried.

**RED RIVER BASIN COMMISSION -
APPROVAL OF ALLOCATION
(\$200,000) FROM JULY 1, 2007
THROUGH JUNE 30, 2009
(SWC File AOC/RRBC)**

The Red River Basin Commission (RRBC) was formed in 2001 to serve as a grassroots effort to address land and water issues in a basinwide context. The RRBC was originally known as the Red River Basin Board, and is a result of the amalgamation of the Board, The International Coalition, and the Red River Water Resource Council. The organization is comprised of a 41-member board of directors representing a broad cross-section of local and state/provincial governments and other interests. The State Engineer, appointed by Governor Hoeven, is a member of the board.

The states of North Dakota and Minnesota, the Province of Manitoba, and the local governments in the three major jurisdictions have participated in funding the activities of the Red River Basin Board/Commission for several years. Contributions of \$100,000 per year are requested of each of the six primary sponsors to fund the Red River Basin Commission's operating costs.

A request from the Red River Basin Commission was presented for the State Water Commission's consideration to provide an allocation not to exceed \$200,000 from July 1, 2007 through June 30, 2009 to support the Commission's Natural Resource Framework Plan (NRFP) efforts.

The NRFP efforts will be guided by the basin outreach strategy that has five components: 1) desired outcomes; 2) relationship management; 3) mechanisms/tools; 4) knowledge management; and 5) monitoring, evaluation, and improvement. The outreach strategy will garner support for the basin goals, identify basin activities that are addressing basin goals, identify areas that still need assistance, and identify the role RRBC can best provide.

The Red River Basin Commission will continue to address other efforts including a basin drought scoping document, mainstem modeling and tributary goals, and jurisdictional dialogue and efforts as needed and directed by the Board.

It was the recommendation of Secretary Frink that the State Water Commission approve an allocation not to exceed \$200,000 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), to support the Red River Basin Commission's Natural Resource Framework Plan efforts from July 1, 2007 through June 30, 2009.

It was moved by Commissioner Hillesland and seconded by Commissioner Berg that the State Water Commission approve an allocation of \$200,000 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), to support the Red River Basin Commission's Natural Resource Framework Plan efforts from July 1, 2007 through June 30, 2007. This action is contingent upon the availability of funds.

Commissioners Berg, Foley, Hanson, Hillesland, Olin, Swenson, Thompson, Jeff Weispfenning representing Commissioner Johnson, and Governor Hoeven voted aye. There were no nay votes. Governor Hoeven announced the motion unanimously carried.

**CASS COUNTY DRAIN NO. 23
AREA IMPROVEMENTS PROJECT -
CONDITIONAL APPROVAL OF STATE
COST PARTICIPATION (\$35,980)
(SWC Project No. 1328)**

A request from the North Cass Water Resource District was presented for the State Water Commission's consideration for state cost participation in the District's project to improve areas of Cass County Drain No. 23. Intermittent slope

failure occurred as a result of the 2006 spring flood. FEMA repair funding is anticipated and will be applied toward the improved project.

The project consists of flattening the south side slope of Drain No. 23 in Section 12 of Gardner Township from 3:1 to 5:1 (approximately 5,200 feet) and the south slope in Section 11 of Wisner Township from 4:1 to 6:1 (approximately 1,115 feet), providing a more stable cross section than currently exists. The project work consists of 42,000 cubic yards of excavation, spoil bank leveling, storm water management during construction, seeding, utility relocation, land acquisition, and engineering. Completion of the construction work is anticipated by the summer of 2008.

The project engineer's cost estimate is \$221,600, of which \$102,800 is determined eligible for state cost participation as a rural flood control project at 35 percent of the eligible costs (\$35,980). Pursuant to the State Water Commission's cost share policy, conditional approval of a rural flood control drainage project is allowed subject to satisfaction of the required drain permit. A sediment analysis indicates 3,000 cubic yards of sediment will be removed during the improvement reconstruction. Assessment maintenance funds will be used to finance the local portion in addition to the FEMA funds. The request before the State Water Commission is for a 35 percent state cost participation in the amount of \$35,980.

It was the recommendation of Secretary Frink that the State Water Commission approve conditional state cost participation as a rural flood control project at 35 percent of the eligible costs, not to exceed an allocation of \$35,980 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), for the Cass County Drain No. 23 area improvements project.

It was moved by Commissioner Olin and seconded by Commissioner Hillesland that the State Water Commission conditionally approve state cost participation as a rural flood control project at 35 percent of the eligible costs, not to exceed an allocation of \$35,980 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), for the Cass County Drain No. 23 area improvements project. This action is contingent upon the availability of funds, and satisfaction of the required drain permit.

Commissioners Berg, Foley, Hanson, Hillesland, Olin, Swenson, Thompson, Jeff Weispfenning representing Commissioner Johnson, and Governor Hoeven voted aye. There were no nay votes. Governor Hoeven announced the motion unanimously carried.

**CASS COUNTY DRAIN NO. 37
IMPROVEMENT RECONSTRUCTION -
CONDITIONAL APPROVAL OF STATE
COST PARTICIPATION (\$75,150)
(SWC Project No. 1088)**

A request from the Maple River Water Resource District was presented for the State Water Commission's consideration for state cost participation in the District's project to improve a section of Cass County Drain No. 37. As a result

of 2006 spring flooding, the side slopes near the outlet to the Maple River have failed. FEMA repair funding is anticipated and will be applied toward the improved project.

The project consists of flattening the side slopes of Drain No. 37 in Section 33 of Durbin Township to create a more stable cross section to prevent further damage. The slope will be reconstructed at the outlet from a 4:1 to an 8:1 until 6 feet vertically above the channel bottom, then transition to a 4:1 until daylight for a length of approximately 1,700 feet. Upstream of the outlet repairs, the side slope will be reconstructed from a 4:1 to a 6:1 for a length of approximately 3,000 feet. There will be a 100-foot transition length between the new design cross sections. The project work consists of 77,000 cubic yards of excavation, spoil bank leveling, storm water management during construction, seeding, utility relocations, land acquisition, and engineering. It is anticipated that construction will be completed by the summer of 2008.

The project engineer's cost estimate is \$325,000, of which \$214,715 is determined eligible for state cost participation as a rural flood control project at 35 percent of the eligible costs (\$75,150). Pursuant to the State Water Commission's cost share policy, conditional approval of a rural flood control drainage project is allowed subject to satisfaction of the required drain permit. A sediment analysis indicates 25 cubic yards of sediment will be removed during the improvement reconstruction. Assessment maintenance funds will be used to finance the local portion in addition to FEMA funds. The request before the State Water Commission is for a 35 percent state cost participation in the amount of \$75,150.

It was the recommendation of Secretary Frink that the State Water Commission approve conditional state cost participation as a rural flood control project at 35 percent of the eligible costs, not to exceed an allocation of \$75,150 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), for the Cass County Drain No. 37 improvement reconstruction project.

The cost share policy criteria for rural flood control drainage projects was discussed. Because there were concerns expressed relating to project deferred maintenance, and state cost participation for improvement reconstruction projects, Governor Hoeven directed the rural flood control committee to revisit the rural flood control drainage projects policy.

It was moved by Commissioner Hanson and seconded by Commissioner Foley that the State Water Commission approve conditional state cost participation as a rural flood control project at 35 percent of the eligible costs, not to exceed an allocation of \$75,150 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), for the Cass County Drain No. 37 improvement reconstruction project. This action is contingent upon the availability of funds, and satisfaction of the required drain permit.

Commissioners Berg, Foley, Hanson, Hillesland, Olin, Swenson, Thompson, Jeff Weispfenning representing Commissioner Johnson, and Governor Hoeven voted aye. There were no nay votes. Governor Hoeven announced the motion unanimously carried.

**RENWICK DAM REHABILITATION
PROJECT, PEMBINA COUNTY -
CONDITIONAL APPROVAL OF STATE
COST PARTICIPATION (\$1,148,520)
(SWC Project No. 849)**

A request from the Pembina County Water Resource District was presented for the State Water Commission's consideration for state cost participation for the rehabilitation of Renwick Dam. The Tongue River watershed, located in

Cavalier and Pembina counties, consists of a system of dams that reduces agricultural, urban, and downstream flood damages to roads, culverts and bridges. Renwick Dam also offers recreational benefits for the surrounding area.

Renwick Dam was built in the late 1950s with a life span of 50 years. The dam has been classified as a high hazard dam because of the potential loss of life in the event of a failure. The North Dakota Natural Resource Conservation Service will design the rehabilitation plan, which will bring Renwick Dam into compliance with current state and federal design and safety criteria.

According to the Service, the recommended plan consists of constructing a roller compacted concrete (RCC) spillway. The earthen embankment will also be raised to an elevation of 994.4 feet msl. An access road to the camp and recreation facilities on the north side of Icelandic State Park will be constructed on the upstream side of the embankment, which will be located between the permanent pool and the RCC spillway. The elevation of the access road will be approximately 11 feet above the permanent pool. Current flood pool easements are for an elevation at 982.8 feet msl. The new flood pool crest elevation will be 983.3 feet msl. There is no anticipated relocation of houses or buildings in the installation of the project measures.

The District will adopt, administer and enforce the management regulations for the purpose of prohibiting future development in the flood pool of Renwick Dam. The one-foot rise in the permanent pool elevation will impact approximately 20 acres not currently owned by the District. The District will obtain the federal and state permits for construction and the Clean Water Act prior to construction.

The project engineer's cost estimate is \$6,276,300, of which \$2,297,040 is determined as the local cost eligible for state cost participation as a flood control dam safety project at 50 percent of the eligible costs (\$1,148,520). Renwick Dam will also receive federal funding for the rehabilitation at 65 percent for eligible construction and engineering items. The request before the State Water Commission is for a 50 percent state cost participation in the amount of \$1,148,520.

It was the recommendation of Secretary Frink that the State Water Commission approve conditional state cost participation as a flood control dam safety project at 50 percent of the eligible costs, not to exceed an allocation of \$1,148,520 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), for the Renwick Dam rehabilitation project.

It was moved by Commissioner Berg and seconded by Commissioner Hanson that the State Water Commission approve conditional state cost participation as a flood control dam safety project at 50 percent of the eligible costs, not to exceed an allocation of \$1,148,520 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), for the Renwick Dam rehabilitation project. This action is contingent upon the availability of funds, and satisfaction of the required permits.

Commissioners Berg, Foley, Hanson, Hillesland, Olin, Swenson, Thompson, Jeff Weispfenning representing Commissioner Johnson, and Governor Hoeven voted aye. There were no nay votes. Governor Hoeven announced the motion unanimously carried.

**SOUTHEAST CASS WATER
RESOURCE DISTRICT FARMSTEAD/
RURAL RING DIKE PROGRAM -
APPROVAL OF ADDITIONAL
CONDITIONAL STATE COST
PARTICIPATION (\$19,116)
(SWC Project No. 1271)**

A request from the Southeast Cass Water Resource District was presented for the State Water Commission's consideration for additional state cost participation in the District's farmstead/rural ring dike program to construct a group ring dike, with an exception to the limited state funding amount of \$25,000 per ring dike.

The Southeast Cass Water Resource District's ring dike program consists of constructing ring dikes around farmsteads/rural homes in Cass county to provide flooding protection from the Red, Sheyenne, and Wild Rice Rivers. This program initially consisted of 12 ring dike applicants, but it has been scaled down to 3 ring dikes to be completed under this program. This is the final ring dike to be constructed under this program, at an estimated cost of \$90,900, of which \$90,400 is determined eligible for a 50 percent state cost participation (\$45,200).

On December 6, 2002, the State Water Commission conditionally approved a state cost participation of 50 percent of the eligible costs not to exceed an allocation of \$259,784 from the funds appropriated to the State Water Commission in the 2001-2003 biennium. On June 30, 2005, \$183,700 was not carried forward into the 2003-2005 biennium and was returned to the state general

fund. The total amount approved for this project was \$76,084 (\$50,000 has been reimbursed for two ring dikes), leaving a current agreement balance of \$26,084. To complete the third and final ring dike, the Southeast Cass Water Resource District requested an additional state cost participation of \$19,116.

It was the recommendation of Secretary Frink that the State Water Commission conditionally approve an additional allocation not to exceed \$19,116 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), for the Southeast Cass Water Resource District farmstead/rural ring dike program. The Commission's affirmative action would increase the total state cost participation to \$95,200.

It was moved by Commissioner Hillesland and seconded by Commissioner Thompson that the State Water Commission conditionally approve an additional allocation not to exceed \$19,116 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), for the Southeast Cass Water Resource District farmstead/rural ring dike program. This action is contingent upon the availability of funds, and receipt of application/notification to construct.

This action increases the total state cost participation to \$95,200 for the Southeast Cass Water Resource District farmstead/rural ring dike program.

Commissioners Berg, Foley, Hanson, Hillesland, Olin, Swenson, Thompson, Jeff Weispfenning representing Commissioner Johnson, and Governor Hoeven voted aye. There were no nay votes. Governor Hoeven announced the motion unanimously carried.

**SWAN CREEK DIVERSION DITCH
IMPROVEMENT RECONSTRUCTION -
CONDITIONAL APPROVAL OF STATE
COST SHARE PARTICIPATION (\$500,000)
(SWC Project No. 847)**

ditch at the city of Casselton. The existing diversion ditch is undersized and collapsing, thus resulting in a flooding risk to the city.

A request from the Maple River-Rush River Joint Water Resource District was presented for the State Water Commission's consideration for state cost participation in the District's project to reconstruct the Swan Creek diversion

The existing diversion was constructed by the Soil Conservation Service over 50 years ago. The intent of the proposed reconstruction project is to protect the city of Casselton from agricultural runoff and sheetwater, and the project will be designed to FEMA standards. The diversion ditch is

located in Sections 34 and 35 in Tier 140 North, Range 52 West, and will be upgraded from a 25-year design to a 100-year design. The design data indicates the length of the ditch at 14,600 feet, a 10-foot bottom width, 5:1 side slopes, a maximum cut of 1.0 feet, and a 0.001 gradient. Construction work consists of excavation, spoil bank leveling, road gravel, culvert removal and new culvert installation, riprap, seeding, material testing, traffic control, 4 rock checks, storm water management, and site entrances.

The project engineer's cost estimate is \$3,250,000, of which \$2,815,000 is determined eligible for state cost participation as a rural flood control project at 35 percent of the eligible costs (\$985,250 - limited to \$250,000 for the 2007-2009 biennium). Pursuant to the State Water Commission's cost share policy, conditional approval of rural flood control projects will be allowed contingent upon satisfaction of the required construction permit and receipt of the final engineering plans. A sediment analysis is not required for a diversion ditch. The request before the State Water Commission is for a 35 percent state cost participation in the amount of \$250,000.

Commissioner Swenson stated that he had an opportunity to tour the project, and he expressed concerns relative to what he determined as project deferred maintenance. Until the State Water Commission's rural flood control committee has an opportunity to revisit the cost share criteria relating to rural flood control projects as directed by Governor Hoeven at this meeting, Commissioner Swenson indicated he could not support state cost participation as recommended for this project.

Secretary Frink explained that although the State Water Commission's cost participation policy for individual rural flood control projects is limited to \$250,000 per project for the 2007-2009 biennium, additional project information was provided from the project sponsor that could allow the State Water Commission to consider a policy deviation. It was the recommendation of Secretary Frink that the State Water Commission conditionally approve state cost participation as a rural flood control project at 35 percent of the eligible costs, not to exceed an allocation of \$500,000 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), for the Swan Creek diversion ditch improvement reconstruction project; and that the State Water Commission review the project type and the cost share percentage in the second year of the 2007-2009 biennium.

It was moved by Commissioner Thompson and seconded by Commissioner Hanson that the State Water Commission conditionally approve state cost participation as a rural flood control project at 35 percent of the eligible costs, not to exceed an allocation of \$500,000 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), for the Swan Creek diversion ditch improvement reconstruction project; and that

the State Water Commission review the project type and the cost share percentage in the second year of the 2007-2009 biennium. This action is contingent upon the availability of funds, receipt of the final project engineering plans, and satisfaction of the required construction permit.

Commissioners Berg, Foley, Hanson, Hillesland, Olin, Thompson, Jeff Weispenning representing Commissioner Johnson, and Governor Hoeven voted aye. Commissioner Swenson voted nay. Recorded vote was 8 ayes; 1 nay. Governor Hoeven announced the motion carried.

***TRAILL/ROSEVILLE DRAIN NO. 19
OUTLET RECONSTRUCTION/LEGAL
EXTENSION PROJECT - CONDITIONAL
APPROVAL OF STATE COST SHARE
PARTICIPATION (\$250,000)
(SWC Project No. 1238)***

A request from the Traill County Water Resource District was presented for the State Water Commission's consideration for state cost participation in the District's project to extend/reconstruct the outlet of Traill/Roseville Drain No. 19 to stabilize the outlet of the drain due to severe erosion.

The proposed project entails reconstruction of the outlet and extending the legal drain by approximately one mile. In Section 4 of Roseville Township, the last mile of the drain is a natural waterway to the Goose River. The improvements to the natural waterway consist of sheet pile drop structures, rock checks, and flattening the side slopes to 3:1 to create a stabilized channel. No accumulated sediment will be removed. It is anticipated that construction will be completed by the fall of 2008.

The project engineer's cost estimate is \$760,000, of which \$720,000 is determined eligible for state cost participation as a rural flood control project at 35 percent of the eligible costs (\$252,000). Pursuant to the State Water Commission's cost participation policy for rural flood control projects, the funding limitation for individual rural flood control projects is \$250,000 per project for the 2007-2009 biennium. Conditional approval of rural flood control projects is allowed subject to a six-month time period for receiving a positive local assessment vote. The request before the State Water Commission is for a 35 percent state cost participation in the amount of \$250,000.

It was the recommendation of Secretary Frink that the State Water Commission conditionally approve state cost participation as a rural flood control project at 35 percent of the eligible costs not to exceed an allocation of \$250,000 from the funds appropriated to the State Water Commission in the 2007-

2009 biennium (S.B. 2020), for the Traill/Roseville Drain No. 19 outlet improvement reconstruction legal extension project. Affirmative action would be contingent upon the availability of funds, attainment of a positive local assessment vote, receipt of the project's final design, and satisfaction of the required drain permit. The remaining eligible \$2,000 will require the State Water Commission's consideration in a future biennium.

It was moved by Commissioner Swenson and seconded by Commissioner Hanson that the State Water Commission conditionally approve state cost participation as a rural flood control project at 35 percent of the eligible costs not to exceed an allocation of \$250,000 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), for the Traill/Roseville Drain No. 19 outlet improvement reconstruction legal extension project. This action is contingent upon the availability of funds, attainment of a positive local assessment vote, receipt of the project's final design, and satisfaction of the required drain permit.

Commissioners Berg, Foley, Hanson, Hillesland, Olin, Swenson, Thompson, Jeff Weispfenning representing Commissioner Johnson, and Governor Hoeven voted aye. There were no nay votes. Governor Hoeven announced the motion unanimously carried.

**WALSH COUNTY ASSESSMENT
DRAIN NO. 10, 10-1, AND 10-2
CONSTRUCTION PROJECT -
APPROVAL OF ADDITIONAL STATE
COST PARTICIPATION (\$43,056)
(SWC Project No. 1942)**

On June 28, 2006, the State Water Commission approved a request from the Walsh County Water Resource District for state cost participation in the amount of \$230,000 for the construction of Walsh County Assessment Drain No. 10, 10-1, and 10-2 to address sheet-

water runoff from cropland and reduce flood damage to agricultural properties.

The proposed drain is being constructed in Action, Oakwood, Harriston, and Pulaski Townships of Walsh County. The constructed drain will consist of a main channel (10), two laterals (10-1 and 10-2), and two spurs (A and B), and will be approximately 32,300 feet in length outletting in Section 36, Tier 157 North, Range 51 West. The drain is being constructed to a maximum cut of 7 feet, 3:1 side slopes, and a 6 to 8-foot bottom width. The drainage area is 4,927 acres. It is anticipated that construction will be completed by the fall of 2007.

The project engineer's cost estimate is \$955,159, of which \$780,159 is determined eligible for state cost participation as a rural flood control project at 35 percent of the eligible costs (\$273,056). The unfunded balance eligible for state cost participation is \$43,056.

It was the recommendation of Secretary Frink that the State Water Commission approve state cost participation as a rural flood control project at 35 percent of the eligible costs not to exceed an additional allocation of \$43,056 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), for the Walsh County Assessment Drain No. 10, 10-1, and 10-2 construction project. The State Water Commission's affirmative action would increase the total state cost participation to \$273,056.

It was moved by Commissioner Swenson and seconded by Commissioner Olin that the State Water Commission approve state cost participation as a rural flood control project at 35 percent of the eligible costs, not to exceed an additional allocation of \$43,056 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), for the Walsh County Assessment Drain No. 10, 10-1, and 10-2 construction project. This action is contingent upon the availability of funds.

This action increases the total state cost participation to \$273,056 for the Walsh County Assessment Drain No. 10, 10-1, and 10-2 construction project.

Commissioners Berg, Foley, Hanson, Hillesland, Olin, Swenson, Thompson, Jeff Weispfenning representing Commissioner Johnson, and Governor Hoeven voted aye. There were no nay votes. Governor Hoeven announced the motion unanimously carried.

***NORTH DAKOTA WATER MAGAZINE -
APPROVAL OF ALLOCATION (\$36,000)
FROM JULY 1, 2007 TO JUNE 30, 2009
(SWC File AOC/WEF)***

A request from the North Dakota Water Education Foundation was presented for the State Water Commission's consideration to continue its participation in the *North Dakota Water* magazine from July 1, 2007 through June 30, 2009.

The State Water Commission has contributed to this effort since 1994 to support the magazine and its own pages, the "Oxbow" and the "Water Primer" sections, and to assist in the mailing distribution of the magazine. Secretary Frink said that with the Commission's support, the *North Dakota Water* magazine will provide continued communication among people interested in North Dakota's water resources.

It was the recommendation of Secretary Frink that the State Water Commission approve funding to the North Dakota Water Education Foundation not to exceed an allocation of \$36,000 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), to assist in the publication of the *North Dakota Water* magazine from July 1, 2007 through June 30, 2009.

It was moved by Commissioner Olin and seconded by Commissioner Thompson that the State Water Commission approve funding to the North Dakota Water Education Foundation not to exceed an allocation of \$36,000 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020), to assist in the publication of the North Dakota Water magazine from July 1, 2007 through June 30, 2009. This action is contingent upon the availability of funds.

Commissioners Berg, Foley, Hanson, Hillesland, Olin, Swenson, Thompson, Jeff Weispfenning representing Commissioner Johnson, and Governor Hoeven voted aye. There were no nay votes. Governor Hoeven announced the motion unanimously carried.

**GRAND FORKS/EAST GRAND FORKS
FLOOD DAMAGE REDUCTION AND
RECREATION PROJECT
(SWC Project No. 830)**

In January, 2000, the cities of Grand Forks and East Grand Forks entered into a project cooperation agreement with the U.S. Department of the Army for construction of the Grand Forks/East

Grand Forks flood damage reduction and recreation project.

In March of 2000, the State Water Commission and the city of Grand Forks entered into an agreement to cost share in a portion of the non-federal Grand Forks portion of the project flood damage reduction costs as defined in the project cooperative agreement.

The agreement, as amended through June 30, 2007, formalized the intent of the state to cost share in 45 percent of the non-federal Grand Forks portion of the project flood damage reduction costs, not to exceed \$52,000,000 authorized in 1999 Senate Bill 2188.

Secretary Frink explained that the Grand Forks flood control project is nearly complete, and that the state's cost share in 45 percent of the non-federal costs could be less than the \$52,000,000 as authorized in 1999 Senate Bill 2188. The Sixtieth (2007) Legislative Assembly, therefore, created and enacted a new section to chapter 61-02.1 of the North Dakota Century Code, provided in Senate Bill 2020, the State Water Commission's appropriation bill, as follows:

SECTION 9. Grand Forks flood control project. Notwithstanding any other provision of law or policy, any existing caps may not be construed to limit access to total state funding of up to fifty-two million dollars for the Grand Forks flood control project.

It was the recommendation of Secretary Frink that the State Water Commission approve \$52,000,000 for the Grand Forks flood control project as set forth in 2007 Senate Bill 2020. Funds will come from carry over funds previously approved by the State Water Commission.

It was moved by Commissioner Hillesland and seconded by Commissioner Berg that the State Water Commission approve \$52,000,000 for the Grand Forks flood control project as set forth in 2007 Senate Bill 2020. Funds will come from carry over funds previously approved by the State Water Commission.

Commissioners Berg, Foley, Hanson, Hillesland, Olin, Swenson, Thompson, Jeff Weispfenning representing Commissioner Johnson, and Governor Hoeven voted aye. There were no nay votes. Governor Hoeven announced the motion unanimously carried.

**NORTHWEST AREA WATER
SUPPLY (NAWS) PROJECT -
PROJECT STATUS REPORT
(SWC Project No. 237-04)**

Michelle Klose, project manager for the Northwest Area Water Supply (NAWS) project, provided the following project status report:

Environmental Impact Statement: The Bureau of Reclamation published a notice of intent in the Federal Register on March 6, 2006 to initiate scoping for an environmental impact statement (EIS) on the NAWS project. The initial public scoping on the NAWS project was completed in May, 2006. The Bureau held the first meeting of the cooperating agencies team on August 22, 2006 to review comments received in the public scoping meetings. The Commission staff provided technical information for the EIS as requested by the Bureau.

The draft EIS is expected in September, 2007. The final EIS and Record of Decision are expected by October, 2008.

Pilot Plant Study: The pilot plant water quality sampling at the Snake Creek pumping plant was completed. A draft report of the results was received in July, 2007 and is currently being reviewed by the State Water Commission staff.

Manitoba Lawsuit: At the request of Judge Rosemary Collyer, a joint federal and state project status report was presented in June, 2007. The next expected court activity would be the state's request this fall to modify the injunction to allow for additional projects.

Project Funding: There are discussions on 2008 federal write-in funding for the state MR&I program through the Bureau of Reclamation. Contingent upon the results of these discussions, there could be \$10 million in federal funding available to NAWS in 2008.

Design Work Update: The State Water Commission intends to bid NAWS contract 4-2A in 2007. This contract includes the Minot high service pump station and a 2 million gallon reservoir, which will be bid in the fall, 2007. The design work is being covered by Specific Authorization 17. An interim contract is being planned for this project to complete the site work and reroute of the existing utilities around the footprint of the site during August, 2007.

Construction Contracts Update:

Contract 2-1D: This contract covers 15 miles of 36-inch pipe between the city of Max and Totten Trail. The contractor is completing work relating to the vaults and pressure testing.

The State Water Commission authorized the award of contract 2-1D-1.05 to Magic Mile Welding Minot, ND, on May 9, 2007 in the amount of \$24,329 for seeding the area.

Contract 2-2A: This contract will include approximately 4 miles of 36" - 24" pipe and associated facilities within the city of Minot, which includes pipeline from the high service pump station west to the U.S. Highway 83 bypass, south to U.S. Highway 52, and to North Hill. The State Water Commission authorized the award of Contract 2-2A to ERS Constructors, Centennial, CO, on April 19, 2007, in the amount of \$5,876,766. The preconstruction conference was held on May 8, 2007, and construction activities commenced the week of June 4, 2007.

Contract 2-2B: This contract will include approximately 20 miles of 16" - 10" pipe and 3 booster pump stations between Minot at U.S. Highway 52 and the city of Berthold. The State Water Commission authorized the award of contract 2-2B on May 9, 2007 to Northern Improvement Co., Fargo, ND, in the amount of \$3,094,675. The pre-construction conference was held on June 6, 2007, and construction activities commenced the week of June 25, 2007.

Contract 5-2B: The design work for contract 5-2B covers a 750,000 gallon reservoir and a 500,000 gallon storage reservoir along the contract 2-2B pipeline between Minot and Berthold. The contract bid opening was held on June 28, 2007; the State Water Commission will consider authorization of the award of contract 5-2B at its July 17, 2007 meeting.

One tank site has been purchased; the other tank site property was recently taken by the federal government and is in a legal process, which is being worked through to acquire the property.

**NORTHWEST AREA WATER
SUPPLY (NAWS) PROJECT -
AUTHORIZE AWARD OF CONTRACT
5-2B, WATER STORAGE TANKS,
BERTHOLD SEGMENT PIPELINE,
TO ENGINEERING AMERICA, INC.,
OAKDALE, MN
(SWC Project No. 237-04)**

Bids were opened for Northwest Area Water Supply (NAWS) Project contract 5-2B, water storage tanks, Berthold segment pipeline, on June 28, 2007. Contract 5-2B involves two storage reservoirs along the Berthold line.

This project was granted approval to proceed with design and construction by Judge Rosemary Collyer on March 24, 2006, while the lawsuit with Manitoba is pending.

There were three bids received and opened from the following for contract 5-2B: Engineering America, Inc., Oakdale, MN; Maguire Iron, Inc., Sioux Falls, SD; and Caldwell Tanks, Inc., Louisville, KY. The apparent low bid received was \$1,135,000 from Engineering America, Inc., Oakdale, MN. The project engineer's estimate was \$2,137,150. The contract documents specify that the State Water Commission has 90 days to award the contract after the bid opening.

Michelle Klose, NAWS project manager, explained that the contract documents allow the State Water Commission to select the most advantageous bid. The contract documents required submission of experience on similar projects. The project engineer reviewed the bids and recommended the award of contract 5-2B to Engineering America, Inc., Oakdale, MN. The contract will require approval by the Bureau of Reclamation, and the award of the contract and notice to proceed are dependent on the completion of the contract documents and a legal review.

It was the recommendation of Secretary Frink that the State Water Commission authorize the secretary to the State Water Commission to award Northwest Area Water Supply Project contract 5-2B, water storage tanks, Berthold segment pipeline, in the amount of \$1,135,000 to Engineering America, Inc., Oakdale, MN, contingent upon a legal review of the contract documents by the state, and written concurrence by the Bureau of Reclamation that the contract prerequisites have been satisfied.

It was moved by Commissioner Hanson and seconded by Commissioner Foley that the State Water Commission authorize the secretary to the State Water Commission to award Northwest Area Water Supply Project contract 5-2B, water storage tanks, Berthold segment pipeline, in the amount of \$1,135,000, to Engineering America, Inc., Oakdale, MN. This action is contingent upon a legal review of the contract documents by the state, and written concurrence by the Bureau of Reclamation that the contract prerequisites have been satisfied.

Commissioners Berg, Foley, Hanson, Hillesland, Olin, Swenson, Thompson, Jeff Weispfenning representing Commissioner Johnson, and Governor Hoeven voted aye. There were no nay votes. Governor Hoeven announced the motion unanimously carried.

***SOUTHWEST PIPELINE PROJECT -
CONTRACT AND STATUS REPORT
(SWC Project No. 1736)***

Tim Freije, project manager for the Southwest Pipeline Project, provided the following project status report:

Medora-Beach Regional Service Area, Phase II:

Contract 7-8B - Beach, Golva, and Fryburg Service Areas. The contractor, Abbot, Arne, Schwindt, Inc., completed installation of all pipeline and services on contract 7-8B. Two hundred fifty-nine (259) users were turned over to the Southwest Water Authority as ready for service. The city of Golva began taking water on November 20, 2006. All but 200 acres have been seeded on contract 7-8B. Because the seedbed preparation was not completed in time for the spring seeding, it will be seeded in the fall of 2007. The final inspection is anticipated in late summer, 2007. The substantial completion date for contract 7-8B is July 15, 2007.

Contract 7-8C - Junction Inn Service Area and the Tower Hill and Crown Butte VFD Pocket Areas (Morton County Areas). The contractor, Northern Improvement Company, completed installation of 172 miles of pipeline on contract 7-8C. One hundred fifty-three (153) users have been turned over to the Southwest Water Authority as ready for service. All contract 7-8C areas have been seeded. The substantial completion date for contract 7-8C is September 7, 2007.

Medora-Beach Regional Service Area, Phase III:

Contract 7-8D - South Fryburg Pocket. Bids were opened for contract 7-8D on April 12, 2007. USDA Rural Development funding was approved for the contract. On May 9, 2007, the State Water Commission authorized the award of contract 7-8D to Abbot, Arne, Schwindt, Inc., Moorhead, MN, in the amount of \$1,535,515.90. The pre-construction conference was held June 26, 2007; work began the week of July 9, 2007.

Contract 7-8E - Fairfield Service Area and Trotters Pocket. The bid opening for contract 7-8E, originally scheduled for June 27, 2007, was postponed and will be rescheduled in the fall of 2007. This will allow time to incorporate the Grassy Butte pocket area in McKenzie county into contract 7-8E and apply for federal funding.

A partially buried concrete reservoir is being planned and designed for water storage and gravity service for water users in the Fairfield service area. The concrete reservoir will be under a separate contract and will be bid in the fall of 2007. An application for federal funding assistance has been filed with USDA Rural Development for this contract.

Richardton and Dodge Pump Stations Standby Engine Generators:

On April 12, 2007, the State Water Commission authorized the award of contract 4-2A/4-1C to Cummins N Power, LLC, Fargo, ND, in the amount of \$919,800. The contract includes one 1000kw standby generator for the Dodge pump station and one 1500kw standby generator for the Richardton pump station. The generators will start and run one large pump at each pump station to provide a flow of 6150 gpm, or 68.7 percent, of the design flow rate. The contract appears to be on schedule for the delivery date of November 15, 2007, and the completion date is required to be 45 calendar days later, or December 30, 2007.

Oliver-Mercer-North Dunn Regional Service Area:

Contract 7-9A - Beulah Interim Service Area. The contractor, Abbot, Arne, Schwindt, Inc., Moorhead, MN, completed installation of all pipeline and services on contract 7-9A. All users were turned over to the Southwest Water Authority as ready for service the week of November 13, 2006. The city of Zap began taking water on November 15, 2006. The contractor has completed cleanup, and the area has been seeded. The prefinal inspection has been completed, with the final inspection anticipated in July, 2007.

Public meetings were held with the city commissions of Beulah, Hazen, Center, Stanton, and Pick City, and with the Minnkota, Dakota-West Moorland, LeLand Olds, and AVS power plants in the Oliver-Mercer-North Dunn regional service area to increase awareness of and interest for the Southwest Pipeline Project. Citywide elections are required unless the city has home rule. Sign up meetings for rural users will be held in the Oliver, Mercer, and north Dunn area this fall and winter.

***SOUTHWEST PIPELINE PROJECT -
RATIFY STATE WATER COMMISSION
ACTION OF MAY 9, 2007 FOR 2007
SERIES A BOND
(SWC Project No. 1736)***

The Medora-Beach regional service area, Phase III, is currently under construction. On April 12, 2007, bids were opened for contract 7-8D, South Fryburg Pocket. On May 9, 2007, the State Water Commission authorized the award of contract 7-8D to Abbot, Arne, Schwindt, Inc., Moorhead, MN, in the amount of \$1,535,515.90. On March 28, 2007, a total funding package of \$2,309,900 was approved by USDA Rural Development, which consisted of a \$1,426,000 loan and a \$883,900 grant.

On May 9, 2007, the secretary to the State Water Commission was authorized to execute the 2007 Series A bond resolution for the North Dakota State Water Commission Water Development Revenue Bonds, Southwest Pipeline Project, Medora-Beach Regional Service Area, Phase III, South Fryburg Pocket. The USDA Rural Development bond closing documents included an amendment to the letter of conditions for a lower interest rate; and resolutions relating to the loan and grant documents, ratifying actions taken by the project manager and the assistant state engineer for a water loan and grant, and the grant agreement.

Based on review by the State Water Commission's bond counsel and assistant attorney general, it was the recommendation of Secretary Frink that the State Water Commission authorize the secretary to the State Water Commission to execute the following documents: resolution authorizing execution of loan and grant documents; resolution ratifying actions taken by the project manager and the assistant state engineer for a water loan and grant; resolution authorizing execution of grant agreement; and the 2007 Series A bond resolution for the North Dakota State Water Commission Water Development Revenue Bonds, Southwest Pipeline Project, Medora-Beach Regional Service Area, Phase III, South Fryburg Pocket.

It was moved by Commissioner Olin and seconded by Commissioner Swenson that the State Water Commission authorize the secretary to the State Water Commission to execute the following documents: resolution authorizing execution of loan and grant documents; resolution ratifying actions taken by the project manager and the assistant state engineer for a water loan and grant; resolution authorizing execution of grant agreement; and the 2007 Series A bond resolution for the North Dakota State Water Commission Water Development Revenue Bonds, Southwest Pipeline Project, Medora-Beach Regional Service Area, Phase III, South Fryburg Pocket. These executed documents are attached hereto as APPENDIX "C."

Commissioners Berg, Foley, Hanson, Hillesland, Olin, Swenson, Thompson, Jeff Weispenning representing Commissioner Johnson, and Governor Hoeven voted aye. There were no nay votes. Governor Hoeven announced the motion unanimously carried.

***SOUTHWEST PIPELINE PROJECT -
APPROVAL OF PROPERTY SALE
LOCATED IN KOHLER ADDITION,
SOUTH OF DICKINSON, ND
(SWC Project No. 1736)***

are no longer necessary for the operation, maintenance, or construction of the project.

Because of route modifications to the Southwest Pipeline Project's design, there are small parcels of land that were acquired by the State of North Dakota for pumping stations and reservoir sites which have been determined

North Dakota Century Code § 61-24.3-10(5) provides for the sale of property as follows:

61-24.3-10. Commission to construct, operate, and maintain southwest pipeline project - rules made by commission. The commission shall have the authority to

5. Sell, transfer, or exchange property acquired for the southwest pipeline project provided the commission determines the property is not necessary for the operation, maintenance, or construction of the southwest pipeline project. For a period of sixty days, the property must first be offered for sale, transfer, or exchange to the current owner of the surrounding property from which the property was obtained. Any parcel of property sold, transferred, or exchanged under this section may not exceed two acres (.81 hectare). Sections 54-01-05.2 and 54-01-05.5 do not apply to the sale, transfer, or exchange of property pursuant to this subsection.

The State Water Commission acquired property in the Kohler Addition south of Dickinson for a purchase price of \$3,000 and \$2,000 in damages. Southwest Grain Company owns the two lots adjacent to the parcel in question and the Company has expressed an interest to acquire the state-owned parcel.

It was the recommendation of Secretary Frink that the State Water Commission authorize the sale of the property, provided under the authority of North Dakota Century Code § 61-24.3-10(5) located in the Kohler Addition south of Dickinson, North Dakota, to the adjacent landowner for a purchase price of \$5,000.

It was moved by Commissioner Foley and seconded by Commissioner Thompson that the State Water Commission authorize the sale of the property, provided under the authority of North Dakota Century Code § 61-24.3-10(5), located in the Kohler Addition south of Dickinson, North Dakota, to the adjacent landowner for a purchase price of \$5,000.

Commissioners Berg, Foley, Hanson, Hillesland, Olin, Swenson, Thompson, Jeff Weispfenning representing Commissioner Johnson, and Governor Hoeven voted aye. There were no nay votes. Governor Hoeven announced the motion unanimously carried.

**SOUTHWEST PIPELINE PROJECT -
APPROVAL TO RENAME DICKINSON
HIGH SERVICE PUMP STATION TO
RAY CHRISTENSEN PUMP STATION
(SWC Project No. 1736)**

The Dickinson high service pump station is the hub of the Southwest Pipeline Project's distribution system to the north, south, east and west throughout the the system. This pump station is located in Dickinson to the southwest of the water treatment plant.

On June 4, 2007, the Southwest Water Authority recognized Ray Christensen, Manager/CEO, for his long-time commitment to water throughout the State of North Dakota as well as his commitment to the Southwest Pipeline Project for the people of the state. Mr. Christensen officially retired on June 30, 2007. The Southwest Water Authority also voted to request that the State Water Commission consider renaming the Dickinson high service pump station to the "Ray Christensen pump station".

It was the recommendation of Secretary Frink that the State Water Commission approve renaming the Dickinson high service pump station to the "Ray Christensen pump station" in recognition of Mr. Christensen's contributions and service to the Southwest Pipeline Project and to the people of southwestern North Dakota.

It was moved by Commissioner Olin and seconded by Commissioner Swenson that the State Water Commission approve renaming the Dickinson high service pump station to the "Ray Christensen pump station" in recognition of Mr. Christensen's contributions and service to the Southwest Pipeline Project and to the people of southwestern North Dakota.

Commissioners Berg, Foley, Hanson, Hillesland, Olin, Swenson, Thompson, Jeff Weispfenning representing Commissioner Johnson, and Governor Hoeven voted aye. There were no nay votes. Governor Hoeven announced the motion unanimously carried.

**DEVILS LAKE
HYDROLOGIC UPDATE
(SWC Project No. 416-01)**

Devils Lake is currently at an elevation of 1447.80 feet msl. At its current elevation, Devils Lake has a surface area of 129,650 acres and storage of 2.530 million acre-feet of water.

The current elevation of Stump Lake is 1447.38 feet msl. At this elevation, Stump Lake has a surface area of 15,032 acres and is storing 501,112 acre-feet of water. The gage on the Jerusalem channel was read at 191 cubic feet per second (cfs).

The combined volume of Devils Lake and Stump Lake is 3.03 million acre-feet, which is a decrease of 22,657 acre-feet since 2006, with Devils Lake decreasing 84,802 acre-feet and Stump Lake increasing 62,145 acre-feet. The combined volume of the lakes has decreased approximately 91,000 acre-feet since May 9, 2006 when Devils Lake was at its record elevation of 1449.2 feet msl and Stump Lake was at 1440.31 feet msl.

The predicted peaks at differing exceedance levels from the National Weather Service forecast for the period July 3, 2007 to September 25, 2007 are shown below for Devils Lake and Stump Lake:

	<u>90%</u>	<u>50%</u>	<u>10%</u>
Devils Lake	1447.80	1447.85	1448.10
Stump Lake	1447.73	1447.78	1448.00

***NORTH DAKOTA DEVILS LAKE
OUTLET PROJECT REPORT
(SWC Project No. 416-07)***

The State of North Dakota pursued an emergency phased outlet project from West Bay to the Sheyenne River. The project was based on a three-year construction time line with construction commencing in the fall of 2002. Operation of the outlet began on August 15, 2005 within the guidelines of the North Dakota Pollutant Discharge Elimination System (NDPDES) water quality discharge permit issued by the North Dakota Department of Health.

The North Dakota Department of Health authorized modifications to the NDPDES water quality discharge permit that would allow a more effective operation of the outlet. The modifications would: 1) allow pumping beyond the original May 1 to November 1 constraint as long as ice-free conditions exist on the Sheyenne River; 2) remove the total suspended solids limit; and 3) adjust the current 300 mg/L instream sulfate level that would allow the outlet to be operated if the instream sulfate level is greater than 260 mg/L as long as the sulfate levels in the Sheyenne River were not increased more than 15 percent up to a maximum level of 450 mg/L.

On September 14, 2006, the People to Save the Sheyenne River, Inc., the Peterson Coulee Outlet Association, the Government of the Province of Manitoba, and the National Wildlife Federation filed an appeal to challenge the North Dakota Department of Health's modifications to the NDPDES water quality discharge permit. The Appellants arguments included: 1) that the North Dakota Department of Health failed to demonstrate adequate causes for the permit modifications, or there was new information available now that was not available at the time the permit was issued on August 22, 2003; and 2) that the North Dakota Department of Health failed to conduct an anti-degradation review. The judge dismissed

the appeal by the Province of Manitoba and other groups. The modified water quality permit has been appealed to the North Dakota Supreme Court. Oral arguments to the Supreme Court have not been completed, briefs were presented on July 13, 2007.

Sulfate concentrations at Bremen on the Sheyenne River exceeded 450 mg/L from ice free time up until early June, 2007 when rainfall caused a reduction of the sulfate levels. Samples taken on June 5 had a sulfate level of 426 mg/L. Pumping at the Round Lake pumping plant was commenced on June 11, 2007. The sulfate levels in the outlet flow and in the Sheyenne River, as well as discharge values in the Sheyenne River at Bremen, control the amount of flow which can be released from the terminal gate of the outlet. This is in compliance of the NDPDES water quality discharge permit as modified. Flow levels in the Sheyenne River were relatively high early in June, however, the flow levels dropped significantly in late June, 2007.

The sulfate levels in the Sheyenne River continue to be below the 450 mg/L level, although they have risen some with the decrease in flows. The sample taken on July 2, 2007 had a sulfate level of 373 mg/L. The sulfate level of the water in the outlet was measured at 679 mg/L.

In June, 2007, minnows were found in the outlet channel. A test was run and live minnows were found by North Dakota Game and Fish Department personnel. Divers inspected the intake structure and found no obvious holes in the structure. On July 2, 2007, the intake was removed for inspection and repairs. Pumping resumed on July 10, 2007 after work to repair vandalism of a pipe valve. Additional testing by the North Dakota Health Department is anticipated.

**MR&I WATER SUPPLY PROGRAM -
MR&I COMMITTEE REPORT;
APPROVALS FOR PROJECT
FUNDING IN 2007-2009 BIENNIUM
(SWC Project No. 237-03)**

The State Water Commission and the Garrison Diversion Conservancy District Municipal, Rural and Industrial (MR&I) Water Supply program committee met on June 5, 2007 to discuss the status and funding of MR&I projects. The

committee recommended funding for the following projects in the 2007-2009 biennium:

Lakota Water Supply: The Tri County Water District is experiencing a shortfall in its current water allocation in the Elk Valley aquifer to supply adequate water for the growth of the district.

The District approached the city of Lakota to discuss a possible joint effort. The city's water line crosses Stump Lake and is currently submerged in 30 feet of water. The city's existing treatment plant also needs considerable improvements.

The Greater Ramsey Water District expressed an interest in making a connection with their system and bringing the water line over to serve both Tri County and Lakota's needs. Tri County is continuing negotiations with the city of Lakota on a joint effort to connect and purchase water from the Greater Ramsey Water District.

The estimated project cost is \$1,000,000. The Tri County Water District requested a 70 percent MR&I grant in the amount of \$700,000 to supplement their supply and serve the city of Lakota by connecting to Greater Ramsey Water District.

It was the recommendation of the MR&I committee to consider a 70 percent MR&I grant, not to exceed an allocation of \$700,000, for the city of Lakota, contingent upon the city of Lakota connecting to a regional water system.

McKenzie County Rural Water System III: McKenzie County Rural Water is investigating a water supply for System III in the Grassy Butte area in southern McKenzie county which could serve 51 users. The water supply being discussed includes a bulk connection to the Southwest Pipeline Project from the Medora-Beach regional service area, Phase III.

The estimated cost for System III upgrades with the Southwest Pipeline Project is \$605,000. The remaining cost to complete the rural distribution of System III is \$1,445,000. The System III feasibility study also needs to be completed, for a total estimated cost of \$35,000. The total estimated cost of the McKenzie County Rural Water System III is \$2,085,000.

It was the recommendation of the MR&I committee to consider a 75 percent MR&I grant, not to exceed an allocation of \$1,563,750, for McKenzie County Rural Water System III.

South Central Regional Water District, Phase I: A regional water system is proposed to serve rural users and municipalities in the counties of Burleigh, Emmons, Kidder, Logan, and McIntosh. The estimated total project cost is \$65,500,000 to \$73,100,000. The current sign up is over 1,600 new users and 10 municipalities. The South Central Regional Water District (formerly known as the Burleigh Water Users Cooperative) is developing the project with sponsors from the various counties. The water supply options included bulk water from the city of Bismarck, a new water source in north Burleigh county, and a new water treatment plant using the Spring Creek aquifer in McIntosh county.

The South Central Regional Water District is constructing a water supply north of Bismarck using angle wells underneath the riverbed of the Missouri River, and a 2,500 gallons per minute treatment plant with full membrane micro filtration blended with reverse osmosis. Service will continue to the existing 3,550 rural and 10 bulk South Central water users.

The estimated cost for South Central Regional Water District, Phase I, for north Burleigh county is \$16,706,052.

It was the recommendation of the MR&I committee to consider a 29 percent MR&I grant, not to exceed an allocation of \$4,870,000, for South Central Regional Water District, Phase I.

Tioga Rural Water Feasibility Study: The Ray-Tioga water supply is presently not a rural water system which serves the communities of Ray and Tioga. The water supply also serves the cities of Ross and Stanley, and a gas processing plant owned by Amerada Hess. The plant is at capacity and options are being reviewed to increase the capacity and expand the water treatment plant. The long-term water projections have been completed indicating a significant demand increase in the future.

The Ray-Tioga water supply is undertaking a feasibility study to refurbish the existing plant and building a parallel plant. The study will consider water treatment, supply distribution, storage, expansion of the facility, and provide cost estimates with rate impacts. The estimated cost of the study is \$100,000.

It was the recommendation of the MR&I committee to consider a 65 percent MR&I grant, not to exceed an allocation of \$65,000, for the Tioga rural water feasibility study.

Upham Water Supply: The city of Upham is required to comply with the arsenic rule by the end of 2008. The city is considering the option of point of use treatment, which is a reverse osmosis system in households to provide drinking water at one tap at the kitchen sink. The city would be responsible for maintenance of the units.

The city of Upham is also considering connecting to All Seasons Water Users. All Seasons was contacted about the possibility of grant money being used to supply the city of Upham. The recommendation was to connect to a regional water system at an estimated cost of \$825,765.

It was the recommendation of the MR&I committee to consider a 75 percent MR&I grant, not to exceed an allocation of \$620,000, for the city of Upham, contingent upon the city of Upham connecting to a regional water system.

Walsh Rural Water District: The city of Park River is constructing a project to use the Fordville aquifer as its new primary source of water. The city entered into an agreement with the Walsh Rural Water District on a regional system, which includes a joint water treatment plant, at an estimated cost of \$3,595,000.

On December 9, 2005, Walsh Rural Water District was approved for a 26 percent grant from the Water Development and Research Fund, not to exceed \$750,000 to purchase its bulk water supply from the city of Park River. Because of a revised cost estimate and the unfunded STAG grant, the District requested an additional 29 percent MR&I grant of \$1,000,000.

It was the recommendation of the MR&I committee to consider a 29 percent MR&I grant, not to exceed an additional allocation of \$1,000,000, for the Walsh Rural Water District. Affirmative action would increase the total grant amount to \$1,750,000 for the Walsh Rural Water District.

Wimbledon Water Supply: The city of Wimbledon intends to connect to the Barnes Rural Water District for potable water needs. The city currently has one well and a packaged filtration plant, which is at five times the national limit on the secondary water standards for iron and three times on manganese.

The Barnes Rural Water District has capacity to serve the city of Wimbledon. The project would consist of installing 1,000 feet of pipe, removal of the existing filter plant, a new water holding tank, and telemetry system updates. The total project cost is \$140,000. The city is looking for their share to go through the State Revolving Fund and a 50 percent MR&I grant of \$70,000.

It was the recommendation of the MR&I committee to consider a 50 percent MR&I grant, not to exceed an allocation of \$70,000, for the city of Wimbledon, contingent upon the city of Wimbledon connecting to a regional water system.

It was the recommendation of Secretary Frink that the State Water Commission approve an allocation not to exceed \$8,888,750 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020) to fund the MR&I projects as recommended by the committee. The Commission's affirmative action is contingent upon the availability of funds, subject to future revisions, and reimbursement of \$8,888,750 to the State of North Dakota using future federal MR&I grant funding authorized under the Dakota Water Resources Act of 2000. The funding approvals for the city of Lakota, the city of Upham, and the city of Wimbledon are contingent upon connection to a regional water system.

It was moved by Commissioner Swenson and seconded by Commissioner Hanson that the State Water Commission approve an allocation not to exceed \$8,888,750 from the funds appropriated to the State Water Commission in the 2007-2009 biennium (S.B. 2020) for the following projects. This action is contingent upon the availability of funds, subject to future revisions, and that the State of North Dakota be reimbursed \$8,888,750 using future federal MR&I grant funding authorized under the Dakota Water Resources Act of

2000. The funding approvals for the city of Lakota, the city of Upham, and the city of Wimbledon are contingent upon connection to a regional water system:

	<u>Project</u>	<u>Grant</u>	<u>Percent</u>
1)	Lakota Water Supply - (Tri County Water District)	\$ 700,000	70
2)	McKenzie County Rural Water, System III	\$ 1,563,750	75
3)	South Central Water District, Phase I	\$ 4,870,000	29
4)	Tioga Rural Water Feasibility Study	\$ 65,000	65
5)	Upham Water Supply - (All Seasons Water Users District)	\$ 620,000	75
6)	Walsh Rural Water District Water Supply	\$ 1,000,000	29
7)	Wimbledon Water Supply - (Barnes Rural Water District)	\$ 70,000	50
	Total Allocation	\$ 8,888,750	

Commissioners Berg, Foley, Hanson, Hillesland, Olin, Swenson, Thompson, Jeff Weispenning representing Commissioner Johnson, and Governor Hoeven voted aye. There were no nay votes. Governor Hoeven announced the motion unanimously carried.

**APPROVAL OF RELEASE OF
EASEMENT AND DEDICATION
FOR KORSNESS DAM,
BOTTINEAU COUNTY
(SWC Project No. 1267)**

In August, 1934, an easement for lands to construct a dam in Bottineau county were given to the State of North Dakota by Soren Korsness in the following described premises:

Northeast Quarter and Northwest Quarter of Section 23, Tier 162 North, Range 78 West, Bottineau County.

A letter was received in the Office of the State Engineer on May 3, 2007 from the Vogel Law Firm, Moorhead, MN, representing the North Dakota Sow Center, LLLP, and Steve and Polly Bernstein, affirming ownership of the land where the easement is in effect, and requesting that the State of North Dakota release the easements for the Korsness Dam project. The State Water Commission's dam safety section inspected the site and reported the proposed dam had not been built.

A letter was sent to the following agencies and entities soliciting comments: North Dakota Land Department, North Dakota Department of Health, North Dakota Game and Fish Department, North Dakota Parks and Recreation, North Dakota Historical Society, Boundary Creek Water Resource District, and the Bottineau County Commission. The deadline for comments was June 6, 2007.

Because the State of North Dakota has no future interest in constructing a dam on the property covered by the easement, it was the recommendation of Secretary Frink that the State Water Commission approve the Release of Easement and Dedication, pursuant to North Dakota Century Code section 61-02-14.1, for the easement as described for the Korsness Dam in Bottineau county.

It was moved by Commissioner Foley and seconded by Commissioner Hillesland that the State Water Commission approve the Release of Easement and Dedication, pursuant to North Dakota Century Code section 61-02-14.1, for the easement as described for the Korsness Dam in Bottineau county.

Commissioners Berg, Foley, Hanson, Hillesland, Olin, Swenson, Thompson, Jeff Weispenning representing Commissioner Johnson, and Governor Hoeven voted aye. There were no nay votes. Governor Hoeven announced the motion unanimously carried.

**GARRISON DIVERSION
CONSERVANCY DISTRICT
REPORT
(SWC Project No. 237)**

The Dakota Water Resources Act of 2000 authorized the Secretary of the Interior to conduct a comprehensive study of the water quantity and quality needs of the Red River valley in North Dakota and possible options for meeting those needs. The Act identified two project-related studies which need to be completed: the *Report on Red River Valley Water Needs and Options*, and the *Red River Valley Water Supply Project Environmental Impact Statement (EIS)*. The Bureau of Reclamation has completed the *Report on Red River Valley Water Needs and Options*. The State of North Dakota and the Bureau are jointly preparing the EIS. Governor Hoeven designated the Garrison Diversion Conservancy District to represent the state in this endeavor.

The draft EIS was released in December, 2005, and public hearings were held in February and March, 2006. The comment period remains open while further analysis is done on issues that have been raised in the comments received to date. The scheduled completion for the final EIS is late summer, 2007. A supplemental draft EIS was completed with the comment period ending on April 25, 2007. Additional study efforts included biota plant failure analysis by the United States Geological Survey (USGS), water quality monitoring by the USGS, impact analysis of Missouri River depletions under drought conditions by the Corps of Engineers, and a cumulative impact analysis of ground-water depletions in Minnesota by the USGS.

The status reports provided by the Garrison Diversion Conservancy District relating to the specific efforts of the Red River Valley Water Supply project and studies are attached hereto as **APPENDIX "D"**.

**DROUGHT DISASTER LIVESTOCK
WATER SUPPLY PROJECT
ASSISTANCE PROGRAM
(SWC Project No. 1851)**

The Drought Disaster Livestock Water Supply Project Assistance program, established by the North Dakota Legislature in 1991, is a state cost share participation program administered by

the State Water Commission that provides financial assistance to existing livestock producers with water supply problems caused by drought. North Dakota Administrative Code Article 89-11 was adopted by the Commission on June 24, 1991 for management of this program.

Water supply projects located in counties included in a drought disaster declaration and counties adjacent to those counties included in a drought disaster declaration are considered eligible for state cost participation. Types of projects that may be funded by the program include the construction of new wells, construction of dugouts or stock dams that are spring-fed or have a high water table, and pipelines and extensions from rural water system connections. North Dakota Century Code chapter 61-34 limits assistance to individual producers of 50 percent of project costs, not to exceed \$3,500, and authorizes the State Water Commission to provide funds for the program.

The State Water Commission allocated \$250,000 for the program on June 24, 1991, and an additional \$50,000 was allocated on July 1, 1992, for a total state contribution of \$300,000. The program was reactivated on July 1, 2002 following Governor Hoeven's issuance of North Dakota Drought Emergency Proclamation, Executive Order 2002-04. The Commission allocated \$200,000 on August 15, 2002 for the program for those counties identified in the executive order, and an additional allocation of \$150,000 on November 3, 2003, for a total state contribution of \$350,000 since program reinstatement. On March 10, 2005, the State Water Commission passed a motion that the remaining funds allocated to the program be expended, followed by program termination; and, that the program be reinstated, if necessary, through a revised North Dakota Drought Emergency Proclamation issued by the Governor.

On June 28, 2006, Governor Hoeven issued North Dakota Drought Emergency Proclamation, Executive Order 2006-05, which indicated a drought emergency existed in south central and southwestern North Dakota. Governor Hoeven subsequently issued Executive Order 2006-05.1 on July 12, 2006 to include all counties within North Dakota.

Pursuant to Executive Orders 2006-05 and 2006-05.1, the State Water Commission reinstated the Drought Disaster Livestock Water Supply Project Assistance Program on June 28, 2006. The Commission allocated \$200,000 for the program on June 28, 2006, \$200,000 on July 20, 2006, \$250,000 on October 12, 2006, and \$550,000 on February 15, 2007, for a total state contribution of

\$1,200,000 since program reinstatement on June 28, 2006. The Commission also approved proposed amendments to the North Dakota Administrative Code Article 89-11, Drought Disaster Livestock Water Supply Project Assistance Program, chapter 89-11, on July 20, 2006.

On July 20, 2006, the State Water Commission directed Secretary Frink to consult with the Office of Attorney General for a legal interpretation of North Dakota Century Code, chapter 61-34, whether an applicant can apply for multiple projects and be considered for cost participation up to \$3,500 for each water supply project. Contingent upon legal satisfaction from the Office of Attorney General staff, the State Water Commission passed a motion on July 20, 2006 that the Commission shall allow an applicant to apply for a maximum of three water supply projects, and the applicant shall be considered for a 50 percent state cost participation, not to exceed \$3,500, for each water supply project. Following a review of the applicable laws and administrative rules, it was the legal opinion that the State Water Commission has the flexibility to approve multiple projects for individual applicants.

Senate Bill 2020, the Commission's appropriation bill for the 2007-2009 biennium, included an amendment to section 61-34-04 of the North Dakota Century Code relating to the eligibility for assistance from the program. The amendment states: Notwithstanding any other provision of law, a water supply project commenced after application for funding is made but without prior approval of the state engineer is eligible for funding from the program.

At its meeting on May 9, 2007, the State Water Commission discussed the current status and long-term direction of the program and directed the advisory committee appointed in 1991, as required by North Dakota Century Code Chapter 61-34 to develop the administrative rules for the management of the Drought Disaster Livestock Water Supply Project Assistance Program, reconvene for the purpose of reevaluating the administrative rules to reflect the legislative and State Water Commission's instituted changes to the program.

Secretary Frink reported that the advisory committee met on June 29, 2007 for the purpose of updating the administrative rules to reflect the modifications to the program by the 2007 legislature. The committee's recommendations are being reviewed by the State Engineer.

Secretary Frink reported the emergency drought conditions have eased due to significant widespread rainfall. Since program reinstatement on June 28, 2006, approximately 600 program applications were submitted, of which about 460 applications have been approved. Of those approvals, approximately \$1,027,380 has been expended for completed projects (for an average reimbursement of \$3,123 per producer). Of the \$1,200,000 allocated for the program, approximately \$173,000 remains available for reimbursement to producers. Applicants

who were unable to complete their projects within the 180-day time limit were contacted to determine if they still required assistance. An extension of time was offered and 83 of the applicants applied for an extension to complete their projects. After being evaluated on a case-by-case basis, about 30 extensions of time were granted to complete their projects prior to June 30, 2007. It is anticipated that approximately \$50,000 of the \$1,200,000 allocated to the program will remain after all of the reimbursements have been made.

It was the recommendation of Secretary Frink that the State Water Commission terminate the Drought Disaster Livestock Water Supply Project Assistance program, effective July 1, 2007.

It was moved by Commissioner Hanson and seconded by Commissioner Olin that the State Water Commission terminate the Drought Disaster Livestock Water Supply Project Assistance program, effective July 1, 2007.

Commissioners Berg, Foley, Hanson, Hillesland, Olin, Swenson, Thompson, Jeff Weispfenning representing Commissioner Johnson, and Governor Hoeven voted aye. There were no nay votes. Governor Hoeven announced the motion unanimously carried.

***MISSOURI RIVER REPORT
(SWC Project No. 1392)***

Drought conditions have eased in the Missouri River basin. On July 6, 2007, the system storage in the six mainstem reservoirs was 40.3 million acre-feet (MAF), 18.7 MAF below the average system storage for the end of June and 1.4 MAF less than in 2006. The record minimum system storage for the end of June was 38.4 MAF in 2005. On July 6, 2007, Lake Sakakawea was at an elevation of 1818.2 feet msl, 1.0 foot higher than in 2006 and 20.9 feet msl below its average June elevation. Lake Sakakawea is at or near its peak for the year. The record minimum end of June elevation was 1814.9 feet msl in 2005.

The Corps of Engineers predicted runoff above Sioux City for 2007 to be 21.7 MAF, 86 percent of normal. This resulted in a forecast that the system will have 36.9 MAF at the end of 2007, the previous minimum end of year system storage was 34.4 MAF in 2006. Lake Sakakawea is forecasted to fall to 1813.0 feet msl at the end of 2007.

The elevation of Lake Oahe was 1582.8 feet msl on July 6, 2007, which is 7.1 feet higher than a year ago and 23.1 feet lower than its average June elevation. The Corps of Engineers is estimating that Lake Oahe will fall to 1579.9 feet msl by the end of 2007.

Fort Peck Lake was at an elevation of 2203.1 feet msl on July 6, 2007, which is 3.0 feet lower than a year ago and 31.0 feet below its average end of June elevation. The forecast calls for Fort Peck Lake to fall to 2200.8 feet msl by the end of 2007.

**SHEYENNE-MAPLE FLOOD CONTROL -
MAPLE RIVER DAM DEDICATION
(SWC Project No. 1878)**

The Sheyenne-Maple flood control project components consists of the Sheyenne River diversion at West Fargo, the Sheyenne River diversion from Horace to West Fargo, the Baldhill Dam five-foot flood pool raise, and the Maple River Dam.

Construction of the Maple River Dam began in 2004 to reduce flood stages and areas inundated within the Maple River, Sheyenne River, and the Red River valley floodplain areas due to the Maple River flows. The dam is located in the NE1/4 of Section 14, Tier 137 North, Range 54 West, in Cass county, approximately 7 miles east and 4 miles north of the city of Enderlin. The watershed area for the Maple River Dam is comprised of 901.8 square miles, or 577,152 acres. The total project cost for the Maple River Dam was \$29,500,000 and included state (\$14,675,000) and local (\$14,825,000) funding. The Maple River Dam became operational in November, 2006.

On July 17, 2007, the Cass County Joint Water Resource District sponsored the dedication of the Maple River Dam.

There being no further business to come before the State Water Commission, Governor Hoeven adjourned the meeting at 11:50 AM.



John Hoeven, Governor
Chairman, State Water Commission

Dale L. Frink
North Dakota State Engineer, and
Chief Engineer-Secretary to the
State Water Commission

