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NAWS Authority Meeting
Minot Public Works Conference Room
1025 31st St SE, Minot, ND 58701
November 25, 2025 – 3:00 P.M. C.T

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Meeting Agenda

- A. Roll Call
- B. Introductions
- C. Consideration of Agenda
- D. Consideration of September 25, 2025 Meeting Minutes
- E. Department of Water Resources Director Update
 - E.1. Governance and Finance Study Update
- F. October 9, 2025 State Water Commission Meeting Update
- G. November 20, 2025 State Water Pre-Commission Meeting Update
 - G.1 2026 Water Rate
 - G.2. Memorandum of Understanding (MOU) with NAWS Customers
 - G.3 REM Project – Pump Repair at High Service Pump Station
- H. 2026 Meeting Dates
- I. NAWS Biota Water Treatment Plant Operations Update
- J. NAWS Construction Update
- K. NAWS Operations Update
- L. Other Business
- M. Adjourn

MINUTES

Northwest Area Water Supply Authority Minot, North Dakota September 25, 2025

The Northwest Area Water Supply (NAWS) Authority held a meeting in Conference Room 3 of the Minot Public Works Building, 1025 31st St SE, Minot, ND, and via Microsoft Teams on September 25, 2025. Dan Schaefer, Chairman of the NAWS Authority, called the meeting to order at 3:00 PM. A quorum was present.

NAWS AUTHORITY REPRESENTATIVES PRESENT:

Dan Jonasson, City of Minot Representative
David Lakefield, City of Minot Representative
Kenny Rodgers, Garrison Diversion Conservancy District Representative
Dan Schaefer, Chairman, All Season Water Users District Representative
Tony Schwalbe, Cities with Direct Service Representative
Jason Sorenson, Vice Chairman, City of Minot Representative

OTHERS PRESENT:

John Paczkowski, State Engineer, Department of Water Resources (DWR) (virtual)
Sindhuja S. Pillai-Grinolds, Director Water Development Division DWR
Travis Thyberg, Project Support Assistant, DWR
Clint Cogdill, NAWS Operator, DWR
Brandon Weist, NAWS Operator, DWR
Abby Ebach, Director of Public Policy, DWR (virtual)
Ryan David, Houston Engineering (virtual)

CONSIDERATION OF AGENDA

Chairman Schaefer requested for any corrections or additions to the agenda. As there were none, the agenda was approved as presented by voice vote.

CONSIDERATION OF THE JULY 31, 2025 MEETING MINUTES

Meeting minutes were sent to the Authority for review prior to the meeting. Chairman Schaefer requested for feedback or changes to the meeting minutes from the previous Authority meeting on July 31, 2025. No feedback was presented, and the meeting minutes were approved as presented by voice vote.

AUGUST 14, 2025 STATE WATER COMMISSION (SWC) MEETING UPDATE

Sindhuja S. Pillai-Grinolds, DWR Water Development Division Director, noted that at the August 14, 2025, SWC meeting, DWR presented two agenda items. The first was funding authorization for the Intake and Snake Creek Pumping Plant Modifications for the total of \$18.97 million in federal funding and \$2.79 million from the ND Resources Trust Fund. Funding authorization was approved by the SWC.

The second agenda item that was presented was a request for the Commission to appoint Kristine Goettle to represent Upper Souris Water District and Craig Haskins to represent North Prairie Regional Water District on the NAWS Authority. This request was approved by the SWC.

SEPTEMBER 17, 2025 PRE-COMMISSION MEETING UPDATE

Sindhuja S.Pillai-Grinolds, DWR Water Development Division Director, noted that no NAWS Project related items were presented at the September Pre-Commission meeting.

NAWS 2026 WATER RATE – PRELIMINARY ESTIMATION

Sindhuja S.Pillai-Grinolds, DWR Water Development Division Director, noted that the SWC has signed a Water Supply and Treatment Agreement with the City of Minot. The City of Minot has provided the City of Minot's groundwater supply rate and the treatment rate for 2026. DWR staff have completed a preliminary estimation of the 2026 water rates for City of Minot and other NAWS Contract customers. DWR is still waiting on All Seasons Water Users District's 2026 rate to the SWC for serving City of Westhope as well as a few other details to finalize the 2026 water rates. Based on the preliminary analysis, NAWS Contract customer's rate is estimated at \$5.47/1,000 gallons, a 1-cent decrease from the previous year and the City of Minot's rate from the NAWS system is estimated at \$0.74/1,000 gallons a 2-cent increase from the previous year. DWR will continue to refine the preliminary estimates and final 2026 NAWS water rate will be presented for approval at the November Authority meeting and the December SWC meeting.

NAWS BIOTA WATER TREATMENT PLANT (WTP) OPERATIONS UPDATE

Sindhuja S.Pillai-Grinolds, DWR Water Development Division Director, noted since the last Authority meeting, DWR did receive additional federal funding from the Bureau of Reclamation in the amount of \$1.932 million. Houston Engineering is working on addressing comments from the North Dakota Department of Environmental Quality (DEQ) on the first draft of the capacity assessment document for the Biota WTP that is required by DEQ.

NAWS CONSTRUCTION UPDATE

Sindhuja S.Pillai-Grinolds gave a brief construction update on NAWS projects following the memo included in the packet.

NAWS OPERATIONS UPDATE

NAWS Operator Update:

Sindhuja S.Pillai-Grinolds introduced Brandon Weist as the newest operator hired for the NAWS project.

Memorandum of Understanding (MOU) with NAWS Customers:

DWR developed a MOU with NAWS customers for documenting limitations on assistance provided by the different entities. This draft MOU was shared with the Authority at the July

Authority meeting. DWR staff has not received any comments on the draft MOU. It was clarified that the MOU is designed to protect both the DWR operators and the NAWS customers while offering support to each other.

It was moved by Representative Jonasson, seconded by Representative Lakefield, and approved unanimously, concur with DWR staff to approve the attached MOU and concur with DWR staff proceeding with executing the MOU with NAWS customers.

NAWS On-Call Phone Number:

Single NAWS on-call phone number has been implemented. DWR will maintain a single on-call number for NAWS Operators, 701-328-6297 (701-328-NAWS). This number will be the primary number for NAWS Authority members and customers to use for any NAWS related issues or questions.

Pump Repairs at the NAWS High Service Pump Station (HSPS):

At the May 9th Authority meeting, DWR requested reimbursement from the reserve fund for Replacement and Extraordinary Maintenance (REM) for the pump rebuild expense at the NAWS HSPS. That request was approved and that pump rebuild is now complete.

At this time, there is another pump in the shop that DWR believes will be eligible for reimbursement from the REM funds, although DWR does not have a quote currently.

Agreements with City of Minot:

DWR will continue to work on developing various agreements with the City of Minot. DWR has identified two agreements that need development: an Operations and Maintenance Agreement for the HSPS and Water Service Agreement with the City of Minot.

OTHER BUSINESS

Sindhuja S.Pillai-Grinolds noted that Deloitte Consulting has been hired to complete the Governance and Finance Study of three regional water systems (Southwest Pipeline Project, Northwest Area Water Supply, and Red River Valley Water Supply Project). One of the tasks in the contract is for Deloitte to complete stakeholder engagement which includes the NAWS Authority. Deloitte Consulting has been introduced to the Authority Chairman and Vice-chairman and will be reaching out to the Authority for completing the stakeholder engagement.

There being no further items of discussion, the meeting was adjourned at 3:40 PM.

Respectfully submitted,

Travis Thyberg, DWR Project Support Assistant

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TO: NAWS Authority Representatives
FROM: Reice Haase, Director
SUBJECT: October 9, 2025 State Water Commission Update
DATE: November 20, 2025



At the October 9, 2025, State Water Commission (SWC) meeting, in addition to the project update, one Northwest Area Water Supply (NAWS) Project related agenda item regarding City of Minot NAWS Authority representative appointment was presented for approval.

Sindhuja S.Pillai-Grinolds presented the letter from the City of Minot noting the city council's action appointing the city's Mayor position as one of City of Minot's representatives to the NAWS Authority.

The recommendation for the SWC to approve the appointment of City of Minot's Mayor as one of Minot's representatives on the NAWS Authority was approved.

RH:SSP/237-4-AUTH

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TO: NAWS Authority Representatives
FROM: Reice Haase, Director
SUBJECT: November 20, 2025 Pre-Commission Meeting Agenda Items
DATE: November 20, 2025



At the November 2025 Pre-Commission meeting of the State Water Commission (SWC), three Northwest Area Water Supply (NAWS) Project related items were presented.

- G.1 2026 Water Rate
- G.2. Memorandum of Understanding (MOU) with NAWS Customers
- G.3 REM Project – Pump Repair at High Service Pump Station

G.1 2026 Water Rate

The Northwest Area Water Supply Project's (NAWS or Project) water service agreements require an annual review and adjustment of water rates which will go into effect January 1 of the following year.

With the delivery of Lake Sakakawea water to the NAWS project expected soon, the Water Supply and Treatment Agreement (S&T Agreement) was developed and executed between the State Water Commission (Commission) and the City of Minot in July 2025. City of Minot will treat both lake water and ground water and provide treated water for the NAWS project and the City of Minot. Based on the record of decision for the NAWS project, both lake water and ground water will be used for the Project. The S&T Agreement lays out billing procedures and responsibilities between the City of Minot and the Commission.

The NAWS Water Rate is calculated based on projected water use and estimated expenses. Water use is projected based on historical use adjusted for recognizable trends or changes in population or operations. New facilities becoming operational requires estimation of expenses.

The NAWS system has two different water rates, one for City of Minot's connections and the other for NAWS contract customers. NAWS has two connections to the City of Minot's distribution system, one connection at the Minot Air Force Base, and ten connections to North Prairie Regional Water, which are all included in the City of Minot's NAWS rate. NAWS has nine contract customers which include the cities of Berthold, Kenmare, Burlington, Mohall, Sherwood, Westhope, Bottineau, and the rural water systems of Upper Souris Water District and All Seasons Water Users District.

Determination of NAWS Water Rate:

NAWS water rates are comprised of Capital Costs, Ground Water Supply Rate, Lake Water Supply Rate, Treatment Rate, Operation and Maintenance (O&M) costs, and reserve rate for Replacements and Extraordinary Maintenance (REM). The water rate for the City of Minot from the NAWS project includes a Lake Water Supply Rate, O&M rate, and the REM rate. The Ground Water Supply Rate and Treatment Rate for City of Minot customers will be billed directly by City of Minot. The water rate for the NAWS contract customers includes: Ground Water Supply Rate, Lake Water Supply Rate, Treatment Rate, O&M rate, and REM rate.

Capital Costs:

The Capital Costs portion of the NAWS water rate is covered by Minot's 35% share of

construction costs.

Ground Water Supply Rate:

The City of Minot has estimated the 2026 Ground Water Supply Rate to be \$0.52/1,000 gallons. This is an increase from \$0.41/1,000 gallons in 2025.

Lake Water Supply Rate:

The Lake Water Supply Rate estimated based on electrical demand projections and projected supply from Lake Sakakawea resulted in a Lake Water Supply Rate estimation of \$0.28/1,000 gallons. With the substantial completion of the Biota Water Treatment plant expected in fall 2026, and the uncertainty with the projections used in the Lake Water Supply Rate estimation, the 2026 Lake Water Supply Rate is recommended to be the same as the 2026 Ground Water Supply Rate of \$0.52/1,000 gallons. When actual data becomes available, the Lake Water Supply Rate can be estimated with reasonable accuracy.

Treatment Rate:

City of Minot has estimated the 2026 Treatment Rate to be \$2.30/1,000 gallons. This is a decrease of \$0.29/1,000 gallons from \$2.59/1,000 gallons in 2025.

Operation and Maintenance Rate (O&M Rate):

The O&M rate is broken down into two main components: utility expenses and operating expenses. The utility expenses for facilities used only for City of Minot connections and NAWS contract customer connections were allocated respectively while the shared facilities were allocated proportionately based on water usage volume.

The operating expenses include professional services, labor and other miscellaneous expenses such as vehicle mileage, per diems, lodging, insurance, routine maintenance activities, repairs, licensing for various software, and any other expenses incurred on the project. Repairs are an estimate and can vary significantly year to year. Larger repair expenses are usually eligible for the REM funds, but many are not eligible and numerous items like sump pumps, heaters, dehumidifiers, and batteries for uninterruptable power supplies are replaced regularly.

The operating expenses were allocated based on estimated allocation of 0%, 25%, and 75% towards the Lake Supply Rate, City of Minot connections, and NAWS contract connections respectively. No operating expenses were allocated to the Lake Supply Rate for 2026 due to the uncertainty in lake water delivery.

The 2026 O&M rate to be charged to the City of Minot connections, based on the projected water use and expenses, shows an increase to \$0.30/1,000 gallons from the 2025 rate of \$0.27/1,000 gallons.

The 2026 O&M rate to be charged for NAWS contract customers based on the projected water use and expenses results in an increase of \$0.40/1,000 gallons from \$2.03/1,000 gallons in 2025 to \$2.43/1,000 gallons.

Replacement and Extraordinary Maintenance Rate (REM Rate):

For 2026, an increase in REM rate from \$0.45/1,000 gallons to \$0.48/1,000 gallons is proposed. This adjustment to the REM rate is based on 3% adjustment for construction inflation and 3% growth in REM rate needed to build the REM fund balance to \$100 million (25% of current NAWS project expenditure of approximately \$400 million) over 40 years. A comprehensive REM rate study for the NAWS project is expected to be completed in 2026.

2026 NAWS Water Rates Summary:

The 2026 NAWS water rate for City of Minot connections is increasing from \$0.72/1,000 gallons to \$0.78/1,000 gallons. This does not include supply rate. City of Minot customers will start paying the Lake Supply Rate to the Commission based on the proportion between Lake Water Supply and Ground Water Supply when the Lake water becomes available for the Project. The treatment rate for City of Minot customers will be billed by the City.

The 2026 NAWS water rate for NAWS contract connections is increasing from \$5.48/1,000 gallons to \$5.73/1,000 gallons. This includes the Ground Water Supply/Lake Supply Rate of \$0.52/1,000 gallons.

Description	City of Minot Connections	NAWS Contract Connections
Capital Cost (Per 1,000 gallons)	\$0.00	\$0.00
Groundwater Supply Rate (Per 1,000 gallons)*	\$0.52	\$0.52
Lake Water Supply Rate (Per 1,000 gallons)*	\$0.52	\$0.52

Treatment Rate (Per 1,000 gallons)	\$2.30	\$2.30
O&M Rate (Per 1,000 gallons)	\$0.30	\$2.43
REM Rate (Per 1,000 gallons)	\$0.48	\$0.48

* - Customers will be charged Lake Supply Rate and Ground Water Supply Rate based on the proportion between lake supply and ground water delivered during a particular time.

The supporting information for the 2026 NAWS water rate determination is included in the following pages.

I recommend the NAWS Authority approve the following 2026 NAWS water rates:

Lake Supply Rate – \$0.52/1,000 gallons

Ground Water Supply Rate - \$0.52/1,000 gallons

Treatment Rate for NAWS Contract Connections - \$2.30/1,000 gallons

O&M Rate for NAWS Contract Connections - \$2.43/1,000 gallons

O&M Rate for NAWS City of Minot Connections - \$0.30/1,000 gallons

REM Rate for NAWS Contract Connection, City of Minot Connections, City of Rugby - \$0.48/1,000 gallons

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2026 NAWS Interim Water Rate Determination - Supporting Documentation

Assumptions for 2026 NAWS Water Rate Estimation

Operational Expenses Split

Lake Supply	0%
NAWS City of Minot	25%
NAWS Contract Customers	75%
Utility Rate Increase assumption from 2025 to 2026	15%
HSPS NAWS Electricity Cost - Allocation to City of Minot	82%

Water Sales Projection

	2024 (Actual)	2025 (Budget)	2025 (Actual January-June)	Projected Annualized 2025	2026 Budget Volume
HSPS - Minot meter	911,453,500	NA	416,187,000	832,374,000	832,000,000
HSPS - NAWS Meter	1,536,948,500	1,595,000,000	782,108,000	1,564,216,000	1,564,000,000
HSPS - City of Minot usage within NAWS meter	1,230,117,904	1,260,000,000	631,892,480	1,263,784,960	1,260,000,000
HSPS - North Prairie Usage within NAWS meter	38,116,011	40,000,000	21,671,193	43,342,386	40,000,000
NAWS Customers Usage	295,837,470	295,000,000	157,208,963	314,417,925	300,000,000
NAWS - Minot Contract Usage	1,268,233,915	1,300,000,000	653,563,673	1,307,127,346	1,300,000,000
Total Minot Usage	2,179,687,415	NA	1,069,750,673	2,139,501,346	2,132,000,000
Total NAWS Usage					300,000,000
Total Water Supply Needed for NAWS & City of Minot					2,432,000,000
Lake Supply Estimated at 7 MGD From September 2026					840,000,000
Ground Water Supply					1,592,000,000

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O&M Expenses - Operations. Includes labor, repairs, equipment	2024 (Actual)	2025 (Budget)	2025 (Actual January-June)	Projected Annualized 2025	2026 Budget	Comment for 2026 Budget	Variance from 2025 Budget
Payroll - Operators (Base Salaries and Benefits)	\$ 172,836.76	\$ 220,000	\$86,013.82	\$197,609.98	\$ 225,000	Increased current operators salary by 3% to account for July 2026 increases from legislature	\$ 5,000
Payroll - Operator Overtime pay	\$ 4,561.11	\$ 6,000	\$1,061.43	\$ 2,100	\$ 6,000		\$ -
Payroll - Operator On call pay	\$ 40,434.57	\$ 42,000	\$18,662.82	\$ 37,300	\$ 72,000	Increased to cover on call expenses paid as Comp time for Perry to the New operator	\$ 30,000
Payroll - NAWS PM (Base salaries and Benefits)		\$ 16,000	NA	NA	\$ 27,000	Based on NAWS PM salary & fringes at 15% of their time based on JD	\$ 11,000
Agency Operations - Lodging	\$ 14,313.00	\$ 15,483	\$7,937.60	\$ 15,900	\$ 2,000	Reducing this as Operators are not eligible for lodging reimbursement	\$ (13,483)
Agency Operations - Meals Reimbursement	\$ 6,773.00	\$ 6,132	\$5,111.00	\$ 10,200	\$ 2,000	Reducing this as Operators are not eligible for lodging reimbursement	\$ (4,132)
Agency Operations - Motor Pool	\$ 18,517.27	\$ 19,390	\$12,179.99	\$ 24,400	\$ 32,000	Increasing this to account for new truck for the operator	\$ 12,610
Agency Operations - Motor Pool Replacement	\$ 10,516.23	\$ 10,634	\$4,932.95	\$ 9,900	\$ 13,000	Increasing this to account for new truck for the operator	\$ 2,366
Agency Operations - ITD & Telephone	\$ 4,605.13	\$ 5,885	\$2,888.44	\$ 5,800	\$ 12,000	Increasing this to provide a phone for the new operator	\$ 6,115
Agency Operations - Other Professionals	\$ 8,589.30	\$ 4,662	\$2,649.55	\$ 5,300	\$ 6,000	First District Health, Preferred Controls expenses directly	\$ 1,338
Agency Operations - Engineering Services	\$ 41,168.97	\$ 46,498	\$12,931.43	\$ 25,900	\$ 30,000	O&M assistance from HEI and Preferred Controls	\$ (16,498)
Agency Operations - Other Services	\$ 33,689.00	NI	\$9,360.00	\$ 18,700	\$ 20,000	Rental Equipment, SCADA licensing fee	\$ 20,000
Agency Operations - Professional Development					\$ 3,000	This is included in the agency budget for two team members	\$ 3,000
Agency Operations - Insurance	\$ 17,534.00	\$ 22,750	\$28,179.00	\$ 28,179	\$ 35,000		\$ 12,250
Agency Operations - Equipment Supplies	\$ 48,016.68	NI	\$36,534.11	\$ 73,100	\$ 50,000	This is a new line item that was missed in the Preliminary Budget	\$ 50,000
Agency Operations - Repairs	\$ 70,386.81	\$ 40,000	\$21,411.25	\$ 42,800	\$ 50,000		\$ 10,000
Agency Operations - AMR Monitoring Fee*		\$ 3,969	NA	NA			\$ (3,969)
Agency Operations - SCADA Licensing Fee*		\$ 6,195	NA	NA			\$ (6,195)
Agency Operations - Equipment Purchase		\$ 10,714	\$0.00	\$ -	\$ 20,000	\$10,000 for skidsteer already purchased and \$10,000 for other equipment	\$ 9,286
Agency Operations - Cost to serve Westhope through ASWUD*		\$ 27,479	\$25,681.65		\$ 26,100	Assumed water usage for Westhope to be same as 2025 and Water rate from ASWUD is \$2.25/1000 gallons	\$ (1,379)
Agency Operations - SRT, Circle sanitation, one call etc	\$ 8,268.52	NA	\$3,887.97	\$ 7,776	\$ 8,942		\$ 8,942
Total Operational Expenses		\$ 521,159	\$ 292,136	\$ 513,790	\$ 640,042		\$ 118,883
Special Use Permit with BOR attributable only to Lake Supply	\$ 16,539.82	\$ 17,367	\$16,600.57	\$ 16,601	\$ 17,500		\$ 133
* Part of other lines in the Financial report							
O&M Operations Split		Cost	Volume	Cost/1000 gallons			
Lake Supply - DWR Agency Operations	0%	\$ -	840,000,000	\$ -			
NAWS City of Minot - DWR Agency Operations	25%	\$ 160,010.58	1,595,000,000	\$ 0.10			
NAWS Contract Customers - DWR Agency Operations	75%	\$ 480,031.75	300,000,000	\$ 1.60			
Lake Supply (BOR Special Permit Fee)		\$ 17,500	840,000,000	\$ 0.02			

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O&M: Utility Expenses Estimation						
Utility Rate Escalation to use 15%						
Utility Expenses for Lake Supply Rate Estimate						
Electrical Expenses	2024 (Actual)	2025 (Budget)	2025 (Actual January-June)	Projected Annualized 2025	2026 Budget	Comment for 2026 Budget
SCPP Electrical Cost Estimate	NA	\$410,377.42	NA	NA	\$ 160,536.00	Estimate from HEI based on Contract Substantial Completion in December 2025 and BWTP operational in April 2026.
Biota WTP HSPS Electrical cost Estimate	NA	\$177,911.61	NA	NA	\$ 49,230.40	Estimate from HEI based on BWTP operational in April 2026.
Other Lake supply facility expenses	\$ 6,168.08	\$ 6,495.75	\$ 3,512.70	\$ 7,025.40	\$ 8,079.21	Increased the projected annualized expenses in 2025 by utility escalation shown at the top
Total Lake Supply Utility Expenses		\$594,784.78	\$ 3,512.70		\$ 217,845.61	
Lake Supply Water Volume Estimated at 7 MGD from September 2026		1,595,000,000			\$ 840,000,000.00	
Cost/1000 gallons		\$ 0.37			\$ 0.26	
Distribution Utility Expenses						
Total HSPS Electricity Costs	\$ 400,726.25	\$ 427,204.37	\$ 207,323.12	\$ 414,646.23	\$ 476,843.17	Increased the projected annualized expenses in 2025 by utility escalation shown at the top
HSPS Electricity Costs for NAWS	\$ 256,525.83	\$ 256,322.62	\$ 126,782.60	\$ 253,565.19	\$ 291,599.97	Increased the projected annualized expenses in 2025 by utility escalation shown at the top
HSPS Electricity Costs for City of Minot	\$ 144,200.43	\$ 170,881.75	\$ 80,540.52	\$ 161,081.04	\$ 185,243.20	Increased the projected annualized expenses in 2025 by utility escalation shown at the top
Other Electricity Expenses	\$ 143,644.34	\$ 188,993.69	\$ 89,540.76	\$ 179,081.51	\$ 205,943.74	
Utility Expenses For NAWS City of Minot						
NAWS City of Minot's allocation of the NAWS HSPS Costs	82%					
HSPS Costs - NAWS City of Minot	\$ 210,351.18	\$ 210,184.55	\$ 103,961.73	\$ 207,923.46	\$ 239,111.98	
North Prairie Connections Utility - NAWS City of Minot	\$ 4,766.46	\$ 5,180.85	\$ 2,682.56	\$ 5,365.12	\$ 6,169.89	
Other Electricity Expenses Attributable to City of Minot Connections					\$ 9,073.63	Including proportional electricity cost based on volume for BPS1, 2, 3, and 4
Total Utility Expenses (For NAWS City of Minot)	\$ 215,117.64	\$ 215,365.40	\$ 106,644.29	\$ 213,288.58	\$ 254,355.50	
Water Volume		1,300,000,000			1,300,000,000	
Cost/1000 gallons		\$ 0.17			\$ 0.20	
Utility Expenses For NAWS Contract Customers						
NAWS Contract Customers allocation of the NAWS HSPS Costs	18%					
HSPS Costs - NAWS Contract Customers	\$ 46,174.65	\$ 46,138.07	\$ 22,820.87	\$ 45,641.74	\$ 52,488.00	
Other Electricity Expenses Attributable to NAWS Customers	\$ 143,644.34	\$ 188,993.69	\$ 89,540.76	\$ 179,081.51	\$ 196,870.11	
Total Utility Expenses (For NAWS Contract Customers)	\$ 189,818.99	\$ 235,131.76	\$ 112,361.62	\$ 224,723.25	\$ 249,358.11	
Water Volume		295,000,000			300,000,000	
Cost/1000 gallons		\$ 0.80			\$ 0.83	

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Water Rate Summary

	Lake Supply Rate Estimate *	City of Minot Supply Rate*	City of Minot Treatment Rate	O&M Rate (Operations+ Utilities)	REM Rate	Total
NAWS City of Minot (2024)	\$ 0.20	Not Applicable	Not Applicable	\$ 0.26	\$ 0.35	\$ 0.61
NAWS City of Minot (2025)	\$ 0.39	Not Applicable	Not Applicable	\$ 0.27	\$ 0.45	\$ 0.72
NAWS City of Minot (2026)	\$ 0.28			\$ 0.30	\$ 0.48	\$ 0.78
Total Increase for 2026						\$ 0.06
NAWS Contract Customers (2024)	\$ 0.20	\$ 0.20	\$ 2.00	\$ 1.65	\$ 0.35	\$ 4.20
NAWS Contract Customers (2025)	\$ 0.39	\$ 0.41	\$ 2.59	\$ 2.03	\$ 0.45	\$ 5.48
NAWS Contract Customers (2026)	\$ 0.28	\$ 0.52	\$ 2.30	\$ 2.43	\$ 0.48	\$ 5.73
Total Increase for 2026						\$ 0.25

G.2. Memorandum of Understanding (MOU) with NAWS Customers

The MOU with NAWS customers approved by the NAWS Authority at the September NAWS Authority meeting that documents limitations on the assistance provided by DWR staff and other NAWS customers was presented.

G.3 REM Project – Pump Repair at High Service Pump Station

The State Water Commission (SWC or Commission) collects and maintains a reserve fund for Replacement and Extraordinary Maintenance (REM) from water sales revenues from the Northwest Area Water Supply (NAWS) system. Funds are collected on all NAWS contracts including all users served through the City of Minot's contract, all communities and rural water systems served through the NAWS infrastructure, and the City of Rugby. The State Water Commission adopted a policy for using the REM funds for the NAWS project at its June 2012 meeting. The policy notes items over \$15,000 are eligible for reimbursement from REM funds and Commission will concur on eligible items.

All infrastructure projects require regular maintenance and replacement of equipment. Much of the costs are incurred annually and are included in the annual operating budget. Larger cost items occur less frequently, incur higher costs, and are meant to be funded by the REM funds.

At the June 2025 SWC meeting, reimbursement from the REM funds up to \$27,500 was approved for a 250 hp pump at the NAWS High Service Pump Station (City HSP #1) rebuild. To date, expenses in the amount of \$26,961.27 have been paid. Invoices for installation are outstanding.

In August 2025, another 250 hp pump (City HSP #3) experienced issues. The quote received for rebuilding this pump is approximately \$76,500 due to extensive damage to the pump column. With other incidental expenses for reinstalling the pump, and outstanding invoices for installation of City HSP #1, the estimated expenses for the repairs is \$86,500. DWR staff has requested City of Minot to manage the repairs and the city will be reimbursed. Request for reimbursement from REM funds will be presented to the Commission. The NAWS REM fund balance as of November 10, 2025, is \$4,166,605.36.

I recommend the Authority approve that repairs of City HSP # 1 and # 3 at the NAWS High Service Pump Station are eligible Replacement and Extraordinary Maintenance projects.

I also recommend the NAWS Authority approve Department of Water Resources staff presenting the request for reimbursement from the Replacement and Extraordinary Maintenance funds for the pump repairs to the State Water Commission.

RH:SSP/237-4-AUTH

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TO: NAWS Authority Representatives
FROM: Reice Haase, Director
SUBJECT: NAWS Authority 2026 Meeting Dates
DATE: November 20, 2025



North Dakota Century Code §61-24.6-04 requires the State Water Commission to consult with the NAWS Authority in carrying out its responsibilities to construct, operate, and manage a project to deliver water throughout the project area.

Our interpretation of NDCC §61-24.6-04 requires any action taken by the State Water Commission to be approved or concurred by the NAWS Authority. Agenda items planned to be discussed at the State Water Commission meetings are introduced at the Pre-Commission meetings held a month prior to the State Water Commission meetings. We therefore feel it would be beneficial for the Authority to establish a meeting schedule every other month between the scheduled Pre-Commission and State Water Commission meetings.

The NAWS Authority meetings scheduled the week following Pre-Commission meetings would allow materials assembled for the Pre-Commission meetings to be shared with the NAWS Authority and the NAWS Authority to provide feedback on items prior to memos being finalized for State Water Commission action. Scheduling meetings for 2026 also provides the benefits of coordination of schedules, reservation of meeting rooms, and other logistics.

The 2026 schedule for Pre-Commission meetings is as follows:

January 22, 2026
March 19, 2026
May 21, 2026
July 23, 2026
September 17, 2026
November 19, 2026

The 2026 schedule for State Water Commission meetings is as follows:

February 12, 2026
April 9, 2026
June 11, 2026
August 13, 2026
October 8, 2026
December 11, 2026

Based on the above recommendation, it is recommended the NAWS Authority meetings be scheduled as follows:

NAWS – NAWS Authority 2026 Meeting Dates

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November 20, 2025

January 29, 2026

March 26, 2026

May 28, 2026

July 30, 2026

September 24, 2026

November 24, 2026 (Held on Tuesday, Due to the Thanksgiving holiday)

I recommend the NAWS Authority approve the proposed schedule for the meetings in 2026.

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TO: NAWS Authority Representatives
FROM: Reice Haase, Director
SUBJECT: NAWS Biota Water Treatment Plant Operations Update
DATE: November 20, 2025



Phase I of the Northwest Area Water Supply Project (NAWS) Biota Water Treatment Plant (WTP) is nearing completion. The purpose of the facility is Boundary Waters Treaty compliance, making it a federal responsibility per Section 1(h) of the Dakota Water Resources Act of 2000, and therefore, is funded with federal funding for construction and operations, maintenance, and replacement. The City of Minot (City) will operate the Biota WTP to ensure coordination of the Biota WTP, Minot WTP, and Sondre and Minot wellfields. Multiple agreements are in place for the operation of the Biota WTP. The Biota WTP Operations and Maintenance agreement between the State Water Commission (State) and the City has been executed by all parties.

A three-party Memorandum of Agreement (MOA) was executed by the City, State, and Bureau of Reclamation (Reclamation) to define roles and responsibilities in the operation, maintenance, and replacement of the Biota WTP in December 2023. A Cooperative Agreement from Reclamation is necessary for the federal government to transfer funds for the operation, maintenance, and replacement of the Biota WTP. Department of Water Resources (DWR) submitted a request for financial assistance along with supporting documentation to the Dakota Areas Office in the amount of \$6,611,962.56. DWR received the Cooperative Agreement in the amount of \$5,463,144 from Reclamation on September 19, 2024. DWR staff and City staff have had multiple meetings with Reclamation's Dakota Areas staff to understand the requirements of the Cooperative Agreement and the reduction in the awarded federal funding. Reclamation noted that the reduction in federal funding is due to the federal government's estimation of the number of employees needed for operation of the Biota WTP being lower than the request included from the City. DWR staff and City staff will continue to discuss the staffing requirements at the Biota WTP with Reclamation.

The City of Minot has submitted four reimbursement requests to DWR for operations and maintenance expenses related to the NAWS Biota WTP, covering the period from August 2024 through September 2025. These four requests total \$659,698.68, and DWR has fully reimbursed the City for this amount. Reclamation has to date awarded \$463,700 toward federal fiscal year (FFY) 2024 expenditures and an additional \$1,932,225 to cover FFY 2025 expenses.

DWR staff and City of Minot staff continue to meet with the Department of Environmental Quality (DEQ) to understand requirements to be met by the Biota WTP and the Minot WTP. Work change directives that incorporate revisions required by DEQ have been issued to the Contractor. DWR will manage some revisions requested by DEQ outside the construction contract.

DEQ notified DWR staff about the need for them to approve a Capacity Assessment document for the Biota WTP. DWR signed a specific authorization with the consulting engineer on March 11, 2025, to develop the document for submission to DEQ. The consulting engineer provided a first draft of the Capacity Assessment document to DWR on May 22, 2025. This was shared with DEQ and the comments from DEQ staff were addressed and a second draft was submitted on October 21, 2025. DEQ has reviewed the second draft and additional comments were provided by DEQ on October 28, 2025. The consulting engineer will continue to address the comments from DEQ. The document also requires operations and maintenance manuals for equipment at the facility and those will not be available until the Biota WTP nears substantial completion.

Due to the delay in the substantial completion of the facility, DWR staff have been in communication with the electrical service provider, Ottertail Power Company, to determine a path forward to comply with the signed electrical service agreement for the facility.

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TO: NAWS Authority Representatives
 FROM: Sindhuja S.Pillai-Grinolds, P.E., Water Development Division Director *S.A. Sindhuja*
 SUBJECT: NAWS – Construction Update
 DATE: November 20, 2025

Updates from the last meeting memo are shown in bold italics.

NAWS Contract 6-1A Intake Modifications to Snake Creek Pumping Plant

Contract 6-1A Intake Modifications to Snake Creek Pumping Plant includes three equipment procurement contracts, Demolition Contract, and Construction Contract.

The equipment procurement contracts included a delivery date of March 1, 2024, for all equipment excluding the backup generator which had a delivery date of March 1, 2025. The March 1, 2024, and March 1, 2025, delivery dates were not met by any of the equipment procurement contractors. All equipment included in the procurement contracts are now delivered to the site.

The Contract 6-1A Demolition Contract is substantially complete as of December 20, 2024. Final Change Order No. 4 that incorporated time and materials cost for the duct bank work for the switchgear and transformer pad is finalized. The final contract cost with all four change orders is \$4,530,158, an increase of \$693,858 from the original contract price.

Work on Contract 6-1A Demolition and Construction Contracts was delayed due to the extensive coordination needed with the Bureau of Reclamation (Reclamation), the owner of the Snake Creek Pumping Plant. The Milestone 1 completion date on the Construction Contract which is for construction of all work excluding installation of the generator when awarded was June 30, 2024. The Substantial Completion date for all work is July 30, 2025, and the Final Completion date is August 31, 2025. Because of the delays due to the submittal review process and the equipment delivery, the completion date of June 30, 2024, was not met by the contractor.

Change Order #1 on the Construction Contract has been executed, which adds the small amount of remaining demolition work to the Construction Contract, changes pipe coatings to a 2-part fusion bonded epoxy coating, and addresses coating removal on the formed suction intake. Change Order #1 also extended the completion dates, and increased the liquidated damages if those dates are not met. Through Change Order #1, the Milestone 1 completion date which is for all work except the installation of the generator was extended to July 11, 2025. Substantial Completion was extended to September 5, 2025, and Final Completion was extended to October 5, 2025. ***Progress is being made by the Contractor, however there continues be schedule delays experienced. DWR continues to note the importance of completing the project in a timely manner. The current anticipated completion date on this project is early 2026.***

NAWS Snake Creek Pumping Plant Discharge Pipeline Contract 2-1E

Contract 2-1E includes the discharge pipeline that connects the Snake Creek Pumping Plant to the NAWS raw water transmission pipeline. The scope of work involves construction of approximately 2,100 feet of 36" ductile iron pipe.

The pressure testing of the pipeline was completed May 12, 2025, and walk through for developing the punchlist for achieving Substantial Completion was completed July 23, 2025. The contract cannot achieve Substantial Completion until the pumps inside the Snake Creek Pumping Plant are operational, which as discussed previously, has been delayed.

NAWS Permanent Intake and Screen Structure Contract 1-1A

The scope of work for Contract 1-1A includes the construction of a new NAWS raw water intake, large diameter intake pipeline with isolation valve, steel intake bulkhead, small diameter airburst, and chemical feed pipelines in Lake Sakakawea outside the existing Reclamation's Snake Creek Pumping Plant (SCPP).

This contract was divided into Contract 1-1A Contract No. 1 – Dredging, Pipeline, and Facility Construction and Contract 1-1A Contract 2 – Isolation Valve Construction. Bids for these Contracts were opened July 21, 2025. The contract award and the funding allocation was approved by the SWC at its June and August 2025 meetings. The preconstruction conference for this contract was held October 10, 2025. The preliminary schedule from the Contractor indicates site mobilization in spring with this fall and winter focused on equipment procurement and submittals. The contractor has already expressed concerns with meeting the contract's Substantial Completion date of November 25, 2026, due to the the lead time involved for the specified valve on the contract. Additional details have been requested from the contractor.

NAWS Contract 7-2A/4-1A Biota Water Treatment Plant (BWTP)

NAWS Contract 7-2A/4-1A generally includes construction of a new concrete, steel, and precast BWTP, for which contracts were awarded in February 2021 and the Notices to Proceed for the general and electrical construction were issued in March 2021. Site work, including excavation and grading, began in April 2021.

The defective roof has been corrected.

The inspection and testing of the defective filter underdrains by the independent third-party reviewer, WSP, is complete and the third party review concluded that the installed filter underdrains must be removed and replaced. DWR staff have been working with its outside legal counsel to get a schedule for removal and replacement from the General Contractor. Based on the preliminary information shared, the current anticipated completion date of the project is fall 2026. DWR staff continue to work with the General Contractor to finalize the completion dates for the contract.

The General Contract's Substantial Completion Date was extended to December 2, 2024, via Change Order 6. Change Order 7 has been processed to purchase Builder's Risk insurance, but did not change the completion dates.

The table below shows the change orders signed to date on the Biota WTP Contracts.

Contract	Change Orders (CO)	Value of COs	Total Contract Cost	CO Percent of Contract
General	7	\$ 1,233,300.92	\$ 39,060,500.92	3.3%
Electrical	5	\$ 671,921.71	\$ 7,260,302.71	9.3%
Mechanical	6	\$ 154,461.62	\$ 5,068,668.62	3.0%
UV	1	\$ -	\$ 707,125.00	0.0%
DAF	3	\$ (40,709.50)	\$ 1,803,160.50	-2.3%

NAWS Contract 4-4B/5-4B Bottineau Reservoir and Booster Pump Station

The Bottineau and Souris Reservoir and Pump Stations contracts consist of a one million-gallon ground storage reservoir and pump station at the intersection of State Highways 5 and 14 south of Souris and a three million-gallon ground storage reservoir and pump station roughly four miles west of the connection to Bottineau. The final pipeline contract climbs roughly 300 feet in elevation from the location of the Souris Reservoir and Pump Station to the connection to Bottineau. The final design flows for both the City of Bottineau and All Seasons Water Users District northwest of Bottineau will require both storage and pumping to meet water demands. Bids were opened February 7, 2023, for the Bottineau reservoir and pump station. At the February 13, 2023, SWC meeting, the Commission authorized the Secretary to award the contracts.

The reservoir contract achieved Substantial Completion November 8, 2024. Three change orders totalling \$11,744.00 were added to the contract. Final payment has been made and the contract has been closed out.

The pump station contract achieved Substantial Completion February 19, 2025. To date, five Change Orders totalling a decrease of \$1,695.81 have been added to the Bottineau Pump Station Contract. Administrative items and punch list items remain before the contract can be closed out.

SA 98 Construction of NAWS Pressure Reducing Station and Isolation Vault Improvements:

This contract is closed out.

Radio Upgrades in the Bottineau Segment:

DWR staff directed Houston Engineering and Preferred Controls Inc., to develop invitation for bid for completing communication system improvements in the Bottineau Segment. *Informal quotes*

from 4 contractors were requested to complete the work as the cost for this work was estimated to be less than the public improvement threshold of \$250,000. Two quotes were received. The initial quotes received had a high mark up for materials. So, DWR staff executed the contract with Main & Holmes Electric just for installation while the materials necessary will be procured directly by DWR.

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TO: NAWS Authority Representatives
FROM: Reice Haase, Director
SUBJECT: NAWS Operations Update
DATE: November 20, 2025



NAWS Personnel Update:

Perry Weiner, Water Resource Senior Manager, has retired from the agency. His last date with the agency was November 3, 2025. Brandon Weist, NAWS Operator, is no longer with the agency. DWR staff is working towards filling the NAWS Project Manager, NAWS Operator, and the Water Resource Senior Manager positions with the agency.

High Service Pump Station Pump Repair:

DWR staff has requested the City of Minot's (City) staff to manage the repairs of City High Service Pump #3. After repairs are complete, DWR will reimburse the City.

Agreements with City of Minot:

DWR staff will begin to work on developing various agreements with the City of Minot. At this time, the identified agreements include: an Operations and Maintenance Agreement for the High Service Pump Station, and a Water Service Agreement with the City of Minot.

Additional agreements may be identified as discussions progress.

Potential Agreement with Garrison Diversion Conservancy District (GDGD):

DWR staff will review the needs for emergency sequence of operations necessary at the Snake Creek Pumping Plant and determine if assistance from GDGD staff is necessary for the operations of the NAWS intake and an agreement will be drafted accordingly.

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