

MINUTES

North Dakota State Water Commission Bismarck, North Dakota

December 8, 2017

The North Dakota State Water Commission (State Water Commission or Commission) held a meeting at the Best Western Ramkota Hotel, Bismarck, North Dakota, on December 8, 2017. Governor Doug Burgum, Chairman, called the meeting to order at 9:07 a.m., and requested Garland Erbele, State Engineer, and Chief Engineer-Secretary to the State Water Commission, call the roll. Governor Burgum announced a quorum was present.

STATE WATER COMMISSION MEMBERS PRESENT:

Governor Doug Burgum, Chairman
Doug Goehring, Commissioner, North Dakota Department of Agriculture, Bismarck
Katie Andersen, Jamestown
Michael Anderson, Hillsboro
Richard Johnson, Devils Lake
Leander McDonald, Bismarck
Mark Owan, Williston
Matthew Pedersen, Valley City
Jason Zimmerman, Minot

OTHERS PRESENT:

Lieutenant Governor Brent Sanford
Leslie Bakken-Oliver, General Counsel, Governor's Office
Garland Erbele, State Engineer, and Chief Engineer-Secretary,
North Dakota State Water Commission, Bismarck
State Water Commission Staff
Approximately 100 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.

Governor Burgum thanked everyone for attending the annual Joint North Dakota Water Convention, those giving presentations during the convention, and the professional work of those involved in water-related resources in North Dakota.

CONSIDERATION OF AGENDA:

The agenda for the December 8, 2017, State Water Commission meeting was presented; there were no modifications.

Commissioner Johnson requested a discussion of governance be made during the January 11, 2017, Cost-Share Policy meeting. Governance topics will be circulated prior to the meeting.

CONSIDERATION OF DRAFT MINUTES OF AUGUST 23, 2017:

The draft minutes of the August 23, 2017, State Water Commission meeting were reviewed; there were no modifications.

It was moved by Commissioner Goehring, seconded by Commissioner Andersen, and unanimously carried, that the minutes of August 23, 2017, be approved as presented.

STATE WATER COMMISSION FINANCIAL REPORTS:

The Allocated Program Expenditures for the period ending October 31, 2017, were presented and discussed by David Laschkewitsch, State Water Commission's Director of Administrative Services. The expenditures, in total, are within the authorized budget amounts. **SEE APPENDIX A.**

The Project Summary for the 2017-2019 Biennium, **APPENDIX B**, provides information on the committed and uncommitted funds from the Resources Trust Fund and the Water Development Trust Fund. The final summary for projects shows approved projects totaling \$526,689,755 with expenditures of \$61,440,460. A balance of \$155,579,260 remains available to commit to projects in the 2017-2019 biennium.

The oil extraction tax deposits into the Resources Trust Fund total \$39,147,098 through November 2017 and are currently \$4,896,902 or 11.1% percent below budgeted revenues.

No deposits have been received for the Water Development Trust Fund this biennium. The first planned deposit is for \$9,000,000 in April 2018.

DROUGHT DISASTER LIVESTOCK WATER SUPPLY PROGRAM – NOTICE OF INTENT TO AMEND NDAC 89-11:

A program update was presented by Pat Fridgen, Director of Planning and Education.

While administering the Drought Disaster Livestock Water Supply Assistance program, Commission staff, as well as the agency's legal counsel, noticed sections within NDAC 89-11 that were either unclear, outdated, or were inconsistent with the intent of the program. Therefore, amendments to NDAC 89-11 were made to provide clarity for future administration of the program and in the effort to make the proposed rules effective April 1, 2018.

To meet statutory requirements, the public notice of the rules hearing was sent for publication on October 20, 2018, the public hearing was held November 27, 2017, and the deadline for public comments was December 7, 2017. No public comments were received on the proposed changes.

The Notice of Intent to Amend Administrative Rules, and the amendments to NDAC 89-11 are attached as **APPENDIX C**.

It was moved by Commissioner Goehring and seconded by Commissioner Owan that the State Water Commission approve the proposed amendments to NDAC 89-11 in order to present to the Attorney General's office for final approval of amendments.

Commissioners Andersen, Anderson, Johnson, McDonald, Owan, Pedersen, Zimmerman, Goehring, and Governor Burgum voted aye. There were no nay votes. Governor Burgum announced the motion unanimously carried.

**DROUGHT DISASTER LIVESTOCK WATER SUPPLY PROGRAM –
ADDITIONAL PROGRAM FUNDING OF \$200,000:**
(SWC Project No. 1851):

A program update was presented by Pat Fridgen, Director of Planning and Education.

The program has received \$1.325 million in funding from the Commission, and those funds have been approved for 431 eligible projects. There are 58 projects that have conditional approval; however, additional funding is needed to complete the projects.

In order to continue to meet the ongoing need for emergency livestock water supplies, it was the recommendation of Secretary Erbele that the State Water Commission approve the request to approve an additional \$200,000 bringing the total allocation of funds to \$1,525,000. This approval is contingent on the availability of funds.

It was moved by Commissioner Goehring and seconded by Commissioner Anderson that the State Water Commission approve the additional \$200,000 allocation. This action is contingent upon the availability of funds.

Commissioners Andersen, Anderson, Johnson, McDonald, Owan, Pedersen, Zimmerman, and Governor Burgum voted aye. There were no nay votes. Governor Burgum announced the motion unanimously carried.

ECONOMIC ANALYSIS AND LIFE CYCLE COST ANALYSIS PROCESS DEVELOPMENT:

The Economic Analysis and Life Cycle Cost Analysis Process Development was presented by Pat Fridgen, Director of Planning and Education.

Legislation passed by the North Dakota Legislature in 2017 required the State Engineer to: *“develop an economic analysis process for water conveyance projects and flood-related projects expected to cost more than one million dollars, and a life cycle analysis process for municipal water supply projects. When the State Water Commission is considering whether to fund a water conveyance project, flood-related project, or water supply project, the State Engineer shall review the economic analysis or life cycle analysis, and inform the State Water Commission of the findings from the analysis and review.”*

By developing an economic analysis process for certain types of projects, the State Water Commission will be better positioned to identify projects that will provide a positive economic return to the state and will enable the state and project sponsors to identify a more complete picture of water supply project costs.

The State Water Commission contracted with HDR to assist the agency in drafting economic analysis and life cycle cost analysis guidelines. In addition, the agency and HDR are working on fillable platforms that project sponsors and the agency will be able to access to assist with rapid assessments of projects. The costs of those contracts are \$66,113 for the economic analysis process, and \$52,483 for the life cycle cost analysis process.

The State Water Commission and HDR held two workshops in early November 2017 for stakeholders who ultimately will use, and be subject to requirements related to the economic analysis and life cycle cost analysis processes. The workshops were an opportunity for the stakeholders to provide valuable input to the agency. Additional opportunities for feedback will be provided as the processes become more refined. The feedback will help the Commission develop guidelines and a fillable platform that will be simplified, yet accurate and beneficial.

Commissioners will be provided with final draft materials for both analysis processes when available.

STATE WATER PLAN:

An update to the State Water Plan was presented by Pat Fridgen, Director of Planning and Education.

The Commission is required to develop and maintain a comprehensive water development plan on a biennial basis. In compliance with this requirement, the Planning and Education Division will begin developing a 2019-2021 Water Development Plan. Requests will be sent in February 2018 to potential project sponsors to identify the water development projects and programs sponsors are trying to move forward, the timing of their implementation, and estimated costs. The input from local project sponsors and water managers will become the foundation of the State Water Commission's budget request to the Governor and Legislature.

Commissioner-Hosted Meetings

The State Water Commission is also required to schedule commissioner-hosted meetings within seven major drainage basins. The meetings will be held in the upper and lower Red, James, Mouse, upper and lower Missouri, and Devils Lake basins. The purpose of these meetings is to promote and encourage local project sponsor participation in the water planning process and in the agency's project development efforts.

The specific focus of future commissioner-hosted meetings is to: 1) review potential projects identified by local sponsors that are being proposed for implementation in the next biennium and beyond; 2) present and collect additional input related to the agency's economic analysis and life cycle cost analysis processes; and 3) outline any changes that are being proposed to the agency's cost-share or project prioritization policies.

USGS COOPERATIVE MONITORING PROGRAM - \$553,790 **(SWC Project No. 2041):**

An update of the Drinking Water State Revolving Fund was presented by David Bruschwein, Program Manager, ND Department of Health.

The State Water Commission has participated in a cooperative statewide hydraulic monitoring program with the US Geological Survey since the 1950s. A detailed memorandum and gaging information dated December 7, 2017, is attached as **APPENDIX D**.

The total cost of the monitoring program for FY 2018 is \$1,122,690. The State Water Commission portion of this amount is \$553,790 or 49.3 percent. This represents a 1.8 percent increase in program funding over the previous fiscal year.

It was the recommendation of Secretary Erbele that the State Water Commission approve the FY 2018 Joint Funding Arrangement with the USGS North Dakota Water

Science Center not to exceed \$553,790 from the funds appropriated to the State Water Commission in the 2017-2019 biennium.

It was moved by Commissioner Goehring and seconded by Commissioner McDonald that the State Water Commission approve the FY 2018 Joint Funding Arrangement with the USGS North Dakota Water Science Center not to exceed \$553,790 from the funds appropriated to the State Water Commission in the 2017-2019 biennium.

Commissioners Andersen, Anderson, Johnson, McDonald, Owan, Pedersen, Zimmerman, Goehring, and Governor Burgum voted aye. There were no nay votes. Governor Burgum announced the motion unanimously carried.

CITY OF VALLEY CITY PERMANENT FLOOD PROTECTION PHASES III AND IV - \$2,171,925

(SWC Project Nos. 1504-04, 1504-06):

A request from the City of Valley City (City) was presented for the State Water Commission's consideration for state cost participation for the Permanent Flood Protection Project – Phase III & IV. The current request includes property buyouts and design engineering. The City plans to request cost-share for construction later in the biennium.

Phase III includes a portion of the area required to protect the Sanitary Master Lift Station. The estimated construction cost for Phase III is approximately \$1.4 million. The current funding request includes surveying, design engineering, permitting, and geotechnical exploration of the project areas with a total cost of \$140,000. They are requesting 85 percent cost-share or \$119,000.

Phase IV provides protection of the downtown area. This project will connect the two floodwall sections being installed in Phase II. The estimated construction cost for Phase IV of permanent flood protection is approximately \$10.6 million. The current funding request includes surveying, design engineering, permitting, and geotechnical exploration of the project areas with a total estimated cost of \$890,000. They are requesting 85 percent cost-share or \$756,500.

Homes and businesses along the riverbank will need to be relocated to accommodate the levees and floodwalls. The total estimated cost for property buyouts for Phase IV is \$1,677,000. The City is requesting 75 percent cost-share or \$1,257,750.

The proposed project includes erosion control for two sites where the Sheyenne River has eroded the bank and is threatening to impede emergency flood protection measures when needed. Permanent flood protection is not planned in these areas for

several years; however, the erosion control is necessary at this time to ensure emergency measures may be implemented, if needed. The request is for cost-share assistance with the required pre-construction engineering cost of \$45,500 at 85 percent or \$38,675.

The estimated total project cost is \$2,752,5000. The City is requesting cost-share in the amount of \$2,171,925.

It was the recommendation of Secretary Erbele that the State Water Commission approve the cost-share in the Permanent Flood Protection Project at an amount not to exceed \$2,171,925. This approval is subject to the entire contents of the recommendation contained herein, obtaining all applicable permits, and the availability of funds.

Commissioner Pedersen declared for the record that he is a Valley City Commissioner and abstained from voting.

It was moved by Commissioner Owan and seconded by Commissioner Anderson that the State Water Commission approve the cost-share in the Permanent Flood Protection Project at an amount not to exceed \$2,171,925. This action is subject to the entire contents of the recommendation contained herein, obtaining all applicable permits and the availability of funds.

Commissioners Andersen, Anderson, Johnson, McDonald, Owan, Zimmerman, Goehring, and Governor Burgum voted aye. There were no nay votes. Commissioner Pedersen abstained from voting. Governor Burgum announced the motion unanimously carried.

**MOUSE RIVER ENHANCED FLOOD PROTECTION PROJECT PHASE MI-2/3
AND CITY OF MINOT ACQUISITIONS - \$2,315,300**
(SWC Project Nos. 1974-26, 1993-05):

A request from the Souris River Joint Water Resource District (SRJB) was presented for the State Water Commission's consideration for a change in their previous cost-share allocation.

On November 1, 2017, bids were opened for Phase MI-2/3. The low bid was received from Wagner Construction of International Falls, Minnesota, for approximately \$35,679,000. Factoring in allowances to borrow material royalties, construction engineering, and construction contingency, the revised project budget for this work is approximately \$44,000,000. The previous request to the State Water Commission for this work was based on a budget of approximately \$47,562,000, a decrease in the overall budget of \$3,562,000.

Based on the approved cost-share of 65 percent, the savings in state funds for this project is \$2,315,300 (65 percent of \$3,562,000).

SRJB representatives met with State Water Commission staff in recent months to discuss their need for additional property acquisition funding. In light of the construction savings resulting from the above-described favorable bid results, SRJB would like to re-program those savings and use the money for property acquisitions. SRJB requested the authorization for construction of Phase MI-2/3 be decreased by \$2,315,300, and the authorization for the City of Minot Floodway Acquisitions be increased by \$2,315,300.

It was the recommendation of Secretary Erbele that the State Water Commission approve the request by SRJB to reallocate \$2,315,300 from the Mouse River Enhanced Flood Protection Project Phase MI-2/3 to the City of Minot Floodway Acquisitions Project. This approval is subject to the entire contents of the recommendation contained herein and the availability of funds.

It was moved by Commissioner Pedersen and seconded by Commissioner Goehring that the State Water Commission approve the request by SRJB to reallocate \$2,315,300 from the Mouse River Enhanced Flood Projection Project Phase MI-2/3 to the City of Minot Floodway Acquisitions Project. This action is subject to the entire contents of the recommendation contained herein and the availability of funds.

Commissioners Andersen, Anderson, Johnson, McDonald, Owan, Pedersen, Zimmerman, Goehring, and Governor Burgum voted aye. There were no nay votes. Governor Burgum announced the motion unanimously carried.

RURAL WATER DISTRICTS, PRE-CONSTRUCTION - \$210,700

The following State Water Commission supply funding cost-share requests are for pre-construction costs. The major steps in the development of any project include final project planning, the local sponsor obtaining the local match, and completing plans and specifications for bidding the project. The project construction funding will be considered later in the biennium when revenues for the biennium are better known.

MCLEAN-SHERIDAN WATER DISTRICT, TURTLE LAKE WATER TOWER - \$107,450 (SWC Project No. 2050MCL):

The funding request is for construction of a new 250,000-gallon water tower southwest of Turtle Lake to address current and future demands of the city and rural water system. The estimated eligible cost is \$3,323,500, including pre-construction cost of \$307,000.

It was the recommendation of Secretary Erbele that the State Water Commission approve the request by the McLean-Sheridan Water District to approve the cost-share of 35 percent on pre-construction costs in the amount of \$107,450. The funding is for eligible costs and is contingent on available funding.

It was moved by Commissioner Goehring and seconded by Commissioner Zimmerman that the State Water Commission approve total state cost-share of \$107,450, paid on eligible costs for 35 percent pre-construction costs. This action is contingent upon the availability of funds.

Commissioners Andersen, Anderson, Johnson, McDonald, Owan, Pedersen, Zimmerman, Goehring, and Governor Burgum voted aye. There were no nay votes. Governor Burgum announced the motion unanimously carried.

TRI-COUNTY RURAL WATER DISTRICT, SYSTEM EXPANSION 2018 - \$103,250 (SWC Project No. 2050TRI):

The funding request is for a project to connect the Tri-County Water District distribution system to the city of McVille to provide water for connecting new rural users. McVille has extra treatment capacity for Tri-County. The estimated eligible cost is \$3,720,730, including pre-construction cost of \$295,000.

It was the recommendation of Secretary Erbele that the State Water Commission approve the request by the Tri-County Rural Water District to approve the cost-share for the project of 35 percent of pre-construction costs in the amount of \$103,250. The funding is for eligible costs and is contingent on available funding.

It was moved by Commissioner Goehring and seconded by Commissioner Johnson that the State Water Commission approve total state cost-share of \$103,250, paid on eligible costs for 35 percent pre-construction costs. This action is contingent upon the availability of funds.

Commissioners Andersen, Anderson, Johnson, McDonald, Owan, Pedersen, Zimmerman, Goehring, and Governor Burgum voted aye. There were no nay votes. Governor Burgum announced the motion unanimously carried.

WESTERN AREA WATER SUPPLY AUTHORITY, PHASE V - \$11,250,000
(SWC Project No. 1973):

Funding and Plan Approval

The Western Area Water Supply Authority (WAWSA) requested cost-share on additional Phase V projects. WAWSA received cost-share of \$8,750,000 for three Phase V projects on August 23, 2017. The request is for projects that add transmission and distribution pipeline within the region including rural water systems. The local rural water systems will cover the local share of the project costs.

MCWRD System I Expansion Part 2 - The project is construction of a system for providing water for farmers, ranchers, and commercial and industrial developments in central McKenzie County south of Watford City, where there is limited and poor-quality water. Estimated eligible cost is \$2,405,880. Cost-share of 35 percent on pre-construction costs and 75 percent on construction costs provides cost-share of \$1,711,470.

MCWRD Regional Storage - The project is a collaborative regional effort between WAWSA, Arnegard, McKenzie County Water Resource District, and Watford City to meet the needs of their users. The State Water Commission previously approved cost-share of \$2,400,000 to Watford City for construction of a new water tower, and Watford City will contribute those funds to a regional solution in lieu of a City project. Estimated eligible cost is \$6,693,973. Cost-share of 35 percent on pre-construction costs and 75 percent on construction costs provides total funding of \$4,781,680, an additional \$2,381,680, above the \$2,400,000 previously obligated to Watford City.

R&TWSCA White Earth East Base and Alternates - The project is a continuation of the WAWSA R&T White Earth Distribution Project to serve areas where water resources are limited and generally poor quality. Water service is to new rural users, White Earth, and will include capacity to serve the city of Powers Lake under a future project. Estimated eligible cost is \$3,980,107. Cost-share of 35 percent on pre-construction costs and 75 percent on construction costs provides total funding of \$2,847,880.

WRWD North 200k Pump Station Service Area - The project is an expansion to serve areas where water resources are limited and generally poor quality. Water service is to new commercial users and Williams Rural Water District rural customers in central Williams County northwest of Williston, and also serves the new Williston regional airport. Estimated eligible cost is \$2,778,520. Cost-share of 35 percent on pre-construction costs and 75 percent on construction costs provides total funding of \$1,987,890.

Williston WTP Pretreatment Expansion - The project is a continuation of the Williston water treatment plant pretreatment process project that addresses high turbidity levels that occur. Due to limited funding, the project was phased, and this project installs the second pretreatment train and the building enclosure. Estimated eligible cost is

\$3,281,440. Cost-share of 35 percent on pre-construction costs and 75 percent on construction costs provides total funding of \$2,321,080.

It was the recommendation of Secretary Erbele that the State Water Commission approve an additional \$11,250,000 to the overall Phase V plan for cost-share with pre-construction engineering costs funded at 35 percent and construction funded at 75 percent of eligible costs and approve re-programming of the \$2,400,000 from Watford City to the regional storage project. The approval is contingent on available funding.

Commissioner Owan declared for the record that he is chairman of the Western Area Water Supply Authority and abstained from voting.

It was moved by Commissioner Goehring and seconded by Commissioner Johnson that the State Water Commission approve an additional total state cost share of \$11,250,000 to the overall Phase V plan for cost-share with pre-construction engineering costs funded at 35 percent and construction funded at 75 percent of eligible costs and approve re-programming of the \$2,400,000 from Watford City to the regional storage project. This action is contingent on available funding.

Commissioners Andersen, Anderson, Johnson, McDonald, Pedersen, Zimmerman, Goehring, and Governor Burgum voted aye. There were no nay votes. Commissioner Owan abstained from voting. Governor Burgum announced the motion unanimously carried.

**NORTHWEST AREA WATER SUPPLY (NAWS) PROJECT –
BIOTA WATER TREATMENT PLANT DESIGN - \$5,500,000;
MINOT WATER TREATMENT PLAN PHASE II - \$4,500,000
(SWC Project No. 237-04):**

This request is to approve the use of up to \$10 million from the 2018 Federal Municipal, Rural, and Industrial Water Supply (MR&I) Program towards the Northwest Area Water Supply (NAWS) Project, specifically the Biota Water Treatment Plant design and the Minot Water Treatment Facility Phase II Project construction. The 2018 MR&I Program budget has not yet been finalized, but planning for the expenditures of these funds is underway. If the State Water Commission approves the recommendation below, it will then be presented to the Garrison Diversion Conservancy District for their consideration.

The NAWS Biota Water Treatment Plant (Contract 7-1D) will be constructed near the city of Max, has an estimated design cost of \$5.5 million, an estimated construction cost of \$80 million, and has been determined to be 100 percent a federal responsibility. The design is to be completed in the spring of 2019.

An upgrade of the Minot Water Treatment Facility is being completed to provide 27 million gallons per day capacity to meet the growing needs of the NAWS project service area. Phase I was completed and addressed the filter capacity. Phase II design is complete with the Phase II construction contract (Contract 7-1B) to be bid in December 2017 to install two softening basins. The results of the bid process may be presented to the Commission in February 2018. The Phase II estimated construction cost is \$26 million. With Minot providing 35 percent, or \$9.1 million, state or federal funding will be required to make up the remaining \$16.9 million. The recommendation is to apply \$4.5 million of 2018 Federal MR&I funds toward that total.

It was the recommendation of Secretary Erbele that the State Water Commission approve future federal MR&I funds, not to exceed \$10,000,000, to NAWS Project from Federal MR&I funding, with \$5,500,000 going toward the Biota Water Treatment Plant, and \$4,500,000 going toward the Minot Water Treatment Facility. The funding is subject to future revisions, and the project follows the Federal MR&I program requirements.

It was moved by Commissioner Pedersen and seconded by Commissioner Zimmerman that the State Water Commission approve future federal MR&I funds, not to exceed \$10,000,000, to Northwest Area Water Supply Project from Federal MR&I funding, with \$5,500,000 going toward the Biota Water Treatment Plant, and \$4,500,000 going toward the Minot Water Treatment Facility. This action is subject to future revisions, and the project follows the Federal MR&I program requirements.

Commissioners Andersen, Anderson, Johnson, McDonald, Owan, Pedersen, Zimmerman, and Governor Burgum voted aye. There were no nay votes. Governor Burgum announced the motion unanimously carried.

SOUTHWEST PIPELINE PROJECT – 2018 CAPITAL REPAYMENT AND REPLACEMENT AND EXTRAORDINARY MAINTENANCE RATE
(SWC Project No. 1736-99):

Under the agreement for the Transfer of Management, Operations, and Maintenance Responsibilities for the Southwest Pipeline Project, (Transfer Agreement) the Southwest Water Authority (SWA) must prepare a budget by December 15 of each year and submit it to the Secretary of the State Water Commission (SWC). The SWC received the budget on November 16, 2017. This budget is deemed approved unless the Chief Engineer-Secretary notifies the SWA of the Commission's disapproval by February 15, 2018.

SWA Budget

Water rates are a primary component of the SWA's budgeting process. The SWC approves the capital repayment rate and Replacement and Extraordinary Maintenance (REM) rate explicitly by SWC action.

An amendment to the Transfer Agreement established the Consumer Price Index (CPI) in effect on September 1 (August CPI) as the basis for determining the capital repayment. In accordance with the amended Transfer Agreement, the September 1 CPI was used to calculate the capital repayment rate for 2018. The September 1 CPI this year was 245.5 versus 240.9 last year. The new capital repayment rates are \$1.18 per thousand gallons for contract users and \$36.00 per month for rural users. These compare with 2017 rates of \$1.16 per thousand gallons for contract users and \$35.32 per month for rural users. The 2017 Capital Repayment rate for the Morton County users is \$27.97. Applying the CPI adjustment to this figure results in a 2018 rate for these users of \$28.51 per month.

The rate for REM was set by the Commission at its February 9, 1999, meeting at \$0.35 per thousand gallons. The original rate of \$0.30 per thousand gallons had been set in 1991. The SWA Board of Directors voted to increase the REM rate to \$0.40 per thousand gallons for their 2013 budget. The REM rate was increased from \$0.40 to \$0.50 per thousand gallons in 2014, \$0.50 to \$0.55 per thousand gallons in 2015, and \$0.55 to \$0.65 per thousand gallons in 2016. For 2017, the SWA Board of Directors approved a water rate with no REM rate increase. For 2018, the REM rate is increased \$0.05 to \$0.70 per thousand gallons.

The SWA's budget proposes a \$22.00 per thousand gallons water rate for oil industry contracts. The oil industry rate was not increased for 2018. The account allocations of the oil industry rate, will remain the same as 2017. The breakdown of the general oil industry rate is as follows: one-third will be towards capital repayment, one-third towards REM, and the remaining third to SWA. For the SWA's water depot east of Dickinson, \$2.46 is towards capital repayment, \$5.14 towards REM and the remaining \$14.40 to SWA.

The SWA's water rate for the contract customers in 2018 increases from \$4.26 to \$4.43 per thousand gallons. The increase of \$0.17 is the total of \$0.02 increase in capital repayment, \$0.05 increase in transmission operation and maintenance rate, \$0.05 increase in the treatment rate and \$0.05 increase in the REM rate.

The minimum monthly rate for rural customers in 2018 is increasing from \$40.32 to \$42.00. The breakdown of the monthly minimum is \$36.00 towards capital repayment and \$6.00 towards the operations and maintenance fee. The SWC receives \$5.00 of operation and maintenance fee for the first two years, and then it goes to the SWA for fixed operation and maintenance. The usage rate for the rural customers increased from \$4.84 to \$5.04 per thousand gallons. The increase of \$0.20 is the total of \$0.05 increase in distribution operation and maintenance rate, \$0.05 increase in transmission

operation and maintenance rate, \$0.05 increase in the treatment rate and \$0.05 increase in the REM rate.

The SWA Board of Directors approved the budget with 1.61 months in reserve and waived the SWA policy that required four months in reserve.

Included in the SWA's budget is the budget for the REM funds. The estimated beginning balance in REM funds for 2018 is \$17.83 million; estimated income for 2017 is \$2.39 million; and estimated expenses for 2018 is \$1.295 million for a year-end balance of \$18.93 million. The possible expenses for 2018 from the REM fund include pump and motor replacements, air vacuum and blow off replacement, SCADA upgrades, pipe relocation in road rights-of-way, service line repair, replacement of Variable Frequency Drive at Jung Lake Pump Station, replacement of rectifiers and anode beds, raising the berms and cleaning of the lime sludge ponds at the Dickinson water treatment plant.

It was the recommendation of Secretary Erbele that the State Water Commission establish 2018 Capital Repayment and REM rates as follows:

Capital Repayment for contract and rural customers: \$1.18 per thousand gallons for contract users, \$28.51 per month for rural users in Morton County with water service from Missouri West Water System, and \$36.00 per month for other rural users. Capital Repayment for oil industry contracts: \$2.46 for Dickinson Water Depot, and \$7.73 for other oil industry contracts.

REM Rate: \$0.70 per thousand gallons for the contract and rural users, \$7.73 per thousand gallons for oil industry contracts other than the SWA's Dickinson Water Depot, and \$5.14 per thousand gallons for the SWA's Dickinson Water Depot.

It was moved by Commissioner Goehring and seconded by Commissioner Andersen that the State Water Commission establish the 2018 Capital Repayment for contract and rural customers in the amount of \$1.18 per thousand gallons for contract users; \$28.51 for rural users in Morton County with water service from Missouri West Water System; and, \$36.00 per month for other rural users. Capital Repayment for oil industry contracts in the amount of \$2.46 for Dickinson Water Depot, and \$7.73 for other oil industry contracts. REM Rates are approved in the amount of \$0.70 per thousand gallons for the contract and rural users; \$7.73 per thousand gallons for oil industry contracts other than the SWA's Dickinson Water Depot; and, \$5.14 per thousand gallons for the SWA's Dickinson Water Depot.

Commissioners Andersen, Anderson, Johnson, McDonald, Owan, Pedersen, Zimmerman, Goehring, and Governor Burgum voted aye. There were no nay votes. Governor Burgum announced the motion unanimously carried.

SOUTHWEST PIPELINE PROJECT – CITY OF NEW ENGLAND WATER SERVICE AGREEMENT AMENDMENT
(SWC Project No. 1736-99):

This request is to approve Amendment #5 to the city of New England's water service agreement with the Southwest Pipeline Project (SWPP).

The amendment changes the current maximum flow rate in the agreement from 16 gallons per minute to 110 gallons per minute. The amendment also gives the City permission to install an underground booster station upstream of the point of delivery, and establishes liability and responsibility because of the booster pump station construction.

It was the recommendation of Secretary Erbele that the State Water Commission authorize the Chief Engineer to execute the amendment between the city of New England, State Water Commission, and the Southwest Water Authority regarding the water service agreement.

It was moved by Commissioner Goehring and seconded by Commissioner McDonald that the State Water Commission authorize Secretary Erbele to execute the amendment between the city of New England, State Water Commission, and the Southwest Water Authority regarding the water service agreement.

Commissioners Andersen, Anderson, Johnson, McDonald, Owan, Pedersen, Zimmerman, Goehring, and Governor Burgum voted aye. There were no nay votes. Governor Burgum announced the motion unanimously carried.

2018 NORTH DAKOTA DRINKING WATER STATE REVOLVING LOAN FUND:

The United States Congress authorized the Drinking Water State Revolving Loan Fund (DWSRF) under the 1996 Safe Drinking Water Act Amendments with the intention of assisting public water systems in complying with the Act. Funding is in the form of a loan program administered by the Environmental Protection Agency through the North Dakota Department of Health (Department). The Department prepared the 2018 Intended Use Plan, which contains the Comprehensive Project Priority List and the Fundable List. The plan was available to the public for review and comment, with a public hearing held on November 13, 2017, and comments accepted until November 20, 2017. See **APPENDIX E**.

In accordance with NDCC Chapter 61-28.1, the Department must administer and disburse DWSRF funds with the approval of the State Water Commission. Also, the Department must establish assistance priorities and expend grant funds pursuant to the

priority list for the drinking water treatment revolving loan fund, after consulting with and obtaining the approval of the State Water Commission.

The process of prioritizing new or modified projects is completed on an annual basis. The list includes 247 projects, with a cumulative total project cost of \$594 million. Available funding for the DWSRF program for 2018 is anticipated to be approximately \$29.9 million with 21 projects. The present loan interest rate for eligible public water systems that qualify for tax-exempt financing is 2 percent. The present loan interest rate for eligible public water systems that do not qualify for tax-exempt financing is 3 percent. All loans include a 0.5 percent administration fee. The repayment period for DWSRF loans is 20 years with the option for extended term financing beyond the base 20-year loan repayment period. Extended term financing allows for repayment periods to be 30 years or the useful life of the project, whichever is less.

Following Commission approval of the 2018 Comprehensive Project Priority List and Fundable List, the Department will submit an application to the Environmental Protection Agency for the program. Commission approval will enable the Department to proceed with disbursement of funds, once the Environmental Protection Agency has approved the capitalization grant. The Department intends to disburse DWSRF funds according to the fundable list.

It was the recommendation of Secretary Erbele that the State Water Commission approve the Comprehensive Project Priority List and the Fundable List, and authorize the Department to administer the 2018 Intended Use Plan for the Drinking Water State Revolving Loan Fund. This approval is subject to the entire contents contained herein.

It was moved by Commissioner Goehring and seconded by Commissioner Andersen that the State Water Commission approve the Comprehensive Project Priority List and the Fundable List, and authorize the Department to administer the 2018 Intended Use Plan for the Drinking Water State Revolving Loan Fund. This action is subject to the entire contents contained herein.

Commissioners Andersen, Anderson, Johnson, McDonald, Owan, Pedersen, Zimmerman, Goehring, and Governor Burgum voted aye. There were no nay votes. Governor Burgum announced the motion unanimously carried.

FARGO-MOORHEAD AREA DIVERSION PROJECT REPORT:

Jason Benson, Cass County Engineer, presented an update on the Fargo-Moorhead Area Division Project.

A 16-member task force, comprised of eight appointees selected by Governor Burgum and eight selected by Minnesota Governor Dayton, was created in an attempt to find a

flood control project that would be permissible by the states of Minnesota and North Dakota while still providing flood protection to the Fargo-Moorhead area. The final meeting of the task force is scheduled for December 11, 2017. It is the intent of the Fargo-Moorhead Diversion Authority to request additional funding at a future Commission meeting.

SOUTHWEST AREA WATER AUTHORITY - ACE AMERICAN INSURANCE
CO. V. JAMES W. FOWLER CO. AND ND STATE WATER COMMISSION,
CASE NO. 1:17-CV-00024
(SWC Project No. 1736-99)

The existing intake for the Southwest Pipeline Project (SWPP) is a shared facility with Basin Electric Power Cooperative (BEPC). The water supply agreement with BEPC allows SWPP a maximum pumping rate of 10,590 gallons per minute (gpm). With the construction of the Oliver Mercer North Dunn regional service area and the increased demand from population growth, the ultimate required intake capacity for the SWPP was estimated to be 17,600 gpm. The supplemental intake for the SWPP was designed for 7,000 gpm and bid in August 2013.

The scope of work under the Supplemental Intake Contract 1-2A consisted of: the design and construction of a vertical reinforced concrete caisson with a minimum diameter of 14 feet, approximately 151 feet in depth; installation of approximately 2,700 feet of 30" or 36" inside diameter horizontally directionally drilled (HDD) or micro-tunneled intake pipe; and installation of a terminal and pile supported screen structure and associated diver services. The low bid for the 36" steel pipe was from J.W. Fowler Company (JWF). The contract was awarded to JWF at the August 2013 State Water Commission meeting based on Base Bid and Bid Alternate 2 for \$12,994,000.

JWF is also a micro-tunneling contractor and subsequently proposed microtunneling approximately 72" outside diameter reinforced concrete pipe for the intake. Given the possibility of constructing an intake of much greater capacity for the same price a change order was approved accordingly. The contract when bid had a Substantial Completion date of November 15, 2014. The contractor submitted claims for differing subsurface condition during the caisson construction in Spring 2014. A mediation was held, and a settlement was reached which increased the contract price by \$3.5 million and extended the Substantial Completion date to December 15, 2015.

JWF completed the caisson construction in March 2015 and started tunneling in Summer 2015. On November 1, 2015, JWF suffered a catastrophic loss at the Project site. JWF had completed installation of approximately 1,700 feet of intake pipe out of the intended total of approximately 2,700 feet. In the early morning of November 1, 2015, JWF's employees heard a loud pop and noticed an uncontrolled flow of sand and water entering the pipe approximately 40-50 feet from the caisson. The water and sand flowed out from the pipe and into the caisson shaft, and the employees quickly evacuated the caisson as the water and sand level began to rise.

To remedy the problem, JWF stabilized the failed tunnel, filled the bottom 12 feet of the caisson with lean concrete, and re-started tunneling 12 feet above the failed intake pipe. The intake pipe alignment was rotated clockwise 7 degrees to avoid directly overlying the prior failed tunnel. The installation of new intake pipe along the new alignment started in August 2017.

JWF has been working with the project's Builder's Risk insurer for reimbursements for the failed tunnel. The SWC submitted a claim of \$835,000 for estimated additional engineering expense under the Contract's Builder's Risk policy. American Insurance Company (ACE) responded that the Contract's Builder's Risk policy has a sublimit of \$100,000 for "Architects and Engineers Fees," and that had been already paid to JWF. ACE filed a lawsuit against JWF and the State Water Commission regarding the insurance payouts. A mediation with all three parties was held on October 13, 2017, with Magistrate Judge Charles Miller as the mediator.

It was the recommendation of Governor Burgum, Chairman, that the discussion relating to the ACE American Insurance Co. v. James W. Fowler Co. and ND State Water Commission, Case No. 1:17-cv-00024, lawsuit on the SWPP be held in executive session, under the provisions of NDCC 44-04-19.1(9), for the purpose of attorney consultation. The State Water Commission invited the following to participate in the executive session:

STATE WATER COMMISSION MEMBERS:

Governor Doug Burgum, Chairman
Doug Goehring, Commissioner, North Dakota Department of Agriculture, Bismarck
Katie Andersen, Jamestown
Michael Anderson, Hillsboro
Richard Johnson, Devils Lake
Leander McDonald, Bismarck
Mark Owan, Williston
Matthew Pedersen, Valley City
Jason Zimmerman, Minot

OTHERS:

Lieutenant Governor Brent Sanford
Leslie Bakken-Oliver, General Counsel, Governor's Office

Garland Erbele, State Engineer, and Chief Engineer-Secretary,
North Dakota State Water Commission, Bismarck
State Water Commission Staff: Sindhuja A. S.Pillai-Grinolds, Craig Odenbach, John Paczkowski, David Laschkewitsch, Jeffrey Mattern, and Cheryl Fitzgerald
ND Attorney General's Office: Jennifer Verleger and James Nicolai
Bartlett-West Engineering: Jim Lennington

It was moved by Commissioner Johnson and seconded by Commissioner Goehring that under the provision of NDCC 44-04-19.1(9), the State Water Commission proceed into executive session on December 8, 2017, at 12:02 p.m., for the purpose of attorney consultation regarding the ACE American Insurance Co. v. James W. Fowler Co. and ND State Water Commission, Case No. 1:17-cv-00024, lawsuit relative to the SWPP.

Commissioners Andersen, Anderson, Johnson, McDonald, Owan, Pedersen, Zimmerman, Goehring, and Governor Burgum voted aye. There were no nay votes. Governor Burgum announced the motion unanimously carried.

Following attorney consultation regarding the ACE American Insurance Co. v. James W. Fowler Co. and ND State Water Commission, Case No. 1:17-cv-00024, lawsuit relative to the SWPP, Governor Burgum reconvened the open session of the State Water Commission meeting on December 8, 2017, at 12:52 p.m.

It was moved by Commissioner Goehring and seconded by Commissioner Andersen that the State Water Commission authorize the Chief Engineer-Secretary to execute the settlement agreement between the North Dakota State Water Commission and ACE American Insurance Company with regards to additional engineering expenses claimed from the Builder's Risk Policy of the Contract.

Commissioners Andersen, Anderson, Johnson, McDonald, Owan, Pedersen, Zimmerman, Goehring, and Governor Burgum voted aye. There were no nay votes. Governor Burgum announced the motion unanimously carried.

It was further moved by Commissioner Goehring and seconded by Commissioner Owan that the State Water Commission counsel recommends that the State Water Commission authorize the Chief Engineer-Secretary to execute settlement agreement on change order number seven.

Commissioners Andersen, Anderson, Johnson, McDonald, Owan, Pedersen, Zimmerman, Goehring, and Governor Burgum voted aye. There were no nay votes. Governor Burgum announced the motion unanimously carried.

Governor Burgum announced the next scheduled meeting is scheduled for January 11, 2018, and thanked the State Water Commission staff for their work and preparation of the material presented, and visitors that traveled from across the state for their attendance.

There being no further business to come before the State Water Commission, Governor Burgum adjourned the December 8, 2017, meeting at 12:57 p.m.



Doug Burgum, Governor
Chairman, State Water Commission

Garland Erbele, P.E.
North Dakota State Engineer,
and Chief Engineer-Secretary
to the State Water Commission

STATE WATER COMMISSION
 ALLOCATED PROGRAM EXPENDITURES
 FOR THE PERIOD ENDED OCTOBER 31, 2017
 BIENNIUM COMPLETE: 17%

APPENDIX A

PROGRAM	SALARIES/ BENEFITS	OPERATING EXPENSES	GRANTS & CONTRACTS	17-NOV-17 PROGRAM TOTALS
ADMINISTRATION				
Allocated	2,846,720	2,786,466		5,633,186
Expended	458,717	310,507		769,224
Percent	16%	11%		14%
			General Fund:	0
			Federal Fund:	20,154
			Special Fund:	749,070
PLANNING AND EDUCATION				
Allocated	1,528,016	352,990		1,881,006
Expended	242,897	44,857		287,754
Percent	16%	13%		15%
			General Fund:	0
			Federal Fund:	36,181
			Special Fund:	251,572
WATER APPROPRIATION				
Allocated	5,796,920	1,146,300	1,450,319	8,393,539
Expended	957,603	138,726	199,278	1,295,606
Percent	17%	12%	14%	15%
			General Fund:	0
			Federal Fund:	0
			Special Fund:	1,295,606
WATER DEVELOPMENT				
Allocated	4,484,807	9,713,800	3,600,000	17,798,607
Expended	711,705	1,631,841	25,077	2,368,624
Percent	16%	17%	1%	13%
			General Fund:	0
			Federal Fund:	17,799
			Special Fund:	2,350,824
STATEWIDE WATER PROJECTS				
Allocated			605,089,057	605,089,057
Expended			49,991,303	49,991,303
Percent			8%	8%
			General Fund:	0
			Federal Fund:	0
			Special Fund:	49,991,303
REGULATORY DIVISION				
Allocated	2,578,537	5,051,235		7,629,772
Expended	353,569	163,768		517,337
Percent	14%	3%		7%
			General Fund:	0
			Federal Fund:	207,545
			Special Fund:	309,792
ATMOSPHERIC RESOURCE				
Allocated	1,145,550	723,382	4,830,212	6,699,144
Expended	204,133	59,327	497,391	760,851
Percent	18%	8%	10%	11%
			General Fund:	0
			Federal Fund:	0
			Special Fund:	760,851
SOUTHWEST PIPELINE				
Allocated	653,118	3,696,356	59,532,187	63,881,661
Expended	104,656	865,211	5,561,587	6,531,454
Percent	16%	23%	9%	10%
			General Fund:	0
			Federal Fund:	0
			Special Fund:	6,531,454
NORTHWEST AREA WATER SUPPLY				
Allocated	617,717	15,232,150	52,476,255	68,326,122
Expended	108,926	610,343	0	719,269
Percent	18%	4%	0%	1%
			General Fund:	0
			Federal Fund:	0
			Special Fund:	719,269
PROGRAM TOTALS				
Allocated	19,651,385	38,702,679	726,978,030	785,332,094
Expended	3,142,205	3,824,580	56,274,636	63,241,421
Percent	16%	10%	8%	8%

**STATE WATER COMMISSION
PROJECT SUMMARY
2017-2019 BIENNIUM**

APPENDIX B

Oct-17

	BUDGET	SWC/SE APPROVED	EXPENDITURES	REMAINING UNOBLIGATED	REMAINING UNPAID
MUNICIPAL & REGIONAL WATER SUPPLY:					
MUNICIPAL WATER SUPPLY	90,013,609	90,013,609	6,127,437	0	83,886,171
RED RIVER VALLEY	30,000,000	17,000,000	2,000,000	13,000,000	15,000,000
OTHER REGIONAL WATER SUPPLY	75,291,296	75,291,296	10,994,823	0	64,296,474
UNOBLIGATED MUNICIPAL/REG WATER SUPPLY	39,864,050			39,864,050	
RURAL WATER SUPPLY:					
RURAL WATER SUPPLY	51,896,769	51,896,769	13,450,644	0	38,446,124
UNOBLIGATED RURAL WATER SUPPLY	16,677,845			16,677,845	
FLOOD CONTROL:					
FARGO	144,876,087	78,376,087	7,680,491	66,500,000	70,695,596
MOUSE RIVER	91,726,076	91,726,076	1,851,988	0	89,874,087
VALLEY CITY	13,693,459	13,693,459	0	0	13,693,459
LISBON	9,000,010	9,000,010	1,527,307	0	7,472,703
OTHER FLOOD CONTROL	35,830,517	35,830,517	2,061,601	0	33,768,916
PROPERTY ACQUISITIONS	16,849,083	16,849,083	9,659,089	0	7,189,994
WATER CONVEYANCE	18,503,540	18,503,540	805,571	0	17,697,969
UNOBLIGATED FLOOD CONTROL	7,803,676			7,803,676	
GENERAL WATER:					
GENERAL WATER	21,738,411	21,738,411	2,635,008	0	19,103,402
UNOBLIGATED GENERAL WATER	11,733,687			11,733,687	
REVOLVING LOAN FUND:					
GENERAL WATER PROJECTS	5,581,900	5,581,900	2,292,500	0	3,289,400
WATER SUPPLY	1,189,000	1,189,000	354,000	0	835,000
TOTALS	682,269,015	526,689,755	61,440,460	155,579,260	465,249,295

STATE WATER COMMISSION
PROJECT SUMMARY
2017-2019 Biennium

WATER SUPPLY

Approved SWC By	No	Dept	Sponsor	Project	Initial Approved Date	Total Approved	Total Payments	Oct-17 Balance
<i>Municipal Water Supply:</i>								
	2050-13	5000	Mandan	New Raw Water Intake	10/7/2013	1,515,672	15,566	1,500,106
	2050-15	5000	Washburn	New Raw Water Intake	10/7/2013	2,281,927	0	2,281,927
	2050-18	5000	Grafton	Water Treatment Plant Phase 3	10/7/2013	816,343	48,822	767,521
	2050-20	5000	Dickinson	Capital Infrastructure	10/6/2015	1,793,507	0	1,793,507
	2050-21	5000	Watford City	Capital Infrastructure	2/27/2014	536,627	1,617	535,010
	2050-26	5000	Fargo	Fargo Water System Regionalization Improvements	7/29/2015	4,131,788	541,905	3,589,883
	2050-28	5000	Mandan	Water Systems Improvement Project	10/6/2015	2,005,765	592,296	1,413,468
	2050-29	5000	Minot	Water Systems Improvement Project	10/6/2015	3,478,647	984,423	2,494,224
	2050-30	5000	Watford City	Water Systems Improvement Project	10/6/2015	5,374,639	248	5,374,391
	2050-31	5000	West Fargo	Water Systems Improvement Project	10/6/2015	1,086,602	0	1,086,602
	2050-32	5000	Williston	Water Systems Improvement Project	10/6/2015	7,857,010	0	7,857,010
	2050-36	5000	Dickinson	Water Systems Improvement Project	10/6/2015	674,881	0	674,881
	2050-37	5000	Dickinson	Dickinson State Avenue South Water Main	12/11/2015	963,920	0	963,920
	2050-44	5000	Beulah	Water Treatment Plant	3/9/2016	1,639,813	600,200	1,039,612
	2050-49	5000	Grand Forks	Grand Forks Water Treatment Plant	8/23/2017	50,645,520	3,342,358	47,303,161
	2050-51	5000	Mercer	Connect to McLean-Sheridan	8/23/2017	166,950	0	166,950
	2050-52	5000	New Town	Water Transmission Storage	8/23/2017	1,040,000	0	1,040,000
	2050-53	5000	West Fargo	Brooks Harbor Water Tower	8/23/2017	1,950,000	0	1,950,000
	2050-54	5000	West Fargo	North Loop Connection	8/23/2017	510,000	0	510,000
	2050-55	5000	West Fargo	West Loop Connection	8/23/2017	1,110,000	0	1,110,000
	2050-56	5000	Williston	US Highway 2 Water Main	8/23/2017	434,000	0	434,000
TOTAL MUNICIPAL WATER SUPPLY						90,013,609	6,127,437	83,886,171
<i>Regional Water Supply:</i>								
	1736-05	8000	SWPP	Southwest Pipeline Project	7/1/2013	44,988,408	6,531,400	38,457,008
	2374	9000	NAWS	Northwest Area Water Supply	7/1/2013	12,508,462	320,166	12,188,295
HB 1020	1973-02	5000	WAWSA	WAWSA	10/6/2015	155,603	77,385	78,218
	1973-05	5000	WAWSA	WAWSA	10/6/2015	8,888,823	4,065,871	4,822,952
	1973-06	5000	WAWSA	WAWSA	8/23/2017	8,750,000	0	8,750,000
	325-105	5000	RRVWSP	RRVWSP Garrison Diversion	8/23/2017	17,000,000	2,000,000	15,000,000
TOTAL REGIONAL WATER SUPPLY						92,291,296	12,994,823	79,296,474
<i>Rural Water Supply:</i>								
	2050-17	5000	Barnes Rural RWD	Improvements	3/11/2015	1,096,634	751,694	344,940
	2050-23	5000	Greater Ramsey WRD	SW Nelson County Expansion	8/23/2017	1,364,794	283,580	1,081,214
	2050-24	5000	All Seasons Water District	System 1 Well Field Expansion	9/15/2014	292,500	0	292,500
	2050-25	5000	All Seasons Water District	Bottineau County Extension, Phase I	7/29/2015	299,358	0	299,358
	2050-33	5000	Stutsman RWD	Phase V Storage & Pipeline Expansion Project	10/6/2015	1,172,760	271,692	901,068
	2050-34	5000	North Prairie RWD	Storage and Water Main	10/6/2015	1,968,086	170,212	1,797,874
	2050-35	5000	Southeast Water Users Dist	System Wide Expansion Feasibility Study	8/23/2017	13,159,145	2,191,942	10,967,203
	2050-38	5000	Dakota Rural Water District	Reservoir C Expansion	12/11/2015	90,841	13,284	77,557
	2050-39	5000	Missouri West Water System	Crown Butte Service Area Expansion Phase II	12/11/2015	161,906	0	161,906
	2050-41	5000	Northeast Regional WD	City of Devils Lake Water Supply Project	12/11/2015	12,789,020	7,126,090	5,662,929
	2050-42	5000	Walsh RWD	Phase 1 & 2 System Expansion	12/11/2015	1,639,753	603,292	1,036,461
	2050-43	5000	All Seasons Water District	System 4 Connection to System 1	12/11/2015	4,900,000	0	4,900,000
	2050-45	5000	Garrison Rural Water District	System Expansion Project	3/9/2016	1,731,110	1,060,117	670,993
	2050-50	5000	Grand Forks Traill RWD	Eastern Expansion & TRWD Interconnect Fesibility	8/23/2017	126,000	17,325	108,675
	2373-39	5000	North Central Rural Water Consortium	Carpio Berthold Phase 2	5/29/2014	2,425,167	338,605	2,086,563
	2373-41	5000	North Central Rural Water Consortium	Granville-Deering Area	10/24/2016	1,831,540	613,725	1,217,815
	2050-57	5000	North Central Regional Water District	Mountrail Expansion Phase II	8/23/2017	3,086,000	0	3,086,000
	2050-58	5000	North Central Regional Water District	Mountrail Co. Watery Phase III	8/23/2017	3,430,000	0	3,430,000
	2050-59	5000	Cass Rural Water District	Horace Storage Tank	8/23/2017	91,000	0	91,000
	2050-60	5000	North Prairie Rural District	Reservoir 9 Water Supply	8/23/2017	26,950	0	26,950
	2050-61	5000	North Prairie Rural District	Surrey/Silver Spring	8/23/2017	5,950	0	5,950
	2050-62	5000	Traill Rural District	Expansion/Interconnect	8/23/2017	150,880	9,085	141,795
	2050-63	5000	Walsh RWD	System Expansion Project	8/23/2017	57,375	0	57,375
TOTAL RURAL WATER SUPPLY						51,896,769	13,450,644	38,446,124
TOTAL						234,201,673	32,572,904	201,628,769

**STATE WATER COMMISSION
PROJECT SUMMARY
2017-2019 Biennium**

FLOOD CONTROL

Approved SWC By	No	Dept	Sponsor	Project	Initial Approved Date	Total Approved	Total Payments	Oct-17 Balance
Flood Control:								
SB 2020	1928-01	5000	Fargo	Fargo Flood Control Project	9/14/2014	20,001,131	7,680,491	12,320,640
SB 2020	1928-05	5000	Fargo Metro Flood Diversion	Fargo Metro Flood Diversion Authority 2015-2017	7/6/2016	58,374,956	0	58,374,956
	1771-01	5000	Grafton	Grafton Flood Control Project	10/12/2016	32,175,000	2,061,601	30,113,399
	1974-06	5000	Souris River Joint WRD	Development of 2011 Flood Inundation Maps	12/18/2015	1,522	0	1,522
	1974-09	5000	Souris River Joint WRD	Mouse River Flood Control Design Engineering	8/8/2016	96,696	10,393	86,302
	1974-11	5000	Souris River Joint WRD	Funding of 214 agreement between SRJB & USACE	12/5/2014	31,500	0	31,500
	1974-14	5000	Souris River Joint WRD	STAR Program (Structure Acquisition, Relocation, or Ring Dike)	3/9/2016	5,895,975	1,018,376	4,877,599
	1974-15	5000	Souris River Joint WRD	Perkett Ditch Improvements	12/2/2016	404,593	161,862	242,731
	1974-16	5000	Souris River Joint WRD	Corps of Engineers Feasibility Study MREFFP	12/9/2016	355,546	3,771	351,775
	1974-18	5000	Souris River Joint WRD	Rural Reaches, Preliminary Engineering	10/12/2016	236,941	7,195	229,746
	1974-19	5000	Souris River Joint WRD	4th Avenue Tieback Levee & Burlington Levee - Design Engineeri	10/12/2016	2,463,340	505,933	1,957,407
	1974-20	5000	Souris River Joint WRD	Utility Relocations	10/12/2016	422,034	11,289	410,745
	1974-21	5000	Souris River Joint WRD	Highway 83 Bypass & Bridge Replacement	10/12/2016	1,983,623	133,168	1,850,455
	1974-22	5000	Souris River Joint WRD	Broadway Pump Station	3/29/2017	15,197,000	0	15,197,000
	1974-23	5000	Souris River Joint WRD	Peterson Coulee Outlet	3/29/2017	1,427,022	0	1,427,022
	1974-25	5000	Souris River Joint WRD	Flood Specific Emergency Action Plan for Ward Co	7/20/2017	52,000	0	52,000
	1974-26	5000	Souris River Joint WRD	Phases MI-1, MI-2, MI-3 Construction	8/23/2017	62,781,034	0	62,781,034
	1974-27	5000	Souris River Joint WRD	Corps of Engineers Section 408 Review Through Section 2145	8/23/2017	74,750	0	74,750
	1758	5000	Souris River Joint WRD-no agreement	International Joint Commission Study Board	5/29/2014	302,500	0	302,500
	1344-04	5000	Valley City	Sheyenne River Valley Flood Control Project PHII	8/29/2016	58,414	0	58,414
	1504-01	5000	Valley City	Permanent Flood Protection Project	12/5/2014	477,445	0	477,445
	1504-03	5000	Valley City	Permanent Flood Protection PH III	12/9/2016	13,157,600	0	13,157,600
SB 2371	1344-02	5000	Lisbon	Sheyenne River Valley Flood Control Project	8/8/2016	1,000,582	259,590	740,992
	1991-01	5000	Lisbon	Permanent Flood Protection Project	5/29/2014	146,969	0	146,969
	1991-03	5000	Lisbon	Permanent Flood Protection - Levee C Project	3/11/2015	377,799	0	377,799
	1991-06	5000	Lisbon	Permanent Flood Protection - Levee E Project	3/9/2016	84,125	6,000	78,125
	1991-08	5000	Lisbon	Permanent Flood Protection - Levee D Project	3/29/2017	3,590,535	1,261,717	2,328,818
	1991-10	5000	Lisbon	Permanent Flood Protection - Levee F Project	6/22/2017	3,800,000	0	3,800,000
	2079-01	5000	Williston	West Williston Flood Control	12/9/2016	3,655,517	0	3,655,517
Subtotal Flood Control						228,626,148	13,121,387	215,504,761
Floodway Property Acquisitions:								
	1993-05	5000	Minot	Minot Phase 2 - Floodway Acquisitions	3/29/2017	7,943,229	7,943,229	0
SB 2371	1523-05	5000	Ward County	Ward County Phase 1, 2 & 3 - Floodway Acquisitions	1/27/2012	6,015,347	0	6,015,347
SB 2371	1504-05	5000	Valley City	Valley City Phase 1 - Floodway Acquisitions	8/29/2016	2,149,197	1,521,080	628,117
SB 2371	2000-05	5000	Sawyer	Sawyer Phase 1 - Floodway Acquisitions	6/13/2012	135,844	0	135,844
	1991-05	5000	Lisbon	Lisbon - Floodway Acquisition	12/9/2016	603,300	194,780	408,520
	1987-05	5000	Burlington	Mouse River Enhanced Flood Plan Property Acquisition	5/10/2017	2,166	0	2,166
Subtotal Floodway Property Acquisitions						16,849,083	9,659,089	7,189,994
TOTAL FLOOD CONTROL						245,475,231	22,780,476	222,694,755
Revolving Loan Fund:								
(General Water)								
	2077	1050	Valley City	Valley City Flood Protection - Phase II Construction (LOAN)	12/9/2016	3,289,400	0	3,289,400
	2077-15	1050	Valley City	Valley City Pre Design & Eng & Phase III Buyouts (LOAN)	12/9/2016	1,392,500	1,392,500	0
	2077-14	1050	Lisbon	Permanent Flood Control	8/23/2017	900,000	900,000	0
(Water Supply)								
	2077	1050	Barnes Rural Water District	Rural Expansion (LOAN)	10/12/2016	835,000	0	835,000
	2077-13	1050	North Central Rural Water Consortium II	Carpio Berhold Phase 2 (LOAN)	10/12/2016	215,000	215,000	0
	2077-12	1050	North Central Rural Water Consortium	Granville-Surrey-Deering Water Supply Project (LOAN)	10/12/2016	139,000	139,000	0
REVOLVING LOAN TOTAL						6,770,900	2,646,500	4,124,400
TOTAL						252,246,131	25,426,976	226,819,155

STATE WATER COMMISSION
PROJECT SUMMARY
2017-2019 Biennium
Resources Trust Fund

WATER CONVEYANCE

Approved SWC By	No	Dept	Approved Biennium	Sponsor	Project	Initial Approved Date	Total Approved	Total Payments	Oct-17 Balance
Drain & Channel Improvement Projects:									
SWC	710	5000	2015-17	Maple River WRD	Upper Swan Creek Channel Improvement Project	10/6/2015	62,061	0	62,061
SWC	1056	5000	2015-17	Bottineau Co. WRD	Tacoma Blitz Legal Drain	7/6/2016	210,572	4,818	205,754
SE	1056	2000	2015-17	Bottineau Co. WRD	Stead Legal Drain	2/16/2017	14,738	7,369	7,369
SWC	1064	5000	2013-15	Rush River WRD	Cass County Drain No. 2 Channel Improvements Proj	3/11/2015	41,683	0	41,683
SWC	1070	5000	2015-17	Maple River WRD	Drain #14 Channel Improvements	3/29/2017	741,562	0	741,562
SWC	1071	5000	2015-17	Maple River WRD	Cass County Drain #15 Channel Improvements	3/9/2016	282,561	0	282,561
SWC	1088	5000	2015-17	Maple River WRD	Cass Drain #37 Channel Improvements	3/9/2016	215,157	0	215,157
SWC	1089	5000	2015-17	Maple River WRD	Cass County Drain #39 Channel Improvements	3/9/2016	210,568	0	210,568
SE	1180	5000	2015-17	Richland Co WRD	Legal Drain No. 7 Channel Improvements	5/11/2017	24,926	0	24,926
SWC	1101	5000	2011-13	Dickey Co. WRD	Yorktown-Maple Drainage Improvement Dist No. 3	11/1/2017	798,562	0	798,562
SE	1140	5000	2015-17	Pembina Co. WRD	Drain 11 Outlet Extension Cost Overrun Project	7/7/2015	5,088	0	5,088
SWC	1176	5000	2015-17	Richland Co. WRD	Legal Drain #2 Reconstruction/Extension Project	3/9/2016	224,231	28,549	195,682
SWC	1179	5000	2015-17	Richland Co. WRD	Legal Drain #5 (Lateral 27) Reconstruction	3/9/2016	180,353	0	180,353
SWC	1222	5000	2015-17	Sargent Co WRD	Drain No 11 Channel Improvements	10/12/2016	1,378,376	0	1,378,376
SWC	1227	5000	2011-13	Traill Co. WRD	Mergenthal Drain No. 5 Reconstruction	9/15/2014	12,225	0	12,225
SWC	1231	5000	2015-17	Traill Co. WRD	Carson Drain No. 10 Channel Improvements	10/12/2016	141,322	102,966	38,356
SWC	1236	5000	2015-17	Traill Co. WRD	Murray Drain No. 17 Channel Improvements	10/12/2016	127,759	45,812	81,947
SWC	1311	5000	2015-17	Traill Co. WRD	Buxton Township Improvement District No. 68	3/9/2016	110,418	0	110,418
SWC	1314	5000	2015-17	Wells Co. WRD	Hurdsfield Legal Drain	3/29/2017	644,292	0	644,292
SE	1328	5000	2015-17	North Cass Co. WRD	Drain No. 23 Channel Improv Preliminary Engineering	9/30/2015	921	0	921
SWC	1328	5000	2015-17	North Cass Co. WRD	Drain #23 Channel Improvements	3/9/2016	81,612	0	81,612
SWC	1331	5000	2015-17	Richland Co WRD	Drain #14 Reconstruction	12/9/2016	252,738	138,492	114,246
SWC	1486	5000	2015-17	Griggs Co. WRD	Thompson Bridge Outlet No. 4 Project	10/6/2015	621,661	0	621,661
SWC	1520	5000	2015-17	Walsh Co. WRD	Walsh County Drain 30-1	3/29/2017	282,307	69,308	212,999
SWC	1520	5000	2015-17	Walsh Co. WRD	Drain 87/McLeod Drain	3/29/2017	5,273,586	0	5,273,586
SWC	1951	5000	2015-17	Maple River WRD	Lynchburg Channel Improvements	7/6/2016	1,131,338	0	1,131,338
SWC	1951	5000	2015-17	Maple River WRD	Lynchburg Channel Improvements	7/6/2016	23,412	0	23,412
SWC	1975	5000	2015-17	Walsh Co. WRD	Drain 31-1	10/12/2016	111,543	0	111,543
SWC	1977	5000	2011-13	Dickey-Sargent Co WRD	Jackson Township Improvement Dist. #1	5/20/2015	447,653	0	447,653
SE	1978	5000	2015-17	Richland-Sargent Joint WRD	RS Legal Dam #1 - Pre-Construction Engineering	10/24/2016	13,680	0	13,680
SWC	1978	5000	2015-17	Richland-Sargent Joint WRD	RS Legal Drain #1 Extension & Channel Improvement	3/29/2017	378,000	0	378,000
SWC	1990	5000	2011-13	Mercer Co. WRD	Lake Shore Estates High Flow Diversion Project	3/7/2012	43,821	0	43,821
SE	2016	5000	2015-17	Pembina Co. WRD	Establishment of Pembina County Drain No. 80	4/10/2017	74,965	0	74,965
SWC	2042	5000	2015-17	Bottineau Co. WRD	Haas Coulee Legal Drain Phase II	6/22/2017	86,361	0	86,361
SWC	2049	5000	2015-17	Grand Forks Co. WRD	Grand Forks Legal Drain No. 58	3/29/2017	1,481,850	0	1,481,850
SWC	2062	5000	2015-17	Traill Co. WRD	Traill Co. Drain #64	7/6/2016	19,549	0	19,549
SWC	2068	5000	2015-17	Traill Co. WRD	Stavanger-Belmont Drain No. 52 Channel Impr	10/12/2016	414,652	0	414,652
SWC	2080	5000	2015-17	Walsh Co. WRD	Sam Berg Coulee Drain	10/12/2016	182,775	32,488	150,287
SWC	2081	5000	2015-17	Walsh Co. WRD	Drain #70	10/12/2016	562,429	360,406	202,023
SWC	2088	5000	2015-17	Pembina Co. WRD	Drain No. 79	12/9/2016	875,428	0	875,428
SWC	2108	5000	2015-17	Walsh Co. WRD	Walsh Co Drain #22	6/22/2017	266,086	0	266,086
SE	2112	5000	2017-19	Pembina Co. WRD	Pembina Co Drain #81	7/30/2017	56,000	0	56,000
SE	2093/1427	5000	2015-17	Bottineau Co. WRD	Moen Legal Drain	9/6/2016	18,542	0	18,542
Snagging & Clearing Projects:									
SWC	568	5000	2015-17	Southeast Cass WRD	Sheyenne River Snagging & Clearing Reaches I,II,III	12/9/2016	150,073	0	150,073
SE	571	5000	2013-15	Oak Creek WRD	Oak Creek Snagging & Clearing Project	3/30/2015	1,107	0	1,107
SE	662	5000	2015-17	Walsh Co. WRD	Park River Snagging & Clearing	2/17/2017	51,435	0	51,435
SE	1287	5000	2013-15	McHenry Co. WRD	Souris River Snagging & Clearing Project	2/3/2015	10,500	0	10,500
SE	1667	5000	2015-17	Traill Co. WRD	Goose River Snagging & Clearing	6/21/2017	47,500	0	47,500
SE	1934	5000	2015-17	Traill Co. WRD	Elm River Snagging & Clearing	6/21/2017	47,500	0	47,500
SE	2095	5000	2015-17	Nelson Co WRD	Sheyenne River Snagging & Clearing	4/10/2017	19,700	0	19,700
SE	2110	5000	2015-17	Ward Co. WRD	Meadowbrook Snagging & Clearing	6/21/2017	33,000	0	33,000
TOTAL							18,488,178	790,209	17,697,969

STATE WATER COMMISSION
PROJECT SUMMARY
2017-2019 Biennium
Resources Trust Fund

COMPLETED WATER CONVEYANCE

Approved SWC By	No	Dept	Approved Biennium	Sponsor	Project	Initial Approved Date	Total Approved	Total Payments	Oct-17 Balance	
SWC	568	5000	2013-15	Southeast Cass WRD	Sheyenne River Reaches Snagging & Clearing Project	12/5/2014	94,238	10,312	83,926	
SWC	568	5000	2015-17	Southeast Cass WRD	Sheyenne River Snagging & Clearing Reaches II	12/11/2015	27,905	2,451	25,454	
SWC	568	5000	2015-17	Southeast Cass WRD	Sheyenne River Snagging & Clearing Reaches I	12/11/2015	73,902	0	73,902	
SWC	568	5000	2015-17	Southeast Cass WRD	Sheyenne River Snagging & Clearing Reaches III	12/11/2015	87,035	0	87,035	
SWC	1891	5000	2015-17	Steele Co WRD	Drain No. 8 Channel Improvement	7/6/2016	2,599	2,599	0	
TOTAL								285,679	15,362	270,317

STATE WATER COMMISSION
PROJECT SUMMARY
2017-2019 Biennium
Resources Trust Fund

GENERAL PROJECTS

Approved SWC By	No	Dept	Approved Biennium	Sponsor	Project	Initial Approved Date	Total Approved	Total Payments	Oct-17 Balance
Hydrologic Investigations:									
SE	1400	3000	2015-17	Fireside Office Solutions	Document Conversion (Water Permit Scanning)	8/23/2016	9,098	9,098	0
SE	989	3000	2017-19	ND Dept of Health	Water Sampling Testing	9/25/2017	52,750	52,750	0
Subtotal Hydrologic Investigations							61,848	61,848	0
Devils Lake Basin Development:									
SWC	416-10	4700	2015-17	Operations	Devils Lake Outlet Operations	3/9/2016	10,027,973	1,667,158	8,360,815
SE	416-01	5000	2017-19	Devils Lake Basin Joint WRB	Board Manager	6/14/2017	60,000	0	60,000
Subtotal Devils Lake Basin Development							10,087,973	1,667,158	8,420,815
General Water Management:									
SE	274	5000	2015-17	City of Neche	Neche Levee Certification Project	3/21/2016	54,000	0	54,000
SWC	322	5000	2009-11	ND Water Education Foundati	ND Water: A Century of Challenge	2/22/2010	36,800	0	36,800
SWC	346	5000	2015-17	Williams County WRD	Epping Dam Spillway Reconstruction	3/29/2017	19,499	0	19,499
SWC	347	5000	2009-11	City of Velva	City of Velva's Flood Control Levee System Certificati	3/28/2011	32,497	0	32,497
SE	390	5000	2015-17	Logan County WRD	Beaver Lake Dam Rehabilitation Feasibility Study	6/8/2016	16,076	0	16,076
SE	394	5000	2015-17	Golden Valley Co WRD	Odland Dam Rehabilitation Feasibility Study	10/13/2016	13,220	3,599	9,621
SE	399	5000	2013-15	Barnes Co WRD	Kathryn Dam Feasibility Study	9/19/2014	12,742	0	12,742
SE	420	5000	2015-17	Hettinger Park Board	Mirror Lake Dam Emergency Action Plan	12/2/2016	24,400	12,827	11,573
SE	460	5000	2015-17	Griggs Co. WRD	Ueland Dam Rehabilitation Feasibility Study	5/20/2016	17,500	0	17,500
SE	477	5000	2015-17	Valley City	Mill Dam Rehabilitation Feasibility Study	6/8/2016	15,073	0	15,073
SE	479	5000	2017-19	Morton Co Parks & Recreation	Fish Creek Dam Rehabilitation	10/4/2017	56,000	0	56,000
SE	512	5000	2015-17	Emmons County WRD	Nieuwsma Dam Emergency Action Plan	11/28/2016	7,532	812	6,720
SE	531	5000	2015-17	Benson Co WRD	Bouret Dam Rehabilitation Feasibility Study	10/11/2016	12,118	0	12,118
SWC	551	5000	2015-17	McHenry Co. WRD	Buffalo Lodge Lake Outlet	6/22/2017	134,915	0	134,915
SE	561	5000	2015-17	City of Tioga	Tioga Dam EAP	5/20/2016	40,000	0	40,000
SWC	620	5000	2007-09	Lower Heart WRD	Mandan Flood Control Protective Works (Levee)	6/22/2017	15,000	0	15,000
SE	667	5000	2017-19	Burke Co WRD	Northgate Dam 2 Emergency Action Plan	9/5/2017	26,396	0	26,396
SE	841	5000	2013-15	Maple River WRD	Garsteig Dam Repair Project	1/26/2015	18,661	0	18,661
SE	848	5000	2015-17	Sargent Co WRD	Tewaukon WS-T-1-A (Brummond-Lubke) Dam EAP	12/18/2015	12,016	0	12,016
SE	848	5000	2015-17	Sargent Co WRD	Tewaukon WS-T-7 (Nelson) Dam EAP	12/18/2015	12,180	0	12,180
SE	849	5000	2015-17	Pembina Co. WRD	Renwick Dam Emergency Action Plan	9/29/2015	2,212	0	2,212
SWC	980	5000	2015-17	Cass Co. Joint WRD	Rush River Watershed Detention Study	1/7/2016	127,697	703	126,994
SWC	980	5000	2013-15	Cass Co. Joint WRD	Swan Creek Watershed Detention Study PHII	3/11/2015	122,666	0	122,666
SWC	980	5000	2015-17	Cass Co. Joint WRD	Upper Maple River Watershed Detention Study	1/11/2016	128,039	9,967	118,072
SE	1264	5000	2013-15	Barnes Co WRD	Little Dam Repurposing Feasibility Study	6/17/2015	12,385	0	12,385
SE	1270	5000	2015-17	City of Willon	Willon Pond Dredging Recreation Project	12/29/2015	35,707	0	35,707
SWC	1273	5000	2015-17	City of Oakes	James River Bank Stabilization	12/11/2015	262,500	0	262,500
SE	1289	5000	2015-17	McKenzie Co. Weed Board	Control of Noxious Weeds on Sovereign Land	4/10/2017	44,010	11,378	32,632
SE	1296	5000	2013-15	Pembina Co. WRD	Bathgate-Hamilton & Carlisle Watershed Study	10/17/2013	6,726	0	6,726
SWC	1301	5000	2015-17	Richland Co. WRD	North Branch Antelope Creek NRCS Small Watershec	3/9/2016	113,400	0	113,400
SE	1303	5000	2013-15	Sargent Co WRD	Gwinner Dam Improvement Feasibility Study Program	4/17/2015	20,181	0	20,181
SE	1303	5000	2015-17	Sargent Co WRD	Gwinner Dam Breach Project	2/20/2017	31,125	0	31,125
SWC	1303	5000	2015-17	Sargent Co WRD	Shortfoot Creek Watershed Planning Program	3/9/2016	109,047	0	109,047
SWC	1389	5000	2013-15	Bank of ND	BND AgPace Program	12/13/2013	170,365	40,000	130,365
SE	1396	5000	2017-19	USGS	Water Level Monitoring of Missouri River	9/7/2017	15,000	0	15,000
SWC	1401	5000	2015-17	Pembina Co. WRD	International Boundary Roadway Dike Pembina	7/20/2017	294,528	27,974	266,554
SE	1418	5000	2015-17	City of Bisbee	Big coulee Dam EAP	5/10/2017	11,320	0	11,320
SE	1444	5000	2015-17	City of Pembina	Flood Protection System Certification	4/19/2016	1,657	0	1,657
SE	1453	5000	2015-17	Hettinger County WRD	Karey Dam Rehabilitation Feasibility Study	5/23/2016	6,853	0	6,853
SE	1625	5000	2015-17	Carlson McCain, inc.	Ordinary High Water Mark Delineations Left Bank of M	12/2/2016	2,000	0	2,000
SWC	1638	5000	2009-11	Multiple	Red River Basin Non-NRCS Rural/Farmstead Ring Di	6/23/2009	177,864	0	177,864
SWC	1705	5000	2011-13	Red River Joint Water Resoun	Red River Joint WRD Watershed Feasibility Study - PI	9/21/2011	19,218	0	19,218
SE	1808	5000	2015-17	Steele Co WRD	Beaver Creek Dam Safety Inspection	5/23/2016	2,625	0	2,625
SWC	1851-01	5000	2015-17	ND State Water Commission	Drought Disaster Livestock Water Supply Assistance	8/23/2017	1,325,000	412,361	912,639
SWC	1859	5000	2017-15	ND Dept of Health	NPS Pollution	8/23/2017	200,000	0	200,000
SWC	1932	5000	2015-17	Nelson Co. WRD	Michigan Spillway Rural Flood Assessment	3/9/2016	25,850	0	25,850
SWC	1968	5000	2013-15	Garrison Diversion	McClusky Canal Mile Marker 10 & 49 Irrigation Project	3/17/2014	51,614	0	51,614
SWC	1968	5000	2015-17	Garrison Diversion	MM 15 Irrigation Project	3/29/2017	321,781	0	321,781
SWC	1968	5000	2015-17	Garrison Diversion	MM 42L Irrigation Project	8/23/2017	937,207	0	937,207
SE	1974	5000	2015-17	USGS	Installation of 5 Rapid Deployment Gages in the Mous	3/23/2017	23,200	0	23,200
SWC	1991	5000	2013-15	City of Lisbon	Sheyenne Riverbank Stabilization Project	9/15/2014	47,768	0	47,768
SWC	2008	5000	2013-15	City of Mapleton	Recertification of Flood Control Levee System Project	3/17/2014	101,100	0	101,100
SE	2111	5000	2017-19	Maple River WRD	Davenport Flood Risk Reduction	7/20/2017	35,000	0	35,000
SE	2055	5000	2015-17	Red River Joint Water Resoun	Lower Red Basin Regional Detention Study	7/17/2015	45,500	0	45,500
SE	2058	5000	2015-17	City of Grafton	Grafton Debris Removal Plan	4/10/2017	8,177	0	8,177
SWC	2059	5000	2015-17	Park River Joint WRD	North Branch Park River NRCS Watershed Study	10/6/2015	81,200	0	81,200
SWC	2060	5000	2015-17	Walsh Co. WRD	Forest River Watershed Study	4/10/2017	154,012	0	154,012
SWC	2065	5000	2015-17	Cass Co. Joint WRD	Lake Bertha Flood Control Project No. 75	3/9/2016	201,350	0	201,350
SWC	2066	5000	2015-17	Southeast Cass WRD	Sheyenne-Maple Flood Control Dist #1 Mitigation Impr	3/9/2016	169,201	0	169,201
SE	2069	5000	2015-17	Center Township	Wild Rice River Bank Stabilization	4/19/2016	954	0	954
SE	2070	5000	2015-17	Garrison Diversion Conservan	Mile Marker 42 Irrigation Project	5/20/2016	29,741	0	29,741
SE	2071	5000	2015-17	Foster County WRD	Alkali Lake High Water Feasibility Study	4/19/2016	4,830	0	4,830
SE	2072	5000	2015-17	Barnes Co WRD	Ten Mile Lake Flood Risk Reduction Project	6/8/2016	36,812	0	36,812
SWC	2073	5000	2015-17	Walsh Co. WRD	Oslo Area Ag Levee Feasibility Study	7/6/2016	71,701	33,196	38,505
SWC	2074	5000	2015-17	City of Wahpeton	Flood Control - Levee Certification	7/8/2016	247,500	0	247,500
SWC	2074	5000	2015-17	City of Wahpeton	Breakout Easements	7/6/2016	265,000	0	265,000
SWC	2074	5000	2015-17	City of Wahpeton	Toe Drain & Encroachment Project	7/6/2016	1,125,482	0	1,125,482
SWC	2075	5000	2015-17	Ward Co. WRD	Second Larson Coulee Detention Pond	7/6/2016	602,307	0	602,307
SE	2076	5000	2015-17	Elm River Joint WRD	Elm River Dam #1 Modification Study	7/6/2016	9,503	0	9,503
SE	2078	5000	2017-19	Southeast Cass WRD	Raymond-Mapleton Township Imp Dist #76	7/20/2017	3,043	0	3,043

STATE WATER COMMISSION
PROJECT SUMMARY
2017-2019 Biennium
Resources Trust Fund

GENERAL PROJECTS

Approved SWC By	No	Dept	Approved Biennium	Sponsor	Project	Initial Approved Date	Total Approved	Total Payments	Oct-17 Balance
SE	2079	5000	2015-17	City of Williston	West Williston Flood Control	10/24/2016	39,900	0	39,900
SWC	2083	5000	2015-17	Pembina Co. WRD	Herzog Dam Gate & Catwalk Retrofit - Construction	10/12/2016	114,632	0	114,632
SE	2085	5000	2015-17	Adams Co WRD	Orange Dam Rehabilitation Feasibility Study	10/13/2016	10,770	977	9,793
SE	2089	5000	2015-17	Maple River WRD	Tower Township Improvement District No. 77 Study	12/19/2016	28,175	0	28,175
SE	2090	5000	2015-17	International Water Institute	River Watch Program	1/12/2017	24,150	0	24,150
SE	2094	5000	2015-17	McLean Co WRD	Lower Buffalo Creek Flood Management Feasibility	6/7/2017	7,539	0	7,539
SWC	2096	5000	2015-17	Southeast Cass WRD	Sheyenne-Maple Flood Control Dist #2 Improvements	3/29/2017	1,035,358	0	1,035,358
SWC	2104	5000	2015-17	City of Minot	Levee Repair & Bank Stabilization Project	6/22/2017	950,254	0	950,254
SE	2109	5000	2017-19	Logan County WRD	McKenna Lake Feasibility Study	6/21/2017	2,247	0	2,247
SE	1396-01	5000	2013-15	Trout, Raley, Montano, Witwer	Missouri River Recovery Program	11/17/2015	46,785	75	46,710
SE	1878-02	5000	2015-17	Maple-Steele Joint WRD	Upper Maple River Dam EAP	5/20/2016	12,800	0	12,800
SWC	849-01	5000	2015-17	Pembina Co. WRD	Tongue River NRCS Watershed Plan	3/9/2016	104,703	0	104,703
SE	AOC/IRA	5000	2017-19	ND Irrigation Association	Water Irrigation Funding	10/3/2017	50,000	50,000	0
SE	AOC/WRD	5000	2015-17	ND Water Resource Districts / ND Water Managers Handbook		6/21/2017	24,750	0	24,750
SE	AOC/WEF	5000	2017-19	ND Water Education Foundation	ND Water Magazine	8/2/2017	26,000	0	26,000
SWC	AOC/RRC	5000	2017-19	Red River Basin Commission	Red River Basin Commission Contractor	6/22/2017	200,000	0	200,000
SWC	AOC/ASS	5000	2017-19	Assiniboine River Basin Initial	ARBI's Outreach Efforts	6/22/2017	100,000	0	100,000
SE	PS/WRD/UPP	5000	2017-19	Sheyenne River Joint WRB	USRJWB Operational Costs	6/20/2017	6,000	0	6,000
SE	AOC/MIS	5000	2017-19	Missouri River Advisory Council	MRAC Startup Funding	8/3/2017	2,000	0	2,000
SE	PS/WRD/MRJ	5000	2017-19	Missouri River Joint WRB	MRRIC Terry Fleck	6/7/2017	45,000	0	45,000
SE	PS/WRD/MRJ	5000	2017-19	Missouri River Joint WRB	Board Operational Costs	6/7/2017	10,000	0	10,000
SWC	PS/WRD/ELM	5000	2013-15	Elm River Joint WRD	Dam #3 Safety Improvements Project	9/15/2014	5,672	0	5,672
SE	PS/WRD/LOW	5000	2015-17	Lower Heart WRD	Lower Heart Flood Control	5/10/2017	21,140	0	21,140
Subtotal General Projects							11,286,457	603,870	10,682,587
TOTAL							21,436,278	2,332,876	19,103,402

STATE WATER COMMISSION
PROJECT SUMMARY
2017-2019 Biennium
Resources Trust Fund

COMPLETED GENERAL PROJECTS

Approved SWC By	No	Dept	Approved Biennium	Sponsor	Project	Initial Approved Date	Total Approved	Total Payments	Oct-17 Balance
Hydrologic Investigations:									
SE	1396	3000	2017-19	USGS	Maintain Gaging Station East of Lisbon Sheyenne River	9/25/2017	10,500	10,500	0
SWC	2041	3000	2015-17	USGS	Stream Gage Joint Funding Agreement	10/12/2016	136,028	136,028	0
Subtotal Hydrologic Investigations							146,528	146,528	0
SWC	1523	5000	2015-17	Ward Co. WRD	Robinwood Bank Stabilization Project	10/6/2015	98,648	18,238	80,410
SE	1974	5000	2015-17	USGS	Regulated Streamflow Frequency for the Upper Souris River B:	12/16/2016	12,367	12,367	0
HB1009	1986	5000	2017-19	ND Dept Agriculture	Wildlife Services 17-201	8/22/2017	125,000	125,000	0
Subtotal General Projects							236,015	155,605	80,410
TOTAL							382,543	302,133	80,410

NOTICE OF INTENT TO AMEND ADMINISTRATIVE RULES

TAKE NOTICE that the North Dakota State Water Commission will hold a public hearing to address proposed amendments to North Dakota Administrative Code Article 89-11 (Drought Disaster Livestock Water Supply Project Assistance Program), at **9:00 A.M., Monday, November 27, 2017**, at the State Office Building, 900 East Boulevard Ave., Bismarck, ND. The proposed rules changes are not expected to have an impact on the regulated community in excess of \$50,000.

The purpose and an explanation of the proposed rules changes are outlined on the attached chart.

The proposed rules may be reviewed at the State Water Commission, 900 East Boulevard Ave., Bismarck, ND 58505 or on the Commission's website at www.swc.nd.gov. The proposed rules may be obtained by writing the above address, calling 701-328-4941, or e-mailing rpetersen@nd.gov. Written or oral comments on the proposed rules sent to the above mailing or e-mail address, or telephone number and received by **December 7, 2017**, will be fully considered.

If you plan to attend the public hearing and will need special facilities or assistance relating to a disability, please contact the Commission at the above phone number or address at least seven days prior to the public hearing.

Dated October 20, 2017.

STATE OF NORTH DAKOTA

By: /s/ Garland Erbele
Garland Erbele, P.E.
State Engineer

Section	Housekeeping	Substantive	Comments
Article 89-11 – Drought Disaster Livestock Water Supply Project Assistance Program			
<i>Chapter 89-11-01 – Drought Disaster Livestock Water Supply Project Assistance Program</i>			
Article and Chapter Titles	Language clarifications		Updating titles to reflect language used by N.D.C.C.
89-11-01-01	Language clarifications		Make language consistent with other articles.
89-11-01-02	Language clarifications	Deleted subsections 2 and 3	Subsection 2 - Unnecessary because Governor already designates specific counties eligible for the program. Subsection 3 - Redundant because Commission already determines the program's beginning/end dates.
89-11-01-03	Language clarifications		
89-11-01-04	Language clarifications		Subsection 3 - Added cross-reference to N.D.C.C. definition of certified water well contractor. Subsection 4 - Replaced specific types of projects with more general language for greater flexibility in approvals. Subsection 5 – Increased the maximum cost-share allowable per project from \$3,500 to \$4,500.
89-11-01-05	Language clarifications		Subsection 4 – Added projects dependent on surface water sources that may be unreliable during drought conditions are not eligible.
89-11-01-06	Language clarifications		

ARTICLE 89-11

DROUGHT DISASTER LIVESTOCK WATER SUPPLY PROJECT ASSISTANCE PROGRAM

Chapter
89-11-01 Drought Disaster Livestock Water Supply Project Assistance Program

**CHAPTER 89-11-01
DROUGHT DISASTER LIVESTOCK WATER SUPPLY PROJECT ASSISTANCE PROGRAM**

Section
89-11-01-01 Definitions
89-11-01-02 Drought Declaration Required
89-11-01-03 Applicant Eligibility
89-11-01-04 Funding - Priority - Eligible Items
89-11-01-05 Noneligible Items
89-11-01-06 Application Procedure

89-11-01-01. Definitions. ~~As used in this chapter, unless the context or subject matter otherwise requires:~~

1. "Livestock producer" means an individual who breeds or raises livestock or operates a dairy farm, who normally devotes the major portion of the individual's time to ~~the activities of~~ farming or ranching activities, and who normally receives at least fifty percent of the individual's annual gross income from farming or ranching.
2. "Water supply project" includes the components and installation necessary to transfer and provide water from a water source to the drought-affected livestock.

History: Effective July 1, 1992; amended effective April 1, 2008; July 1, 2014; April 1, 2018.

General Authority: NDCC 28-32-02, 61-03-13, 61-34-03

Law Implemented: NDCC 61-34-02

89-11-01-02. Drought declaration required. Funds will only be disbursed for water supply projects in:

1. ~~Counties~~ counties that have been declared by the governor has declared to be a drought disaster area for purposes of this program;
2. ~~Counties adjacent to the counties in subsection 1; or~~

3. ~~A drought disaster area under a drought declaration that has not been rescinded.~~

The ~~state water~~ commission will determine a the program's beginning and end date of the program.

History: Effective July 1, 1992; amended effective April 1, 2008; July 1, 2014; April 1, 2018.

General Authority: NDCC 28-32-02, 61-03-13, 61-34-03

Law Implemented: NDCC 61-34-02

89-11-01-03. Applicant eligibility.

1. The applicant must be a livestock producer with livestock water supply problems caused by drought.
2. The applicant must first apply for water and have been denied cost-share assistance from the United States department of agriculture farm service agency ~~and must have been denied such cost-share assistance.~~

History: Effective July 1, 1992; amended effective August 27, 2002; April 1, 2008; April 1, 2018.

General Authority: NDCC 28-32-02, 61-03-13, 61-34-03

Law Implemented: NDCC 61-34-02, 61-34-04

89-11-01-04. Funding - Priority - Eligible items.

1. The ~~state water~~ commission must provide funds for the program to the extent funding is available. Priority will be based on earliest ~~date of~~ completed application date.
2. Cost-share assistance may only be used for water supply projects that will provide a solution to a drought-related water supply shortage.
3. All wells drilled with funds provided under this program must be drilled by a North Dakota certified water well contractor as defined by North Dakota Century Code section 43-35-02.
4. Eligible items include new water wells, rural water system connections, pipeline extensions, pasture taps, ~~pumps, generators, electrical and solar hookups, and stock water tanks,~~ and associated works, labor, materials, and equipment rentals for work completed by the producer to develop new water supply projects.

5. The applicant may receive up to fifty percent of the eligible costs, not to exceed ~~three~~ four thousand five hundred dollars per project, with a limit of three projects ~~on any land owned by an~~ per applicant.

History: Effective July 1, 1992; amended effective January 1, 1993; August 27, 2002; April 1, 2008; July 1, 2014; April 1, 2018.

General Authority: NDCC 28-32-02, 61-03-13, 61-34-03

Law Implemented: NDCC 61-34-02

89-11-01-05. Noneligible items. The following projects are not eligible for ~~program~~ funding ~~from the drought disaster livestock water supply project assistance program.:~~

1. ~~Rehabilitation of an existing~~ Existing well rehabilitation.
2. A water supply project on federal land, state land, or land outside North Dakota.
3. A dry hole drilled in an attempt to construct a water well or ~~to~~ locate a water source.
4. ~~The construction of stock dams~~ Stock dam or dugouts dugout construction dependent upon runoff, or projects dependent on surface water sources that may be unreliable during drought conditions.
5. Projects that require repair due to damage or failure to provide maintenance to an existing water source.
6. Hours billed for work completed by the applicant, the applicant's family, or their employees.

History: Effective July 1, 1992; amended effective January 1, 1993; August 27, 2002; July 21, 2006; April 1, 2008; July 1, 2014; April 1, 2018.

General Authority: NDCC 28-32-02, 61-03-13, 61-34-03

Law Implemented: NDCC 61-34-02

89-11-01-06. Application procedure.

1. Requests for assistance must be on a form ~~provided by the state water commission~~ form and ~~must~~ include:
 - a. Written proof the applicant applied for and was denied cost-share assistance from the United States department of agriculture farm service agency ~~and was denied such assistance~~, including the reason for the denial.

- b. An area map indicating the ~~location of the proposed water supply project~~ location.
 - c. An ~~estimate of the costs of the~~ A proposed water supply project cost estimate.
 - d. Verification ~~by the applicant~~ that the applicant is a livestock producer.
2. The chief engineer must review applications and acknowledge their receipt. The chief engineer must, within ~~the limits of available funding~~ limits, provide assistance to those ~~persons~~ livestock producers whose applications are approved. The applicant must agree to:
- a. Complete the project within one hundred eighty days of receiving ~~notification of funding approval of funding of the water supply project~~ notification. The chief engineer may grant an a time extension of time if a written request providing just cause is submitted ~~and just cause for an extension is provided~~.
 - b. Provide ~~receipt of actual expenditures~~ expenditure receipts, ~~an affidavit of work completed if work is done by the applicant, or both, if applicable~~.
 - c. Grant to the ~~state water commission or anyone authorized by the state water commission~~ its agent the right to enter upon the land to inspect the completed water supply project after giving reasonable notice to the applicant.
 - d. Indemnify and hold harmless the state of North Dakota ~~and, the state water commission, its officers, and their agents, employees, and members~~ from all claims, ~~suits, or actions~~ resulting from or arising out of the activities of the applicant or applicant's agents or employees.
3. Application forms may be obtained by contacting:

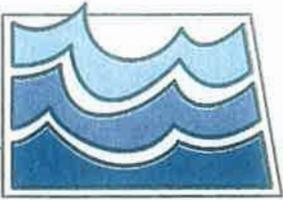
North Dakota State Water Commission
900 East Boulevard
Bismarck, ND 58505
(701) 328-2750

www.swc.nd.gov

History: Effective July 1, 1992; amended effective August 27, 2002; July 21, 2006; April 1, 2008; July 1, 2014; April 1, 2018.

General Authority: NDCC 28-32-02, 61-03-13, 61-34-03

Law Implemented: NDCC 61-34-02, 61-34-04



North Dakota State Water Commission

900 EAST BOULEVARD AVENUE, DEPT 770 • BISMARCK, NORTH DAKOTA 58505-0850
 (701) 328-2750 • TTY 1-800-366-6888 or 711 • FAX (701) 328-3696 • <http://swc.nd.gov>

MEMORANDUM

TO: Governor Doug Burgum
 Members of the State Water Commission

FROM: Garland Erbele, P.E., Chief Engineer-Secretary

SUBJECT: USGS Stream Gage Joint Funding Agreement FY-2018

DATE: December 7, 2017

The State Water Commission has participated in a cooperative statewide hydrologic monitoring program with the US Geological Survey since the 1950s. The Joint Funding Arrangement for data collection consists of three components: **stream gaging** to measure flow rate and volume, stream and lake **water quality monitoring**, and **aquifer water level and water quality monitoring**. This data collection system consists of:

- Surface Water gage sites (50 Total, of which SWC shares in the cost of 45)
 - 15 Seasonal
 - 28 Continuous
 - 5 Lake
 - 2 Miscellaneous
- Groundwater Observation Wells (92 Total, of which SWC shares in the cost of 87)
 - 67 measured monthly
 - 25 equipped with real-time monitoring
- Water Quality monitoring
 - 44 Surface water sites (semi-annually)
 - 9 Chain of Lakes network (quarterly)
 - About 1/3 of Groundwater network (25-30 wells, annually)

The stream gaging network provides stream flow statistics that are needed for a wide variety of applications including the design of flood control structures, bridges, culverts, general water resource planning, floodplain mapping, water management and permitting. Many of the gaging sites provided real-time stream stage data which was crucial in responding to the flood events that occurred in 2009 and 2011, and in water appropriation regulatory decisions based on gage flow readings during the recent drought.

Water samples are collected for chemical analysis at specific stream sites during high and low-flow periods and at selected lakes. This data is used to determine the suitability of the chemical quality for beneficial use, interpret area hydrology, and to assess changes in the quality resulting from the stresses of both man-induced activities and natural processes caused by climatic variations. The water quality data also provides planners with a basis to assess if waste-water resulting from beneficial use can be discharged into surface water bodies.

Monitoring ground-water levels and quality in wells completed in selected aquifers throughout the state provides essential information used to allocate and manage the state's ground-water

DOUG BURGUM, GOVERNOR
 CHAIRMAN

GARLAND ERBELE, P.E.
 CHIEF ENGINEER AND SECRETARY

resources. The data collection system include real-time monitoring capabilities to the continuous recorder wells.

The total cost of the monitoring program for FY2018 is \$1,122,690. The State Water Commission portion of this amount is \$553,790 or 49.3%. This represents a 1.8% increase in program funding over the previous fiscal year.

I recommend that the State Water Commission approve the FY 2018 Joint Funding Arrangement with the USGS North Dakota Water Science Center not to exceed \$553,790 from the funds appropriated to the State Water Commission in the 2017-2019 biennium.

GE:JCP;jk:(2041)

State Water Commission/USGS SW Monitoring Program for 2018 FY

Site ID	Station Name	Site Type	Telemetry	AC Power	Field Office	SW Funding		USGS FPS	USGS CMF	NDSWC	USFWS	USBR	SPratt COE	RRWMB	ELMWB	DLJWB	LHRWB	Remarks
05051600	Wild Rice River near Rutland, ND	Cs	t		GFork	12,220	2,180	10,040										
0505152130	Red River at Enrico Bridge, ND	Cs	t		GFork	13,380		4,690					4,010	4,680				
05054000	Red River at Fargo, ND	C	t		GFork	20,940	20,940	0										
05054500	Shenoyne River above Harvey, ND	C	t	x	Bis	17,140	6,380	10,760										
05056060	Mauvais Coulee Trib #3 nr Cando, ND	Cs	t		GFork	12,220	5,130	7,090										
05056100	Mauvais Coulee nr Cando	Cs	t		GFork	12,220	5,130	7,090										
05056200	Edmore Coulee nr Edmore	Cs	t		GFork	12,220	5,130	7,090										
05056215	Edmore Coulee Trib nr Webster	Cs	t		GFork	12,220	5,130	7,090										
05056222	Morrison Lake nr Webster, ND	L	t		GFork	6,500	2,730	3,770										
05056239	Starkweather Coulee nr Webster	Cs	t		GFork	12,220	5,130	7,090										
05056241	Dry Lake nr Penn, ND	L	t		GFork	6,500	2,730	3,770										
05056265	Big Coulee bl Churches Ferry, ND	L	t		GFork	6,500	2,730	3,770										
05056340	Little Coulee nr Leeds, ND	Cs	t		GFork	12,220	5,130	7,090										
05056500	Devils Lake nr Devils Lake, ND	L	t		GFork	6,500	2,730	3,770										
05056665	Eastern Stump Lake nr Lakota, ND	L	t		GFork	6,500	2,710	2,540										1,250
05059500	Shenoyne River at West Fargo, ND	C	t	x	GFork	16,970	7,130	9,840										
05059600	Maple River near Hope, ND	Cs	t		GFork	12,220	5,130	7,090										
05059700	Maple River near Enderlin, ND	C	t		GFork	17,490	17,490	0										
05066500	Goose River at Hillsboro, ND	C	t	x	GFork	16,970	7,130	9,840										
05082500	Red River at Grand Forks, ND	C	t		GFork	20,940	20,940	0										
05082625	Turtle River at State Park near Arvilla, ND	C	t		GFork	16,220	6,810	9,410										
05083500	Red River at Oslo, MN	S	t		GFork	10,030	10,030	0										
05084000	Forest River near Fordville, ND	C	t		GFork	16,220	6,810	9,410										
05090000	Park River at Grafton, ND	C	t		GFork	16,220	6,810	9,410										
05101000	Tongue River at Akra, ND	Cs	t		GFork	12,220	5,130	7,090										
05120000	Souris River nr Verendrye, ND	C	t	x	Bis	16,970	6,360	8,780					1,830					
05122000	Souris River nr Bantry, ND	C	t	x	Bis	18,240	375	375	17,490									
06331000	L Muddy bl Cow C nr Williston, ND	C	t		Bis	16,220	6,810	9,410										
06332000	White Earth River near White Earth, ND	C	t		Bis	16,220	5,350	10,870										
06332515	Bear Den Creek nr Mandaree, ND	C	t	x	Bis	16,970	12,730	4,240										
06336600	Beaver Creek nr Trotters, ND	Cs	t		Bis	13,380	13,380	0										
06339100	Knife River at Manning, ND	C	t	x	Bis	16,970	7,130	9,840										
06339500	Knife River nr Golden Valley, ND	C	t	x	Bis	16,970	7,130	9,840										
06340000	Spring Creek at Zap, ND	C	t	x	Bis	16,970	7,130	9,840										
06342260	Square Butte Creek below Center, ND	C	t	x	Bis	16,970	7,130	9,840										

State Water Commission/USGS SW Monitoring Program for 2018 FY

Site ID	Station Name	Site Type	Telemetry	AC Power	Field Office	SW Funding		USGS FPS	USGS CMF	NDSWC	USFWS	USBR	Special COE	RRWMB	DLJWRB	LHRWRD	Remarks	
06342450	Burnt Creek nr Bismarck, ND	Cs	t	x	Bis	12,970	5,450	7,520										
06343000	Heart River nr South Heart, ND	Cs	t	x	Bis	13,380	4,460	4,460			4,460							Gage upgraded to seasonal in 2011
06344600	Green River nr New Hradec, ND	C	t		Bis	16,220	6,810	9,410										
06354480	SBr Beaver Creek nr Zeeland, ND	Cs	t		Bis	12,220	5,500	6,720										
06354490	Beaver Creek nr Strasburg, ND	S	t		Bis	7,220		7,220										
06345500	Heart River nr Richardson, ND	C	t	x	Bis	16,970	7,130	9,840										
06345780	Heart R ab Lake Tschida nr Glen Ullin, ND	C	t		Bis	16,220	6,810	9,410								1,740		
06348300	Heart River at Stark Bridge nr Judson, ND	C	t		Bis	16,220	5,305	3,565			5,610							
06348500	Sweetbriar Creek nr Judson, ND	Cs	t		Bis	12,220	5,130	7,090										
06349070	Missouri River below Mandan, ND	L	t		Bis	9,560		9,560										
06350000	Cannonball River at Regent, ND	C	t	x	Bis	16,970	7,130	9,840										
06351200	Cannonball River nr Raleigh, ND	C	t		Bis	16,220	6,810	9,410										
06352000	Cedar Creek nr Haynes, ND	C	t	x	Bis	16,970	7,130	9,840										
06353000	Cedar Creek nr Raleigh, ND	C	t		Bis	16,220	6,810	9,410										replace CWP with NSIP
06370800	Bear Creek nr Oakes, ND	C	t		Bis	16,220	6,810	9,410										
Total funding:						49	15	706,680	102,320	217,180	343,480	17,490	10,070	5,840	4,680	1,250	1,740	

7-month SEASONAL Discharge (Cs) 15

12-month CONTINUOUS Discharge [C] 26

12-month Continuous LAKE or River (L) 6

Stage-only with measurement for Rating definition (S) 2

AC power 15

FY 2017 338,510

FY 2018 343,480

INCREASE 1.5

SWC/USGS Groundwater Program for 2018 FY

COUNTY NAME	LOCAL WELL NO.	USGS ID	AQUIFER NAME	OFFICE	FQ	POR	TOTAL	USGS CMF	NDSWC	REMARKS
ADAMS	132-097-07CAB2	461614102515202	LUDLOW-HELL CREEK	Bis	M	1971-	1,080	420	660	
ADAMS	132-097-07CAB3	461614102515203	LUDLOW	Bis	M	1971-	1,080	420	660	
BENSON	151-063-29AAC2	475224098443202	WARWICK AQUIFER	Bis	C	1951-	5,360	1,460	3,900	Real-time
BENSON	151-069-01BBB	475601099264701	MADDOCK AQUIFER	Bis	M	1969-	1,080	420	660	
BENSON	151-069-03CCC	475515099292101	MADDOCK AQUIFER	Bis	M	1969-	1,080	420	660	
BENSON	154-067-15BBB	480958099154601	SPIRITWOOD AQUIFER	Bis	M	1970-	1,080	420	660	
BENSON	154-071-11AAD1	481041099442701	FOX HILLS SANDSTONE	Bis	M	1968-	1,080	420	660	
BENSON	156-071-04BBA	482212099475801	PLEASANT LAKE AQUIFER	Bis	C	1968-	5,360	1,460	3,900	Real-time
BOTTINEAU	159-082-34DDC	483248101141301	GLENBURN AQUIFER	Bis	M	1980-	1,080	420	660	
BOWMAN	131-102-07DDD1	461039103282801	HELL CRK-FOX HILLS	Bis	M	1972-	1,080	420	660	
BOWMAN	131-102-07DDD3	461039103282803	TONGUE RIVER MEMBER	Bis	M	1972-	1,080	420	660	
BURKE	163-093-17DDD	485618102455401	COLUMBUS AQUIFER	Bis	M	1967-	1,080	420	660	
BURLEIGH	138-077-22AAD	464540100222101	MCKENZIE AQUIFER	Bis	C	1961-	5,360	1,460	3,900	Real-time
BURLEIGH	142-075-19CCB	470556100142501	WING CHANNEL AQUIFER	Bis	M	1962-	1,080	420	660	
CASS	143-054-08BBB2	471326097332902	PAGE AQUIFER	Gfork	C	1982-	5,360	1,460	3,900	Real-time
CAVALIER	161-060-21BBB	484534098254401	PIERRE SHALE	Gfork	M	1969-	1,080	420	660	
CAVALIER	161-063-29BBB	484444098504301	MUNICH AQUIFER	Gfork	M	1970-	1,080	420	660	
DIVIDE	163-097-34ABB	485432103151701	YELLOWSTONE AQUIFER	Bis	M	1972-	1,080	420	660	
DUNN	145-095-22DAD2	472144102453402	KILLDEER AQUIFER	Bis	C	1972-	3,480	1,740	1,740	Measured by SWC, New Real-time
DUNN	146-091-35BBB	472537102144801	GOODMAN CREEK AQUIFER	Bis	M	1974-	1,080	420	660	
EMMONS	134-075-15BBB	462539100061101	FOX HILLS SANDSTONE	Bis	M	1972-	1,080	420	660	
FOSTER	147-067-35AAA	473051099093601	CARRINGTON AQUIFER	Bis	C	1991-	5,360	1,460	3,900	Real-time
GOLDEN VALLEY	140-105-30CCC6	465421103590706	HELL CREEK-FOX HILLS	Bis	M	1985-	1,080	420	660	
GRAND FORKS	152-054-31BBB	475646097372201	ELK VALLEY AQUIFER	Gfork	C	1965-	5,150	-	-	Real-time, 100% Federal CRN 5,150
GRANT	135-090-23BBB1	463000101575101	FOX HILLS SANDSTONE	Bis	M	1973-	1,080	420	660	
GRANT	135-090-23BBB2	463000101575102	TONGUE RIVER MEMBER	Bis	M	1973-	1,080	420	660	
GRIGGS	145-061-04DAD1	472412098261201	SPIRITWOOD AQUIFER	Gfork	C	1970-	5,360	1,460	3,900	Real-time
GRIGGS	146-058-26BBB	472624098013101	MCVILLE AQUIFER	Gfork	M	1999-	1,080	420	660	
HETTINGER	135-097-04DCA	463153102521001	FOX HILLS SANDSTONE	Bis	M	1968-	1,080	420	660	
KIDDER	139-72-34DDA3	464836099443803	DAKOTA AQUIFER	Bis	C	2006-	5,360	1,460	3,900	Real-time
LOGAN	136-070-26BBB2	463417099271002	STREETER AQUIFER	Bis	C	1978-	5,150	-	-	Real-time, 100% Federal CRN 5,150
MCHENRY	154-077-18CCC	480913100372501	NEW ROCKFORD AQUIFER	Bis	C	1976-	5,360	1,460	3,900	Real-time
MCINTOSH	129-072-30BBB	455807099450701	ZEELAND AQUIFER	Bis	M	1976-	1,080	420	660	
MCINTOSH	130-069-21BBB1	460411099200701	SPRING CREEK AQUIFER	Bis	M	1977-	1,080	420	660	
MCINTOSH	130-069-21BBB2	460411099200702	SPRING CREEK AQUIFER	Bis	M	1977-	1,080	420	660	
MCKENZIE	150-098-23AAB2	474814103104702	CHERRY CREEK	Bis	M	2001-	1,080	420	660	
MCKENZIE	151-102-14CCC	475335103424101	CHARBONNEAU AQUIFER	Bis	C		3,480	1,740	1,740	New Real-time
MERCER	146-090-20CCC	472641102105901	FOX HILLS FORMATION	Bis	M	1968-	1,080	420	660	
MORTON	138-081-09ABB1	464734100543501	FOX HILLS SANDSTONE	Bis	M	1974-	1,080	420	660	
MORTON	138-081-09ABB2	464734100543502	HELL CREEK FORMATION	Bis	M	1974-	1,080	420	660	
MORTON	138-081-09ABB4	464734100543504	CANNONBALL-LUDLOW UNDF	Bis	M	1975-	1,080	420	660	
MORTON	139-087-31DDA	464824101420001	FOX HILLS FORMATION	Bis	M	2014-	1,080	420	660	
MORTON	139-086-35BCC	464847101303801	SIMS AQUIFER	Bis	M	1974-	1,080	420	660	
MORTON	139-088-34BCC3	464846101464501	TONGUE RIVER MEMBER	Bis	M	1974-	1,080	420	660	
NELSON	153-058-32DBB	480138098074101	PIERRE SHALE	Gfork	M	1948-	1,080	420	660	
OLIVER	142-084-24BBA	470642101162701	FOX HILLS FORMATION	Bis	M	1968-	1,080	420	660	
PIERCE	156-073-12CCC	482033099594901	FOX HILLS SANDSTONE	Bis	M	1967-	1,080	420	660	
PIERCE	158-073-17BBB	483054100071901	LAKE SOURIS AQUIFER	Bis	M	1966-	1,080	420	660	
RAMSEY	153-065-09DD2	480449099002402	SPIRITWOOD AQUIFER	Gfork	M	1973-	1,080	420	660	
RAMSEY	154-065-21CCC	480817099013201	SPIRITWOOD AQUIFER	Gfork	M	1973-	1,080	420	660	
RAMSEY	156-062-20BBB	481929098392601	PIERRE SHALE	Gfork	M	1973-	1,080	420	660	
RANSOM	133-058-25BBA2	461838097553402	ENGLEVALE AQUIFER	Gfork	C	1982-	5,360	1,460	3,900	
RANSOM	134-058-24CDD2	462400097552502	ENGLEVALE AQUIFER	Gfork	C	1968-	5,360	1,460	3,900	
RENVILLE	161-084-24DD	484500101294901	FOX HILLS FORMATION	Bis	M	1979-	1,080	420	660	
RICHLAND	134-048-20ADD2	462425096441202	COLFAX AQUIFER	Gfork	C	1980-	5,360	1,460	3,900	
RICHLAND	134-052-06CCD2	462633097163402	SHEYENNE DELTA AQUIFR	Gfork	C	1963-	5,150	-	-	Real-time, 100% Federal CRN 5,150
RICHLAND	136-052-22DDD2	463422097115602	SHEYENNE DELTA AQUIFER	Gfork	C	1963-	5,360	1,460	3,900	
ROLETTE	163-073-11CCC2	485707100053702	HELL CREEK FORMATION	Bis	M	1978-	1,080	420	660	
SARGENT	129-058-06AAA3	460120097591803	OAKES AQUIFER	Bis	C	1993-	5,360	1,460	3,900	
SHERIDAN	150-074-14CCC	474817100063801	MARTIN AQUIFER	Bis	M	1978-	1,080	420	660	
SIoux	130-086-28CCC1	460244101272701	FOX HILLS SANDSTONE	Bis	M	1973-	1,080	420	660	
SIoux	130-086-28CCC2	460244101272702	HELL CREEK FORMATION	Bis	M	1973-	1,080	420	660	
SIoux	134-079-32ADD	462239100375601	STRASBURG AQUIFER	Bis	M	1973-	1,080	420	660	
STARK	140-095-08AAA	465755102410701	SENTINEL BUTTE	Bis	C	1968-	5,150	-	-	Real-time, 100% Federal CRN 5,150
STEELE	145-054-27CDC	472024097315201	DAKOTA SANDSTONE AQUIFER	Gfork	M	1970-	1,080	420	660	
STUTSMAN	139-062-02CCC	465243098284801	SPIRITWOOD AQUIFER	Bis	C	1967-	5,360	1,460	3,900	
STUTSMAN	140-062-02DDD	465757098274401	SPIRITWOOD AQUIFER	Bis	C	1984-	5,360	1,460	3,900	
TOWNER	158-066-30BBB	482908099134601	SPIRITWOOD AQUIFER	Bis	C	1980-	5,150	-	-	Real-time, 100% Federal CRN 5,150
TOWNER	160-067-10BBB1	484209099174101	SPIRITWOOD AQUIFER	Bis	M	1980-	1,080	420	660	
TOWNER	160-067-10BBB2	484209099174102	SPIRITWOOD AQUIFER	Bis	M	1980-	1,080	420	660	
TOWNER	163-067-18AAA1	485659099222801	SPIRITWOOD AQUIFER	Bis	M	1980-	1,080	420	660	
TOWNER	163-067-18AAA2	485659099222802	SPIRITWOOD AQUIFER	Bis	M	1980-	1,080	420	660	
WALSH	155-053-25CDD4	481234097234604	LAKE AGASSIZ CLAY	Gfork	M	1991-	1,080	420	660	
WALSH	155-053-25CDD5	481234097234605	LAKE AGASSIZ CLAY	Gfork	M	1991-	1,080	420	660	



SWC/USGS Groundwater Program for 2018 FY

WALSH	156-056-22DDD	481841097490301	FORDVILLE AQUIFER	Gfork	C	1968-	5,360	1,460	3,900
WALSH	157-055-21DBC	482408097443201	DAKOTA SANDSTONE	Gfork	M	1968-	1,080	420	660
WALSH	157-058-18DDD	482449098095801	PIERRE SHALE	Gfork	M	1968-	1,080	420	660
WARD	154-082-03CDC3	481058101120403	SUNDRE BURIED CH AQ	Bis	C	1968-	5,360	1,460	3,900
WELLS	145-068-10BCC	472329099194401	PIPESTEM CREEK AQUIFER	Bis	M	1965-	1,080	420	660
WILLIAMS	158-100-08DAA1	483127103373101	LITTLE MUDDY AQUIFER	Bis	M	1966-	1,080	420	660
WILLIAMS	158-100-08DAA2	483127103373102	LITTLE MUDDY AQUIFER	Bis	C	1966-	5,360	1,460	3,900
WILLIAMS	159-098-10AAD	483700103191501	WEST WILDROSE AQUIFER	Bis	M	1965-	1,080	420	660
							165,000	53,700	111,300
Federal Network wells credit								25,750	0
Total							190,750	79,450	111,300

Measure Only	57	Previous FY 2017	109,520
Publication	0	Current FY 2018	111,300
Recorder	25	Increase	1.6 %

State Water Commission/USGS Qw Monitoring Program for 2018 FY

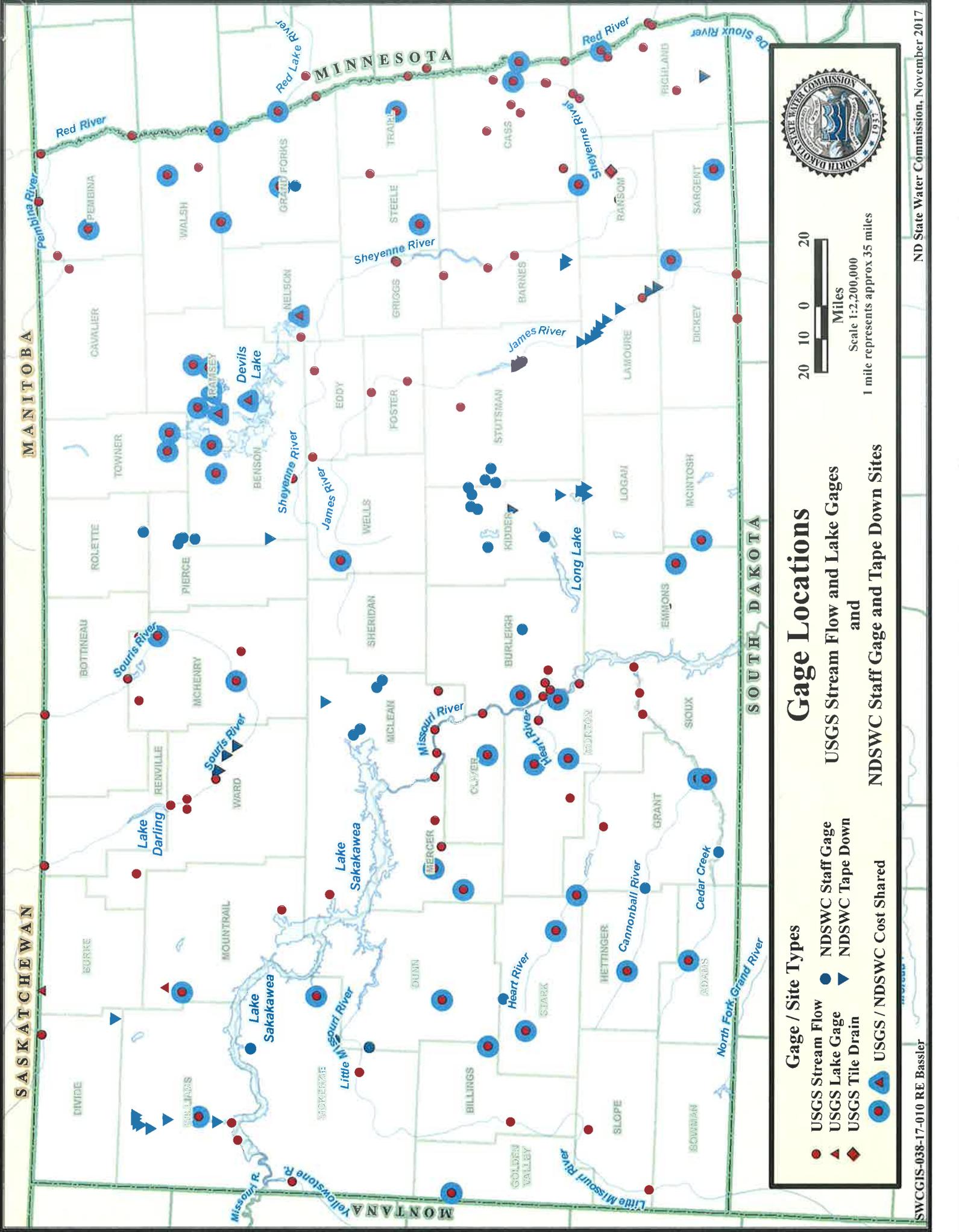
Site ID	Station Name	Site Type	Telemetry	AC Power	Field Office	Total Site Funding	USGS CMF			Remarks
							USGS CMF	NDSWC	Number of Samples Collected	
STATE WIDE WATER QUALITY NETWORK										
05051522	Red River at Hickson, ND	H/L	t	x	GFork	4,740	2,180	2,560	6	
05051600	Wild Rice River near Rutland, ND	H/L	t		GFork	4,740	2,180	2,560	6	
05052500	Antelope Creek at Dwight, ND	H/L	t		GFork	3,160	1,450	1,710	4	
05054500	Sheyenne River above Harvey, ND	H/L	t		Bis	3,160	1,450	1,710	4	
05056060	Mauvais Coulee Trib #3 nr Cando, ND	H/L	t		GFork	3,160	1,450	1,710	4	
05056100	Mauvais Coulee nr Cando	H/L	t		GFork	3,160	1,450	1,710	4	
05056200	Edmore Coulee nr Edmore	H/L	t		GFork	3,160	1,450	1,710	4	
05056215	Edmore Coulee Trib nr Webster	H/L	t		GFork	3,160	1,450	1,710	4	
05056239	Starkweather Coulee nr Webster	H/L	t		GFork	3,160	1,450	1,710	4	
05056340	Little Coulee nr Leeds, ND	H/L			GFork	3,160	1,450	1,710	4	
05057200	Baldhill Creek near Dazey, ND	H/L	t		GFork	4,740	2,180	2,560	6	
05059700	Maple River near Enderlin, ND	H/L	t		GFork	4,740	2,180	2,560	6	
05060500	Rush River at Amenia, ND	H/L	t		GFork	3,160	1,450	1,710	4	
05064500	Red River at Halstad, MN	H/L	t		GFork	4,740	2,180	2,560	6	
05065500	Goose River nr Portland, ND	H/L	t		GFork	4,740	2,180	2,560	6	
05082625	Turtle River at State Park near Arvilla, ND	H/L	t		GFork	4,740	2,180	2,560	6	
05084000	Forest River near Fordville, ND	H/L	t		GFork	4,740	2,180	2,560	6	
05092000	Red River at Drayton, ND	H/L	t		GFork	4,740	2,180	2,560	6	
05099400	Little South Pembina near Walhalla, ND	H/L	t		GFork	3,160	1,450	1,710	4	
05101000	Tongue River at Akra, ND	H/L	t		GFork	3,160	1,450	1,710	4	
05113600	Long Creek nr Noonan, ND	H/L	t	x	Bis	3,160	1,450	1,710	4	
05120500	Wintering River nr Karlsruhe, ND	H/L	t		Bis	3,160	1,450	1,710	4	
05123400	Willow Creek nr Willow City, ND	H/L	t		Bis	4,740	2,180	2,560	6	
05123510	Deep River nr Upham, ND	H/L	t	x	Bis	4,740	2,180	2,560	6	
06331000	L Muddy bl Cow C nr Williston, ND	H/L	t		Bis	3,160	1,450	1,710	4	2 additional by NDDH (6 total)
06332000	White Earth River nr White Earth, ND	H/L	t		Bis	3,160	1,450	1,710	4	2 additional by NDDH (6 total)
06332515	Bear Den Creek nr Mandaree, ND	H/L	t	x	Bis	3,160	1,450	1,710	4	
06335500	Little Missouri River at Marmath, ND	H/L	t	x	Bis	4,740	2,180	2,560	6	
06335750	Deep Creek nr Amidon, ND	H/L	t	x	Bis	3,160	1,450	1,710	4	
06336600	Beaver Creek nr Trotters, ND	H/L	t		Bis	3,160	1,450	1,710	4	
06339100	Knife River at Manning, ND	H/L	t	x	Bis	3,160	1,450	1,710	4	
06342260	Square Butte Creek below Center, ND	H/L	t	x	Bis	3,160	1,450	1,710	4	
06342500	Missouri River at Bismarck, ND	H/L	t	x	Bis	4,740	2,180	2,560	6	
06343000	Heart River nr South Heart, ND	H/L	t	x	Bis	3,160	1,450	1,710	4	
06344600	Green River nr New Hradec, ND	H/L	t		Bis	3,160	1,450	1,710	4	
06347000	Antelope Creek nr Carson	H/L	t		Bis	3,160	1,450	1,710	4	
06347500	Big Muddy Creek nr Almont, ND	H/L	t		Bis	3,160	1,450	1,710	4	
06348500	Sweetbriar Creek nr Judson, ND	H/L	t		Bis	3,160	1,450	1,710	4	
06349500	Apple Creek nr Menoken, ND	H/L	t	x	Bis	4,740	2,180	2,560	6	
06350000	Cannonball River at Regent, ND	H/L	t	x	Bis	4,740	2,180	2,560	6	
06352000	Cedar Creek nr Haynes, ND	H/L	t	x	Bis	4,740	2,180	2,560	6	
06354580	Beaver Creek blw Linton, ND	H/L	t	x	Bis	4,740	2,180	2,560	6	
06469400	Pipestem Creek nr Pingree, ND	H/L	t		Bis	4,740	2,180	2,560	6	
06470800	Bear Creek nr Oakes, ND	H/L	t		Bis	3,160	1,450	1,710	4	
Sub-Total Funding						167,480	76,940	90,540	212	
CHAIN OF LAKES WATER QUALITY NETWORK										
05056220	Sweetwater L. at Sweetwater, ND	L Qw			GFork	5,390	2,260	3,130		Quarterly Sample
05056222	Morrison Lake nr Webster, ND	L Qw	t		GFork	5,390	2,260	3,130		Quarterly Sample

State Water Commission/USGS Qw Monitoring Program for 2018 FY

Site ID	Station Name	Site Type	Telemetry	AC Power	Field Office	Total Site Funding	USGS CMF	NDSWC	Number of Samples Collected	Remarks
05056241	Dry Lake nr Penn, ND	L Qw	t		GFork	5,390	2,260	3,130	Quarterly Sample	
05056250	Lake Alice nr Churches Ferry, ND	L Qw			GFork	5,390	2,260	3,130	Quarterly Sample	
05056260	Lake Irvine nr Churches Ferry, ND	L Qw			GFork	5,390	2,260	3,130	Quarterly Sample	
05056665	Eastern Stump Lake nr Lakota, ND	L Qw	t		GFork	5,390	2,260	3,130	Quarterly Sample	
05056666	McHugh Slough nr Lakota, ND	L Qw			GFork	5,390	2,260	3,130	Quarterly Sample	
05056669	Lake Loretta nr Michigan, ND	L Qw			GFork	5,390	2,260	3,130	Quarterly Sample	
05056670	Western Stump Lake nr Lakota, ND	L Qw			GFork	5,390	2,260	3,130	Quarterly Sample	
Sub-Total Funding						48,510	20,340	28,170		
GROUNDWATER WATER QUALITY NETWORK										
Varied	GW wells about 1/3 of network per year	GW			Bis	10,200	4,690	5,510		
Sub-Total Funding						10,200	4,690	5,510		

	FY 2017	2018
Total Before Direct	120,560	124,220
Subtract Direct	24,480	25,210
TOTAL FUNDING	96,080	99,010
FY18 INCREASE		3.0

INCREASED BY 3.0%



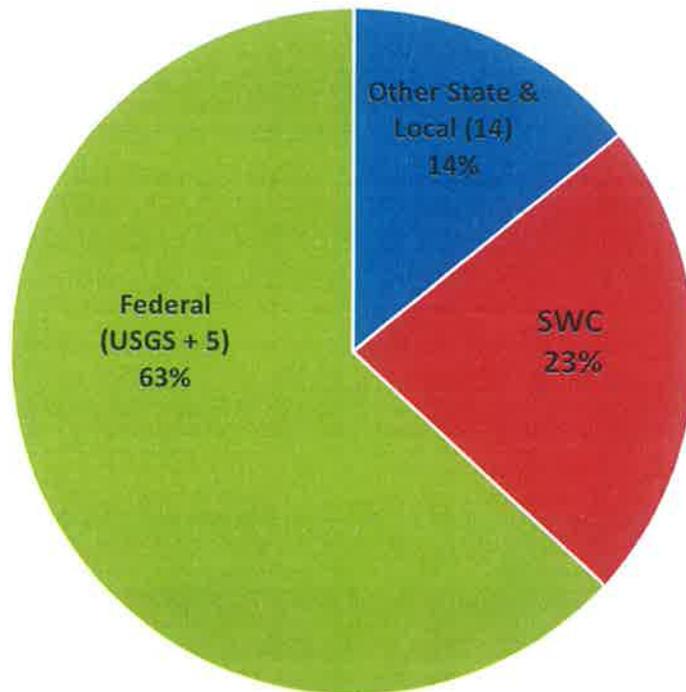
Scale 1:2,200,000
1 mile represents approx 35 miles

Gage Locations

USGS Stream Flow and Lake Gages
and
NDSWC Staff Gage and Tape Down Sites

<p>Gage / Site Types</p> <ul style="list-style-type: none"> ● USGS Stream Flow ▲ USGS Lake Gage ▲ USGS Tile Drain ●▲ USGS / NDSWC Cost Shared 	<ul style="list-style-type: none"> ● NDSWC Staff Gage ▼ NDSWC Tape Down
--	---

**Proposed FY 2018 USGS Cooperative Gaging Program
Total Proposed Statewide Program \$2,883,860**



Discharge and Stage

Discharge – 101

River & Lake Stage – 32

Water Quality

Real-time Continuous Water Quality monitors – 12

Discrete Water Quality sampling locations – 67

Groundwater

Real-time Continuous water levels – 25

Discrete water levels – 57

History

Missouri River at Bismarck – Water level data starting on April 5, 1897

Red River at Fargo – Daily flow data starting on June 1, 1901

Souris River (in and around) Minot – Daily flow data starting on May 1, 1903

Red River at Grand Forks – Daily flow starting on January 1, 1904

**2018 INTENDED USE PLAN
FOR THE
NORTH DAKOTA DRINKING WATER STATE REVOLVING LOAN FUND**

**PREPARED BY THE
DRINKING WATER STATE REVOLVING LOAN FUND PROGRAM
MUNICIPAL FACILITIES DIVISION
ENVIRONMENTAL HEALTH SECTION
NORTH DAKOTA DEPARTMENT OF HEALTH**

November 21, 2017



Table of Contents

Introduction.....	1
Priority List of Projects.....	2
Development Process.....	2
Comprehensive Project Priority List and Fundable List.....	3
Criteria and Methods for the Distribution of Funds.....	3
Priority Ranking System.....	3
Ranking and Project Bypass Considerations.....	4
Capacity.....	5
Set-Aside and Fee Activities.....	5
Mandatory Small System Project Set-Aside.....	6
Mandatory Additional Subsidization Set-Aside.....	6
Mandatory Green Project Reserve (GPR) Set-Aside.....	7
Optional Project Set-Asides.....	7
Optional Nonproject Set-Asides.....	7
Nonproject Set-Aside and Fee Activity.....	8
Financial Status.....	9
Financial Structure.....	10
State 20 Percent Match Requirement.....	10
Anticipated Proportionality Ratio.....	10
Disbursement of Funds.....	10
Transfer of Funds Between DWSRF and CWSRF.....	11
Funding Process.....	11
Loan Assistance Terms.....	12
Sources and Uses of Funds.....	13
Short- and Long-Term Goals.....	13
Short-Term Goals.....	13
Long-Term Goals.....	13
Environmental Results.....	14
Public Participation.....	14
Process.....	15

Appendices

Appendix A: Eligible and Ineligible Projects and Project-Related Costs Under the Drinking Water State Revolving Loan Fund (DWSRF) Program

Appendix B: Comprehensive Project Priority List and Fundable List for 2018

Appendix C: Priority Ranking System for Financial Assistance Through the Drinking Water State Revolving Loan Fund (DWSRF) Program

Appendix D: Non-Project Set-Aside and Loan Fee Activity

Appendix E: Amounts Available to Transfer Between State Revolving Fund Programs

Appendix F: Sources and Uses Table

Introduction

On August 6, 1996, President Clinton signed into law the Safe Drinking Water Act (SDWA) Amendments of 1996 (P.L. 104-182). Section 1452 of the SDWA authorizes a Drinking Water State Revolving Loan Fund (DWSRF) Program. It further requires the U.S. Environmental Protection Agency (EPA) to enter into agreements with and make capitalization grants to eligible states to assist public water systems (PWSs) in financing the costs of infrastructure needed to achieve or maintain compliance with the SDWA and to protect public health.

North Dakota's DWSRF federal allotments for fiscal years (FY) 1997 through 2017 totaled \$193,823,767, and the anticipated 2018 allotment is \$10,000,000. Allotted funds are provided by the EPA through capitalization grants and matched 20 percent by North Dakota.

DWSRF funds may be used for:

- Loans.
- Loan guarantees.
- A source of reserve and security for leveraged loans (the proceeds of which must be placed in the DWSRF).
- Buying or refinancing existing local debt obligations (publicly owned systems only) where the initial debt was incurred and construction started after July 1, 1993.
- Earning interest prior to disbursement of assistance.

To the extent that there are a sufficient number of eligible projects, at least 15 percent of the funds available for construction must be used annually to provide loan assistance to PWSs that serve fewer than 10,000 persons. Up to 30 percent of the funds available for construction may also be used to provide subsidized loans to disadvantaged communities. A portion of the DWSRF allotments may also be used for non-project set-aside activities such as:

- DWSRF Program administration (the greatest of the following: \$400,000, 1/5 percent of the current valuation of the fund, or 4 percent of all grant awards to the fund for the fiscal year).
- State program assistance (up to 10 percent).
- Small system technical assistance (up to 2 percent).
- Local assistance and state programs, including the delineation and assessment of source water protection areas (up to 10 percent for any one activity with a maximum of 15 percent for all activities combined).

PWSs eligible for DWSRF assistance include community water systems (both publicly and privately owned) and nonprofit noncommunity water systems. Federally owned PWSs are not eligible to receive DWSRF assistance. Appendix A depicts the types of projects and project-related costs that are eligible and ineligible for DWSRF assistance.

Section 1452(b) of the SDWA requires each state to annually prepare an Intended Use Plan (IUP). The IUP must describe how the state intends to use the DWSRF funds to meet the objectives of the SDWA and further the goal of protecting public health. The IUP must be made

available to the public for review and comment prior to submitting it to the EPA as part of the capitalization grant application. Specifically, the IUP must include a:

- Priority list of projects, including a description of the projects and the present size of the PWSs served.
- Description of the criteria and methods to be used for the distribution of funds.
- Description of the financial status of the DWSRF Program, including the use of set-asides along with funds reserved, and the amount of funds that will be used to assist disadvantaged communities.
- Description of the short- and long-term goals of the DWSRF Program, including how the capitalization grant funds will be used to ensure compliance and protect public health.

This document is intended to serve as the state of North Dakota's IUP for 2018 and will stay in effect until superseded by a subsequent IUP. As per the authority granted to the North Dakota Department of Health (NDDoH) under North Dakota Century Code (NDCC) Chapter 61-28.1, this document, based on comments received from the public, will be incorporated into a capitalization grant application and submitted to the EPA to further capitalize the state's DWSRF Program in the amount of \$10,000,000 (anticipated amount). State match bonds were issued in 2015 to provide the 20 percent match for capitalization grants through 2023.

Priority List of Projects

States are required to develop and maintain a comprehensive priority list of eligible projects for funding and to identify projects that will receive funding in the first year after the capitalization grant award. In determining funding priority, states must ensure to the maximum extent practicable that priority for the use of funds be given to projects that: (1) address the most serious risks to human health; (2) are necessary to ensure compliance under the SDWA; and (3) assist systems most in need on a per household basis (i.e., affordability).

Development Process

As part of the IUP development process, all potential DWSRF loan recipients were requested to notify the NDDoH if they had a drinking water project not presently on the list and for which they were interested in pursuing DWSRF financial assistance. Systems with previously ranked and listed projects were requested to provide the NDDoH with a written update for each project either not yet under construction or under construction using funds other than DWSRF funds. The updates were to include a detailed project description and cost estimate, the amount of DWSRF funds needed, and the anticipated construction start date. In lieu of this information, systems were asked to inform the NDDoH if they no longer intended to complete a project or no longer intended to complete a project using DWSRF assistance. Systems requesting ranking of new projects were provided ranking questionnaires. Requests for project re-ranking or deletion were evaluated on a case-by-case basis, with ranking questionnaires provided as needed. Several projects were deleted due to completion (with or without DWSRF assistance) or the acquisition of other funding sources.

Finalized Project Priority Lists may be amended to include new non-emergency projects. Amendments are subject to public review and comment and may require North Dakota State Water Commission approval.

Comprehensive Project Priority List and Fundable List

Appendix B contains the comprehensive project priority list. The fundable list represents those projects from the comprehensive project priority list anticipated to receive loan assistance this year. The list of projects is based on anticipated start dates, projected funding needs, and expected available loan funds (see Financial Status section of this document). The list will change if such information or assumptions vary, if higher ranked projects not on the list become ready to proceed, or if projects on the list are bypassed (see Criteria and Methods for the Distribution of Funds).

Criteria and Methods for the Distribution of Funds

A DWSRF may provide assistance only for expenditures (excluding operation, maintenance, and monitoring) of a type or category which will facilitate compliance or otherwise significantly further health protection under the SDWA. Projects eligible for DWSRF financial assistance include investments to:

- Address present SDWA exceedances.
- Prevent future SDWA exceedances (of regulations presently in effect).
- Replace aging infrastructure.
- Restructure or consolidate water supplies.
- Buy or refinance existing debt obligations (publicly owned systems only) where the initial debt was incurred and construction started after July 1, 1993.

Appendix A provides additional information concerning the types of projects and project-related costs that are eligible for DWSRF financial assistance.

To the maximum extent possible, states are required to prioritize projects needed for SDWA compliance, projects that provide the greatest public health protection, and those projects that assist systems most in need based on affordability. The information below describes the process used by the NDDoH to select projects for potential DWSRF assistance.

Priority Ranking System

The priority ranking system was developed by the NDDoH, the state agency with primary enforcement authority for the SDWA. The priority ranking system is designed to ensure that DWSRF funds are focused on solutions to address the most serious risks to human health, rectify SDWA compliance problems, and assist those systems most in need based on affordability considerations. The priority ranking system has received both EPA Region VIII and Headquarter concurrence. The priority ranking system will be amended as needed to reflect the changing nature of the SDWA and the DWSRF Program. Any significant amendments will be presented for public review and comment in an IUP.

Ranking and Project Bypass Considerations

It is the intent of the NDDoH that DWSRF funds are directed toward North Dakota's most pressing SDWA compliance problems and public health protection needs. To this end, the NDDoH reserves the right to require the separation of project components into separate projects, if feasible and necessary, to focus on critical water supply problems. Project components which are separated will be ranked independently. Projects for existing PWSs, including refinancing projects, will be given preference over projects for the development of new water systems.

Under the SDWA, DWSRF funds may be used to buy or refinance existing local debt obligations (publicly owned systems only) where the initial debt was incurred and construction started after July 1, 1993. Cross-cutter requirements, including American Iron and Steel and Davis Bacon wage rate requirements, apply to these projects. American Iron and Steel requirements apply to projects with construction after December 16, 2014. Davis Bacon wage rate requirements apply to projects with construction after October 30, 2009. DWSRF assistance requests of this type, if eligible, will be ranked based on the original purpose and success of the constructed improvements. In the event of a tie in project rankings, new projects for existing systems will be given preference over refinancing projects.

The NDDoH reserves the right to fund lower-ranked projects ahead of higher-ranked projects based on the considerations below. To the maximum extent possible, the NDDoH will work with bypassed projects to ensure that they will be eligible for funding in the following fiscal year.

Criteria reviewed in bypassing a project include:

- Readiness to proceed (i.e., applicant is prepared to begin construction and is immediately ready or poised to be ready to enter into assistance agreements).
- Willingness to proceed (e.g., applicant withdraws project from consideration, obtains other funding sources, or is nonresponsive).
- Emergency conditions (i.e., an unanticipated failure occurs requiring immediate attention to protect public health).
- Financial (includes inability to pay and loan repayment issues), technical, or managerial capability.
- Meets the 15 percent requirement (i.e., funding lower-ranked project would satisfy the requirement that at least 15 percent of the funds available for construction be used annually to provide loan assistance to PWSs that serve populations of fewer than 10,000 persons).
- Meets the Green Project Reserve (if required).
- Inability to verify initial ranking score.

The NDDoH reserves the right to fund unanticipated, non-ranked emergency projects requiring immediate attention to protect public health without going through a public review process. Such assistance will be limited to (1) eligible PWS types and project features and (2) situations involving acute contaminants, loss or potential loss of a water supply in the near future, or that otherwise represent an unreasonable risk to health.

Capacity

Section 1452 of the 1996 SDWA Amendments precludes states from providing DWSRF assistance to any eligible PWS that lacks the capacity to maintain SDWA compliance, unless the PWS owner or operator agrees to undertake feasible and appropriate changes to ensure compliance over the long term. States are also precluded from providing DWSRF assistance to any eligible PWS that is in significant noncompliance with any requirement of a National Primary Drinking Water Regulation (NPDWR) or variance, unless such assistance will ensure compliance. In the context of the SDWA, PWS capacity refers to the overall technical, managerial, and financial capability of a PWS to consistently produce and deliver drinking water meeting all NPDWRs. The NDDoH has the legal authority and responsibility under NDCC Chapter 61-28.1 to ensure PWS capacity.

The NDDoH will use the DWSRF loan application as the principal control point for capacity assessment. Information from the loan application and other available and relevant information (such as SDWA compliance data, sanitary survey reports, and operator certification status) will be evaluated to assess capacity at present and for the foreseeable future. The North Dakota Public Finance Authority (PFA), as financial agent for the DWSRF Program through formal agreement, will evaluate the financial information provided in the loan application. Based upon input provided by the NDDoH regarding technical and managerial capability, the PFA will make recommendations to the NDDoH concerning financial capability. The final decision regarding overall capacity will be made by the NDDoH.

As required by the SDWA, DWSRF assistance will be denied to applicants considered priority systems because they score 11 or higher in the Enforcement Tracking Tool, if it is determined that the project will not ensure compliance. Likewise, DWSRF assistance will be denied to applicants that lack capacity if they are unwilling or unable to undertake feasible and appropriate changes to ensure capacity over the long term. The lack of capacity at the time of loan application will not preclude DWSRF assistance if the project will ensure compliance, or the applicant agrees to implement changes that will rectify capacity problems. On a case-by-case basis, special conditions may be included in loan agreements to rectify compliance and/or capacity problems. As needed and appropriate, the NDDoH will utilize other specific legal authorities as control points to ensure capacity. This includes the review and approval of plans and specifications. Under NDCC Chapter 61-28.1 and North Dakota Administrative Code (NDAC) Chapters 33-03-08 and 33-18-01, the NDDoH is both empowered and required to review and approve plans and specifications for all new or modified drinking water facilities prior to construction.

Set-Aside and Fee Activities

Under the SDWA, states are required to set aside a certain percentage of their available DWSRF loan funds to provide financial assistance to small systems. States at their option may also set aside a portion of their federal DWSRF allotment for certain other project and non-project

activities, and assess fees on loans to help support administration costs. A description of the different set-asides and past/proposed activities related to both set-asides and fees follows.

Mandatory Small System Project Set-Aside

To the extent that there are a sufficient number of eligible projects to fund, states must annually use at least 15 percent of all funds credited to the DWSRF loan fund to provide loan assistance to PWSs that serve fewer than 10,000 people. States that exceed the 15 percent requirement in any one year are permitted to bank the excess toward future years.

A total of 220 loans totaling \$507,822,319 have been approved to date. Of these, 186 loans (totaling \$226,913,468 or 44.7 percent of loan total) represent PWSs that serve fewer than 10,000 people. The NDDoH envisions that additional loans will be made to small PWSs based on the comprehensive project list and fundable list (See Appendix B).

Mandatory Additional Subsidization Set-Aside

Congress has mandated in previous appropriations bills that 20 to 30 percent of assistance provided from DWSRF capitalization grants be in the form of additional subsidies. The DWSRF program provides these additional subsidies as loan forgiveness. The NDDoH has the authority under state law (NDCC Chapter 61-28.1) to provide financial assistance through the DWSRF as authorized by federal law and EPA.

Criteria for determining the amount of loan forgiveness is on a project-specific basis. Loan forgiveness will be based on the relative future water cost index (RWFCI). The RWFCI is defined as the ratio of the expected average annual residential water user charge resulting from the project, including costs recovered through special assessments, to the local median household income (based on the American Communities Survey 5-Year Estimate).

For 2018, projects with a RWFCI of 2.0 percent or greater will qualify for 75 percent loan forgiveness. Projects with a RWFCI of 1.5 percent to 1.9 percent will qualify for 40 percent loan forgiveness. Projects with a RWFCI of less than 1.5 percent will not qualify for any loan forgiveness. Projects that do not qualify for loan forgiveness still qualify for a traditional DWSRF loan.

Loan forgiveness will only be used to finance new construction. DWSRF loan and loan forgiveness can be bundled together with funding from other sources to form funding packages for projects. The combined loan forgiveness and grant in a bundled funding package must be less than or equal to 90 percent of project costs.

To meet congressional and EPA capitalization grant spend-down intent for the DWSRF, the loan forgiveness cap for FY2016 and earlier capitalization grants is removed. The maximum percentage of loan forgiveness will also be raised from 60 percent to 75 percent and from 30 percent to 40 percent for these capitalization grants.

Timely progression of additional subsidization projects is required. To ensure this, there will be an application deadline, a binding commitment deadline, and a loan forgiveness disbursement deadline. If projects identified as receiving additional subsidization do not meet these deadlines,

the additional subsidization set-aside will be used to fund lower-ranked projects on the project priority list.

It is unknown at this time if mandatory additional subsidization will apply to the FY2018 DWSRF allotment. To address this potential requirement, the fundable portion of the comprehensive project priority list depicts 20 percent (the minimum required) plus \$100,000 additional subsidization through loan forgiveness. Adjustments will be made, as necessary, based on the actual required subsidization level and capitalization grant amount. The DWSRF will disburse the minimum required amount and up to an additional \$100,000. If mandatory additional subsidization is available in FY 2018, up to half of the amount will be utilized for lead service line removal projects to the extent there are eligible projects ready to proceed.

Mandatory Green Project Reserve (GPR) Set-Aside

To the extent there are sufficient eligible applications, Congress has mandated in several previous appropriations bills that 10 to 20 percent of DWSRF capitalization grants be used for water efficiency, energy efficiency, green infrastructure, or other environmentally innovative activities. Where it is not clear that a project or component qualifies to be included as counting toward the requirement, the files for such projects will contain documentation of the business case on which the project was judged to qualify, as described in the DWSRF capitalization grant requirements.

It is unknown at this time if mandatory GPR will apply. Adjustments will be made to the priority list based on the actual GPR requirement and capitalization grant amount. The DWSRF Program also participates voluntarily in GPR as projects allow.

Optional Project Set-Asides

States may provide additional loan subsidies (i.e., reduced interest or negative interest rate loans, principal forgiveness) to benefit communities meeting the definition of disadvantaged or which the state expects to become disadvantaged as the result of the project. A disadvantaged community is one in which the entire service area of a PWS meets affordability criteria established by the state following public review and comment. The value of the subsidies cannot exceed 30 percent of the amount of the federal capitalization grant for any fiscal year.

The EPA is required to provide guidance to assist states in developing affordability criteria. The NDDoH has not developed a disadvantaged community program, and it is not proposing to do so in this IUP. This decision is based primarily upon majority opinions obtained during initial development of the DWSRF Program and the NDDoH's desire to maximize the long-term availability of funds for construction purposes.

Optional Non-Project Set-Asides

States may use a portion of their federal DWSRF allotment (up to specified ceilings) for the following non-project set-aside activities:

- DWSRF Program administration - the greatest of \$400,000, 1/5 percent of the current valuation of the fund, or 4percent of all grant awards to the fund for the fiscal year.
- State program administration - up to 10 percent.

- Public Water Supply Supervision (PWSS) Program, source water protection program(s), capacity development program, and operator certification program.
- Small system technical assistance (serving 10,000 or fewer people) - up to 2 percent.
- Local assistance and other state programs - up to 10 percent for any one activity with a maximum of 15 percent for all activities combined.
- Loans to PWSs to acquire land or conservation easements for source water protection programs.
- Loans to community water systems to implement source water protection measures or to implement recommendations in source water petitions.
- Assist PWSs in capacity development.
- Assist states in developing/implementing EPA-approved wellhead protection programs.

States may transfer funds among the non-project set-aside categories or between the loan fund and such set-aside categories, provided that the statutory set-aside ceilings are not exceeded. Non-project set-aside funds may be transferred at any time to the loan fund. However, loan commitments must be made for the transferred funds within one year of the transfer of payments that have already been taken for the set-aside funds. Monies intended for the loan fund may be transferred to non-project set-asides only if no payments have yet been taken for the monies to be transferred. Otherwise, funds in or transferred to the loan fund must remain in the loan fund. Transfers may be done only if described in an IUP and approved by the EPA as part of a capitalization grant agreement or amendment.

Non-Project Set-Aside and Fee Activity

Appendix D depicts non-project set-aside and fee activity. The anticipated FY2018 federal DWSRF allotment for North Dakota is \$10,000,000. The NDDoH intends to set aside \$1,065,000 of the allotment for non-project activities. The NDDoH also intends to reserve \$535,000 of set-aside funds of the FY2018 capitalization grant for use in future years, in addition to funds held in reserve from previous years. The state program administration (PWSS Program) set-aside is \$1,000,000. The 2 percent set-aside for small system technical assistance is \$200,000. The DWSRF administration set-aside method used is the \$400,000 option. The 10 percent set-aside will also be held for ongoing and future PWSS administration. The 2 percent set-aside will be held for ongoing and future small system technical assistance. Should the capitalization grant be different than \$10,000,000, the set-aside for DWSRF administration will remain at \$400,000.

The NDDoH has limited, and will continue to limit, the usage of set-asides to maximize funds available for construction. Set-aside usage has been restricted to that necessary to administer the DWSRF Program, provide technical assistance to small PWSs (2 percent set-aside), provide state program administration (10 percent set-aside), and complete source water assessments mandated under the SDWA (15 percent set-aside).

The DWSRF Program administration set-aside is inadequate to cover the cost of administering the DWSRF Program. Congress also will choose at some point to no longer capitalize the program, at which time no new funds will be available for program administration. Based on these considerations, the NDDoH considers it both prudent and necessary to set aside and hold

the full DWSRF Program administration set-aside from each grant and accumulated loan administration fees to enable ongoing and future administration of the program.

Funds from the 2 percent set-aside have been used to assist small PWSs in capacity development, financial capacity, operator certification, managerial capacity, and source water protection. Funds from this set-aside will continue to be used for these purposes and for new initiatives such as assisting these communities in complying with the new Revised Total Coliform Rule. The NDDoH closely monitors demand and need for this set-aside to avert over-accumulation of funds.

The 10 percent state program administration set-aside will be used to help fund administration of the PWSS Program in pursuit of its mission. This set-aside requires 1:1 match by the state for all capitalization grants through the 2016 capitalization grant. One of the sources of funds for this 1:1 match is the 0.5 percent loan administration fee. Another source of funding for the 1:1 match is credit for state match funds spent in 1993 on administration of the PWSS Program. This credit is good for up to half of the 1:1 match with a maximum credit of \$236,359 per year. This match credit does not represent spendable funds.

Under the SDWA, states are permitted to assess fees on loans to support DWSRF administration costs. North Dakota DWSRF loan recipients are required to pay an annual loan administration fee presently set at 0.5 percent of the outstanding loan principal balance. This loan administration fee is payable semiannually on each loan payment date. The fees are held under the master trust indenture and are available to pay DWSRF administration costs allowable under the SDWA. To enable continued management of the DWSRF once the DWSRF is no longer annually capitalized through federal grants, loan administration fees will be held and used for loan-bond servicing and DWSRF administration as allowed under the SDWA. Starting in 2008, the loan administration fees are also used as a source of 1:1 match that is required when using the state program administration set-aside to administer the PWSS Program.

To meet congressional and EPA capitalization grant spend-down intent for the DWSRF Program, approximately \$123,000 (or any remaining amount) from the FY2015 10 percent state program administration set-aside will be moved to the construction loan fund during 2018.

Financial Status

States are required to provide a description of the financial status of their DWSRF programs. The information presented below describes the financial structure of the North Dakota DWSRF, the method used to generate the required state match, transfers between state revolving loan funds (SRFs), the basis for approving loans, loan assistance terms (including a discussion concerning market interest rates in North Dakota), sources and intended use of funds, and special considerations for State and Tribal Assistance Grants (STAG) grants.

Financial Structure

Bonds for the 20 percent state match are issued by the PFA under a master trust indenture adopted by the Industrial Commission of North Dakota. The PFA may also issue leveraged bonds under the master trust indenture, the proceeds of which can be used to fund loans.

The current demand for DWSRF loan assistance in North Dakota exceeds authorized federal DWSRF allotments and the required state match for those allotments. Under the financial structure initially established for the DWSRF, excess leveraging and higher loan interest rates would be needed to satisfy this excess demand.

A modified financial structure within the existing master trust indenture has been implemented to better satisfy the continuing high demand for DWSRF financial assistance, yet avert excessive leveraging and higher loan interest rates. Under the modified structure, DWSRF allotments and state match bond proceeds will be used first to fund loans. Leveraged bonds will be issued only if (1) loan demand exceeds the amount of DWSRF allotments and state match available for loans or (2) deemed in the best interest of the program. If leveraged bonds are issued, they will be sized together with DWSRF allotments and state match to satisfy current cash flow needs as represented by the projected annual construction costs of eligible projects. This funding approach will expedite loan assistance to more projects that are ready to proceed to construction, avert premature or unnecessary bond issuances, and ensure a more reliable loan repayment stream to satisfy both bond debt service requirements and future loan demand.

In the event there are insufficient amounts available to make scheduled principal and interest payments on outstanding DWSRF bonds when payments are due, the master trust indenture for the DWSRF provides the trustee may transfer available excess revenues from the Clean Water State Revolving Fund (CWSRF) to the DWSRF bond fund to meet the deficiency. Following such a transfer, the DWSRF has an obligation to reimburse the CWSRF with future available DWSRF excess revenues.

State 20 Percent Match Requirement

Under the SDWA, states are required to match their DWSRF allotment at an amount at least equal to 20 percent. North Dakota has issued state match bonds to satisfy match requirements through FY2023.

Anticipated Proportionality Ratio

Bonds were sold in 2015 to provide the required 20 percent state match through FY2023. Payments were made using 100 percent state match funds until all of the match funds were disbursed. The program is in an over-matched condition at this time. Funds will be disbursed at a rate of 100 percent federal, state match, leveraged, or federally capitalized loan account (FCLA) funds because of this over-match condition.

Disbursement of Funds

Funds will be disbursed in the following order: federal, state match, leveraged bond proceeds, and FCLA. To increase the rate of draw for both capitalization grant and leveraged funds, leveraged bond proceeds will be used to fund loan payment requests. Capitalization grant funds

will be immediately requested to replace the disbursed leveraged bond proceeds and deposited into the FCLA account.

The DWSRF is currently over-matched with no state match funds available for disbursement. Set-asides are closely monitored and disbursed quickly when requests are made to ensure timely expenditure and avoid over-accumulation. All federal funds are disbursed in a first-in, first-out manner.

Transfer of Funds Between DWSRF and CWSRF

At the governor's discretion, a state may transfer up to 33 percent of its DWSRF capitalization grant to the CWSRF or an equal amount from the CWSRF to the DWSRF. In addition to transferring grant funds, states can transfer state match, investment earnings, principal and interest repayments, unrestricted cumulative excess, restricted cumulative excess, or FCLA funds between SRF programs.

Transfers were authorized by the governor in 2002, 2004, 2007, 2009, and 2015. These funds are transferred between the programs on an as-needed basis. The governor's authorizations are as follows:

- 2002 - \$10 million from CWSRF to DWSRF
- 2004 - \$4 million from CWSRF to DWSRF
- 2007 - \$20 million from CWSRF to DWSRF (with provision to return funds to CWSRF as needed)
- 2009 - \$2.6 million of American Recovery and Reinvestment Act of 2009 funds from CWSRF to DWSRF
- 2015 - \$60 million from DWSRF to CWSRF (with provision to return funds to DWSRF as needed)

The NDDoH is anticipating the transfer of funds from the CWSRF in 2018, as authorized in 2015. Approximately \$1,000,000 of non-federal funds will be transferred.

The NDDoH transfers funds on a net basis, since prior transfers have occurred between the two SRFs. The current net transfer between programs is \$216,672 from the CWSRF to the DWSRF. The \$1 million transfer from the CWSRF in 2018 will change the net transfers between programs to \$1,216,672. It is estimated the long-term impact to the DWSRF average revolving level is a decrease of \$121,667 per year over the next 20 years at this level of net transfer. With this transfer, the DWSRF will be able to fund additional water projects during 2018. Transferring funds will not impact DWSRF set-aside funding. Appendix E itemizes the amount of funds transferred to and from the DWSRF Program.

Funding Process

Projects may be submitted to the NDDoH each year for consideration and inclusion into an IUP. A new IUP is developed for public review and comment in the fall of each year. New and eligible projects for which ranking questionnaires are submitted are evaluated, ranked (if possible), and included on the comprehensive project priority list. Requests for re-ranking of

previously listed and ranked projects are evaluated on a case-by-case basis, and may require the completion of an updated ranking questionnaire.

Loan approvals are based on project ranking, readiness to proceed, and availability of funds based on cash flow considerations, including projected disbursements under already approved and potential new loans. The NDDoH is prepared to issue leveraged bonds if the loan demand exceeds the amount of available DWSRF allotments and state match or if it is in the best interest of the program. It is anticipated that the DWSRF will issue \$80 million of leveraged bonds.

Loan Assistance Terms

The base repayment period for DWSRF loans under the SDWA is 20 years following project completion. The NDDoH may utilize shorter repayment periods on a project-by-project basis. Candidate projects include low-cost projects for which minimal water rate increases will be required to retire the loan debt. The loan interest rate will be 1.5 percent for PWSs that qualify for tax-exempt financing and 2.5 percent for those that do not qualify for tax-exempt financing, except for projects that use leveraged bond proceeds. Leveraged bonds will be discussed later in this section. As discussed under Set-Aside and Fee Activities, an annual loan fee of 0.5 percent is assessed on all loans to support DWSRF administration.

The SDWA requires that the interest rate for a loan be less than or equal to the market interest rate. The NDDoH will establish as the market interest rate the average interest rate received by North Dakota political subdivisions on bond issues with a 20-year maturity and sold on a competitive or negotiated basis during the prior quarter. This rate will be calculated and updated quarterly based upon the prior quarter bond sales. If there are no qualified bond sales, the market rate for that quarter will be calculated using comparable regional bond issues. Based upon fourth quarter 2017 North Dakota 20-year competitive bond sales, the current market interest rate is 2.6 percent.

Leveraging the fund is appropriate where financing needs significantly exceed available funds; however, it impacts the DWSRF by reducing the interest rate subsidy provided or reducing future loan capacity. By continuing to leverage, the program will be able to assist more communities currently on the priority list and help those communities achieve or remain in compliance with the SDWA. Loans necessitating leveraging will be subject to a loan interest rate (including the 0.5 percent administration fee) of 75 percent of the current market interest rate, if needed, to maintain program viability. The interest rate on these loans will be more than the regular DWSRF interest rate which currently is 2.0 percent (including the 0.5 percent administration fee).

There is now an option for extended-term financing beyond the base 20-year loan repayment period. Extended-term financing allows for repayment periods to be 30 years or the useful life of the project, whichever is less. A 30-year repayment period will be granted if it is determined that the principal portion of the loan for project components that have a useful life of 20 years or less will be paid off within 20 years. Project components considered having a 20-year or less useful life are process equipment, pumps, electrical equipment, controls, and auxiliary equipment.

Project components considered to have a 30-year or more useful life are buildings, concrete, other structures, conveyance structures (piping), and earthen structures.

Extended-term financing will be given to the extent that loans to projects on the fundable list with repayment periods of more than 20 years do not decrease expected DWSRF Program repayments by more than 10 percent annually over the next five years, as compared to 20-year repayment at the same rate.

The NDDoH and the PFA strive to ensure continued long-term viability of the program to provide loans for eligible drinking water projects. To achieve this goal, the refinancing of completed DWSRF projects will not be allowed using the extended-term financing option or the latest interest rate.

Sources and Uses of Funds

Appendix F depicts a detailed breakdown of sources and uses of funds from FY1997 through FY2018. An additional \$89,400,000 of new funds is anticipated to become available in 2018, making \$29,941,922 available for projects. All the funds are allocated to projects as shown in the Comprehensive Project Priority List and Fundable List (Appendix B).

Short- and Long-Term Goals

The 1996 SDWA Amendments authorize a DWSRF Program to assist PWSs in financing the costs of infrastructure needed to achieve or maintain compliance with SDWA requirements and to protect public health. The objectives of the NDDoH's DWSRF Program include addressing public problems and priorities, ensuring compliance with the SDWA, assisting systems to ensure affordable drinking water, and maintaining the long-term viability of the fund. To address these objectives, the DWSRF Program will help ensure that North Dakota's public water supplies remain safe and affordable through prioritized financial assistance, enhanced source water protection activities, and increased technical assistance to small systems. The short and long-term goals set forth below are established to accomplish these objectives.

Short-Term Goals

1. On December 8, 2017, obtain North Dakota State Water Commission approval of this IUP.
2. Continue to implement the DWSRF Program for the state of North Dakota by funding projects for systems that are having problems maintaining compliance with the revised total coliform rule, ground water rule, the arsenic rule, the disinfection byproduct rule series, and the surface water treatment rule series.

Long-Term Goals

1. Help North Dakota PWSs achieve and maintain compliance with the SDWA. This is accomplished by coordinating with the PWSS Program and targeting those rules with which systems in the state are having problems maintaining compliance. These include the lead and copper rule, revised total coliform rule, ground water treatment rule, arsenic, disinfection byproduct rule series, and the surface water treatment rule series.

2. Assist the PWSS Program in meeting goals. The DWSRF Program assistance includes providing technical support on infrastructure issues, capacity reviews, and small system technical assistance. Through the small system technical assistance set-aside, the DWSRF Program helps operators become certified and systems return to compliance and maintain capacity.
3. Administer the DWSRF Program in a manner that will maximize the long-term availability of funds for eligible and needed drinking water infrastructure improvements.
4. Assist North Dakota PWSs in improving drinking water quality, quantity, and dependability by providing reduced interest rate and long-term financial assistance for eligible and needed drinking water infrastructure improvements. This infrastructure assistance helps with compliance of drinking water rules, regionalization/consolidation, and replacement of aging infrastructure.
5. To the greatest extent possible, continue to integrate DWSRF funding with other available funding to maximize the benefits to public water systems and needed drinking water projects statewide. The cooperating agencies include the U. S. Department of Agriculture, Community Development Block Grant Program, North Dakota Department of Land Trusts, the Bank of North Dakota, and the North Dakota State Water Commission.

Environmental Results

1. Loan Fund
 - a. Through December 31, 2016, the fund utilization rate (as measured by the ratio of executed loans to funds available for projects) was 96 percent which is above the national average of 95 percent. The 2018 goal is to maintain the fund utilization rate at 90 percent or above.
 - b. Through December 31, 2016, the rate at which projects progressed (as measured by disbursements as a percentage of assistance provided) was 86 percent. This is equal to the national average of 86 percent. The 2018 goal is to maintain the construction pace above 80 percent.
 - c. The DWSRF Program funded 16 projects in the first six months of 2017 totaling \$90.4 million and serving a population of 147,198. The 2018 goal is to fund 21 loans totaling \$29.9 million and serving a population of 26,068.
2. Set-Asides, Small System Technical Assistance
 - a. The goal for the number of systems receiving training is 120.
 - b. The goal for the number of systems receiving on-site technical assistance is 50.

Public Participation

A state is required to make its annual IUP available to the public for review and comment prior to submitting it to the EPA as part of its capitalization grant application. States are also required to describe the public review process used and how major comments and concerns received were addressed.

Process

The public was invited to comment on the draft 2018 IUP at a public hearing held in Bismarck on November 13, 2017. Written comments were also accepted until November 20, 2017. The following comments were received:

- Geoffrey Slick with AE2S noted that a project for Northeast Rural Water District for which a questionnaire had been submitted was not on the list. The project had been inadvertently omitted from the list and was added.
- Natalie Muruato, Belfield city auditor, spoke about the city's budget and extra costs incurred by the city as a result of oil activity in the area. Its residents have been assessed costs for a road repair project. Much of the city is located in a floodplain, which results in higher insurance costs. The city's primary water tower was drained in order to evaluate its condition and was found to require repairs. The city may encounter an increased demand for water due to a proposed oil refinery. Natalie stressed the importance of the project and the city's poor financial position. The NDDoH reviewed the project's ranking and found it to be accurate.
- Jon Wilczek, project manager for Apex Engineering, spoke on behalf of the City of Belfield and its need for the rehabilitation of the main water tower. Structural repairs and updates to meet current safety requirements are necessary. Jon anticipates future water shortages due to the increased demand. The NDDoH reviewed the project's ranking and found it to be accurate.

Appendix A

Eligible and Ineligible Projects and Project-Related Costs Under the Drinking Water State Revolving Loan Fund (DWSRF) Program

Examples of Eligible Projects and Project-Related Costs

- Projects that address present Safe Drinking Water Act (SDWA) exceedances.
- Projects that prevent future SDWA exceedances (applies only to regulations in effect).
- Projects to replace aging infrastructure.
- Rehabilitate or develop drinking water sources (excluding reservoirs, dams, dam rehabilitation, and water rights) to replace contaminated sources.
- Install or upgrade drinking water treatment facilities if the project would improve the quality of drinking water to comply with primary or secondary SDWA standards.
- Install or upgrade storage facilities, including finished water reservoirs, to prevent microbiological contaminants from entering the water system.
- Install or replace transmission and distribution piping to prevent contamination caused by leaks or breaks, or to improve water pressure to safe levels.
- Projects to restructure and consolidate water supplies to rectify a contamination problem, or to assist systems unable to maintain SDWA compliance for financial or managerial reasons (assistance must ensure compliance).
- Projects that purchase a portion of another system's capacity if such purchase will cost-effectively rectify an SDWA compliance problem.
- Land acquisition.
 - Land must be integral to the project (i.e., needed to meet or maintain compliance and further public health protection, such as land needed to locate eligible treatment or distribution facilities).
 - Acquisition must be from a willing seller.
- Planning (including required environmental assessment reports), design, and construction inspection costs associated with eligible projects.
- Service lines from the main to the house, including lead service lines.

Examples of Ineligible Projects and Project-Related Costs

- Dams or rehabilitation of dams.
- Water rights, except if the water rights are owned by a system that is being purchased through consolidation as part of a capacity development strategy.
- Reservoirs, except for finished water reservoirs and those reservoirs that are part of the treatment process and are located on the property where the treatment facility is located.
- Drinking water monitoring costs.
- Operation and maintenance costs.
- Projects needed mainly for fire protection.
- Projects for systems that lack adequate technical, managerial, and financial capability, unless assistance will ensure compliance.

- Projects for priority systems in the Enforcement Tracking Tool, unless funding will ensure compliance.
- Projects primarily intended to serve future growth.

Appendix B

State of North Dakota

Drinking Water State Revolving Loan Fund Program

Comprehensive Project Priority List and Fundable List for 2018¹

Shaded projects are on the fundable list

Priority Ranking	Priority Points	Tracking No.	System Name	Present Population	Project Description	Construction Start Date	Cost (\$1000)		Est. Loan Term ⁴	Eng.
							Project	Cumulative		
72	13	1801056-18-01	Agassiz WUD	3,300	Service to residents on wells	2019	3,000	3,000		AE2S
41	16	0901530-14-01	Alexander	1,100	Replacement of aging distribution system, WTP, wells, meters, looping of mains	2018	3,000	6,000		Heggen
238	3	0900030-10-01	Argusville	475	Water main replacement, looping	2018	340	6,340		Moore
175	8	2701506-16-01	Arnegard	65	City-owned municipal water system to replace private wells	2018	710	7,050		Hyalite
124	10	0900035-11-01	Arthur	337	Water tower replacement	2018	1,450	8,500		Moore
42	16	4001153-15-01	ASWUD	754	Transmission line for correction of water shortages, WTP upgrades, well field expansion	2018	10,463	18,963		B&W
117	11	4001153-14-02	ASWUD	754	Service to Turtle Mountains/Lake Metigoshe area	2018	27,920	46,883		B&W
159	8	4001153-14-01	ASWUD	764	Water supply increase by parallel mains & looping	2018	796	47,679		B&W
27	17	0201058-18-01	Barnes RWD	8,792	Refinance project to extend services to residential users on individual wells	2015	1,964	49,643		Interstate
14	19	1500059-18-01	Beach	1,300	Transmission main & lead service line replacement	2019	3,854	53,497		AE2S
59	15	1700059-14-01	Beach	1,300	Distribution system repair, water tower rehab	2020	1,877	55,374		AE2S
197	6	4500065-15-01	Belfield	1,013	Transmission line between storage tanks to reduce aging water & improve system pressures	2018	1,362	56,736		Apex
200	6	4500065-18-01	Belfield	1,013	Water main replacement	2018	2,678	59,414		Apex
232	4	4500065-18-02	Belfield	1,013	Water storage facility rehabilitation	2018	1,447	60,861		Apex
198	6	5100072-18-01	Berthold	454	Gate valve, hydrant, and water main replacement	2018	100	60,961		Moore
239	3	5100072-18-02	Berthold	454	Water tower rehab	2018	150	61,111		Moore
210	6	2900074-14-02	Beulah	3,121	Water tower rehabilitation	2018	300	61,411		Moore
233	4	2900074-14-01	Beulah	3,121	Water main, hydrant, gate valve replacement	2018	1,000	62,411		Moore
29	17	0500099-16-01	Bottineau	2,323	RO treatment plant	2018	11,000	73,411		Moore
182	7	0600119-14-01	Bowman	1,800	Water main replacement (4th Ave W)	2019	945	74,356		Brosz
225	5	0600119-09-01	Bowman	1,800	Water main replacement (3rd Ave W)	2018	665	75,021		Brosz
100	11	0900134-11-01	Buffalo	225	Replace water mains, services, gate valves, and hydrants	2018	1,900	76,921		Moore
222	5	5100138-12-01	Burlington	1,191	Water tower to stabilize system pressures	2020	1,650	78,571		Ackerman
223	5	5100138-18-01	Burlington	1,191	Water main & gate valve replacement	2018	140	78,711		Ackerman
28	17	4800152-16-01	Cando	1,115	Infrastructure upgrades or connection to NEWD	2018	800	79,511		AE2S

Priority Ranking	Priority Points	Tracking No.	System Name	Present Population	Project Description	Construction Start Date	Cost (\$1000)		Est. Loan Term ⁴	Eng.
							Project	Cumulative		
88	12	4800152-13-02	Cando	1,115	Water main replacement	2018	1,800	81,311		Moore
89	12	4800152-13-02	Cando	1,115	Water main replacement	2019	1,800	83,111		AE2S
109	11	4800152-18-01	Cando	1,115	Refinance existing debt on WTP	1999	2,200	85,311		Moore
110	11	4800152-18-02	Cando	1,115	Refinance existing debt on WTP	1999	1,600	86,911		AE2S
82	12	1600159-16-01	Carrington	2,065	Storage tank, high service pump building	2018	3,185	90,096		Interstate
15	19	1900162-11-01	Carson	293	Water main, service line gate valve, hydrant replacement	2018	4,201	94,297	20	Interstate
201	6	0900166-09-01	Casselton	2,329	Water tower replacement	2018	2,110	96,407		Moore
3	24	3400170-09-01	Cavalier	1,540	Water tower replacement	2019	2,200	98,607		AE2S
45	16	3400170-18-01	Cavalier	1,540	Ground storage reservoir	2021	800	99,407		AE2S
101	11	3300174-16-01	Center	580	Water main replacement & looping, replacement of PRVs	2018	885	100,292		Ulteig
111	11	3300174-18-01	Center	580	Water main replacement	2018	2,106	102,398		Ulteig
19	18	5201309-16-01	Central Plains WD	3,898	Refinance- water storage, WTP improvements	2018	4,951	107,349	20	Interstate
61	14	3900183-09-01	Christine	150	Water main replacement, looping	2018	600	107,949		Moore
202	6	3900196-06-01	Colfax	147	Water main replacement & looping	2018	478	108,427		Interstate
34	17	0700198-16-01	Columbus	133	Water main replacement	2018	1,187	109,614		Ackerman
130	10	2000203-16-01	Cooperstown	984	Water main replacement	2018	230	109,844		Moore
2	31	0901060-15-01	CRW	13,385	Water service to Leonard	2018	3,954	113,798	20	B&W
137	9	0901060-16-01	CRW	13,385	Transmission lines, distribution lines, storage for correction of water pressure and quantity issues	2019	2,750	116,548		B&W
211	6	0901060-05-02	CRW	13,385	Elevated tank	2018	3,584	120,132		B&W
131	10	2001061-18-01	Dakota RWD	3,000	Service to residents on wells	2020	5,000	125,132		AE2S
12	19	0900217-11-01	Davenport	264	Transmission main, increased storage, control replacement for correction of water quantity issues	2018	753	125,885	20	Interstate
74	13	0200226-16-01	Dazey	104	Water main replacement & reservoir system upgrades	2018	250	126,135		Interstate
13	19	3400269-16-01	Drayton	824	WTP upgrades	2020	7,200	133,335		AE2S
43	16	3400269-11-01	Drayton	824	Clearwell replacement	2020	2,150	135,485		AE2S
46	16	1900303-18-01	Elgin	642	Water main replacement	2018	2,271	137,756		Ulteig
77	13	3700314-02-03	Enderlin	1,082	WTP improvements	2018	8,065	145,821		Moore
112	11	3700314-08-01	Enderlin	1,082	Water tower replacement	2018	1,957	147,778		Moore
113	11	3700314-02-01	Enderlin	1,082	Well field, transmission line improvements	2018	1,648	149,426		Moore
143	9	3700314-02-02	Enderlin	1,082	Water main replacement	2018	775	150,201		Moore
75	13	3900333-06-01	Fairmount	367	Water main replacement	2018	675	150,876		Moore
49	15	0900336-16-01	Fargo	155,620	Regionalization improvements- booster station, generator, & improvements to the distribution system, low lift transfer pump station, and WTP	2018	5,200	156,076		AE2S
84	12	0900336-09-02	Fargo	155,620	Water tower level & distribution system controls	2018	1,000	157,076		AE2S

Priority Ranking	Priority Points	Tracking No.	System Name	Present Population	Project Description	Construction Start Date	Cost (\$1000)		Est. Loan Term ⁴	Eng.
							Project	Cumulative		
144	9	0900336-12-03	Fargo	155,620	Water tower rehab 2018	2018	1,000	158,076		AE2S
145	9	0900336-09-01	Fargo	155,620	Water tower rehab 2019	2019	1,000	159,076		AE2S
146	9	0900336-18-02	Fargo	155,620	Lead service line replacement	2018	500	159,576		AE2S
165	8	0900336-11-02	Fargo	155,620	WTP residuals facility	2019	35,000	194,576		AE2S
166	8	0900336-12-02	Fargo	155,620	Downtown water tower improvements	2018	6,750	201,326		AE2S
167	8	0900336-11-01	Fargo	155,620	High service pump station improvements	2019	8,550	209,876		AE2S
168	8	0900336-18-01	Fargo	155,620	Drain 27 conveyance improvements	2019	6,500	216,376		AE2S
220	6	0900336-15-01	Fargo	155,620	WTP facility plan phase II	2018	11,750	228,126		AE2S
183	7	5200338-18-01	Fessenden	479	Water tower rehab or replacement	2018	950	229,076		Moore
203	6	3000342-16-01	Flasher	230	Water main replacement	2018	376	229,452		Ulteig
147	9	0700344-13-02	Flaxton	74	Water main, hydrant, & gate valve replacement	2018	282	229,734		Ackerman
102	11	1100346-15-01	Forbes	53	Distribution system, storage, & pump house improvements	2018	1,000	230,734		Moore
30	17	4100357-14-01	Forman	504	New well, well upgrades, & transmission line replacement	2018	400	231,134		Moore
44	16	4100357-15-01	Forman	504	Water main replacement & looping	2018	500	231,634		Moore
68	14	4100357-08-01	Forman	504	Water tower replacement	2018	1,000	232,634		Moore
73	13	0900387-06-01	Gardner	80	Water main replacement & looping	2018	400	233,034		Moore
90	12	2800389-13-01	Garrison	1,453	WTP expansion	2018	5,000	238,034		Moore
91	12	2800389-13-02	Garrison	1,453	Water main replacement	2018	4,500	242,534		Moore
132	10	2800389-15-01	Garrison	1,453	Replacement of water intake structure	2018	2,000	244,534		Moore
60	14	4500396-18-01	Gladstone	365	Storage tank and water main replacement	2018	980	245,514		B&W
125	10	3800397-13-01	Glenburn	380	Water main, gate valve, & hydrant replacement	2018	1,640	247,154		Moore
22	18	5000408-02-01	Grafton	4913	Pretreatment & advanced oxidation WTP improvements	2021	9,842	256,996		AE2S
64	14	5000408-03-01	Grafton	4,913	Park River water intake improvements	2020	1,239	258,235		AE2S
93	12	5000408-16-01	Grafton	4,913	Raw water transmission line	2020	1,976	260,211		AE2S
94	12	5000408-16-02	Grafton	4,913	Red River water intake improvements	2020	4,576	264,787		AE2S
118	11	1801062-15-01	Grand Forks-Trail RWD	6,750	Transmission line upsizing	2018	6,200	270,987		AE2S
204	6	2500415-12-01	Granville	300	Water main replacement	2018	306	271,293		Ackerman
121	10	5300425-18-01	Grenora	350	Water main replacement (Robinson St)	2018	701	271,994		Ackerman
122	10	5300425-18-02	Grenora	350	Water main replacement (Railroad Ave)	2018	626	272,620		Ackerman
62	14	3900443-11-01	Hankinson	919	Water main looping	2018	600	273,220		Moore
16	19	2000446-09-01	Hannaford	150	Water tower replacement	2018	1,200	274,420	20	Moore
24	18	5200458-16-01	Harvey	1,783	WTP upgrades	2018	800	275,220	20	Moore
244	2	0900460-16-01	Harwood	718	Water main looping	2020	250	275,470		Moore
240	3	2900470-16-01	Hazen	2411	Elevated storage tank	2018	1,500	276,970		Moore

Priority Ranking	Priority Points	Tracking No.	System Name	Present Population	Project Description	Construction Start Date	Cost (\$1000)		Est. Loan Term ⁴	Eng.
							Project	Cumulative		
205	6	3000473-16-01	Hebron	750	Water tower rehab or replacement	2019	800	277,770		AE2S
141	9	4900482-16-01	Hillsboro	1,673	Purchase of treatment & transmission capacity	2018	3,000	280,770		Moore
169	8	4600487-08-01	Hope	258	Service to west side of railroad tracks	2018	190	280,960		Moore
65	14	0900488-18-01	Horace	1,600	WTP improvements	2018	2,000	282,960		Interstate
227	5	0900488-15-01	Horace	1,600	Water tower rehab	2018	188	283,148		Interstate
245	2	0900488-15-02	Horace	1,600	Water meter replacement	2018	266	283,414		Interstate
246	2	0900488-16-01	Horace	1,600	Gate valve & hydrant replacement, water main improvements	2018	756	284,170		Interstate
126	10	0900492-15-01	Hunter	261	Pump house improvements & water tower replacement	2019	2,100	286,270		Moore
148	9	0900492-15-02	Hunter	261	Water main replacement	2019	3,100	289,370		Moore
138	9	4700498-14-01	Jamestown	16,000	Water main replacement (WTP to state hospital)	2018	2,760	292,130		Interstate
162	8	4700498-13-02	Jamestown	16,000	Filter bay renovations and media replacement	2018	860	292,990		Interstate
184	7	4700498-18-01	Jamestown	16,000	Pitless unit well improvements	2018	200	293,190		Interstate
185	7	4700498-18-02	Jamestown	16,000	Water main replacement	2018	1,653	294,843		Interstate
212	6	4700498-18-03	Jamestown	16,000	Lime slaker improvements	2018	290	295,133		Interstate
213	6	4700498-09-01	Jamestown	16,000	Water meter replacement	2018	2,725	297,858		Interstate
214	6	4700498-02-01	Jamestown	16,000	Phase 3 - transmission line (WTP to Porter Bros tank)	2020	4,500	302,358		Interstate
215	6	4700498-14-02	Jamestown	16,000	Transmission main to improve flow to NE pressure zone	2020	4,968	307,326		Interstate
216	6	4700498-13-01	Jamestown	16,000	SCADA improvements for WTP, storage, & distribution systems	2018	455	307,781		Interstate
10	20	2300508-15-01	Ind	72	Water main replacement & pump house updates	2018	300	308,081	30	Moore
179	7	5100515-15-01	Kenmare	1,200	Water main, gate valve, & hydrant replacement	2018	575	308,656		Ackerman
78	13	2300535-09-01	Kulm	354	Water tower replacement	2018	1,200	309,856		Moore
114	11	3200536-18-01	Lakota	780	Water tower replacement	2018	700	310,556		Moore
71	13	2300537-12-01	LaMoure	889	Water tower replacement & pumping improvements	2018	1,200	311,756		Moore
139	9	2300537-14-01	LaMoure	889	Water main replacement & looping	2018	500	312,256		Moore
186	7	2300537-12-02	LaMoure	889	Pumping & treatment facility improvements	2018	400	312,656		Moore
206	6	1000543-09-01	Langdon	1,878	Water main replacement	2019	1,435	314,091		Moore
241	3	1000543-09-02	Langdon	1,878	Water tower rehab	2019	450	314,541		Moore
54	15	1800550-16-01	Larimore	1,350	Water distribution system improvements	2018	6,000	320,541		AE2S
85	12	0300553-13-02	Leeds	427	WTP improvements	2018	350	320,891		Moore
103	11	0300553-13-01	Leeds	427	Upgrade wells, transmission lines, & pumps	2018	375	321,266		Moore
104	11	0300553-13-03	Leeds	427	Water main replacement & looping, lead service line replacement	2018	600	321,866		Moore
9	20	2600556-11-01	Lehr	80	Well & water main replacement	2018	450	322,316	30	Moore
79	13	3900567-16-01	Lidgerwood	652	Water main replacement	2018	510	322,826		Interstate
120	10	0800570-16-01	Lincoln	5,000	Transmission line from Bismarck	2019	1,750	324,576		SEH

Priority Ranking	Priority Points	Tracking No.	System Name	Present Population	Project Description	Construction Start Date	Cost (\$1000)		Est. Loan Term ⁴	Eng.
							Project	Cumulative		
50	15	3700574-14-01	Lisbon	2,154	WTP rehabilitation	2018	1,000	325,576		Moore
98	11	3700574-11-01	Lisbon	2,154	New well #1	2018	150	325,726		Moore
149	9	3700574-11-02	Lisbon	2,154	Water main replacement	2018	2,500	328,226		Moore
187	7	3700574-09-01	Lisbon	2,154	Well field & raw water transmission main	2018	560	328,786		Moore
188	7	3700574-18-01	Lisbon	2,154	Improvement of pressure deficiencies in distribution system	2018	150	328,936		Moore
4	21	3700574-16-01	Lisbon ³	2,154	Lead service line replacement	2018	1,800	330,756	30	Moore
35	17	5100593-13-02	Makoti	154	Water main replacement	2018	2,000	332,736		Moore
55	15	5100593-13-01	Makoti	154	Well component replacement, well & transmission line for redundancy	2018	400	333,136		Moore
180	7	3000596-16-03	Mandan	24,227	New raw water intake	2018	17,970	351,106		AE2S
199	6	3000596-09-01	Mandan	24,227	Transmission main rehab (WTP to Sunset Reservoir)	2018	5,172	356,278		AE2S
242	3	3000596-13-03	Mandan	24,227	PRV replacement	2018	535	356,813		AE2S
181	7	0900613-16-01	Mapleton	762	Water tower replacement, new controls	2019	1,400	358,213		Moore
150	9	2800619-18-01	Max	354	Water main & service line replacement	2018	577	358,790		Ackerman
36	17	0500620-16-02	Maxbass	84	Water main replacement	2018	500	359,290		Moore
142	9	4900622-16-03	Mayville	1,858	Purchase of treatment & transmission capacity	2018	3,000	362,290		Moore
151	9	4900622-16-01	Mayville	1,858	WTP upgrades	2018	500	362,790		Moore
152	9	4900622-16-02	Mayville	1,858	Refinance- WTP expansion	2018	1,300	364,090		Moore
128	10	2701477-18-01	McKenzie Co WRD	10,490	System expansion & regional storage expansion/improvements	2018	13,484	377,574		AE2S
160	8	2701477-18-04	McKenzie Co WRD	10,490	Williston WTP pretreatment expansion & superstructure	2018	3,831	381,405		AE2S
170	8	2701477-18-02	McKenzie Co WRD	10,490	R&T Stanley, White Earth East, Tioga to Stanley transmission main, White Earth West	2018	29,181	410,586		AE2S
217	6	2701477-18-03	McKenzie Co WRD	10,490	North 200K service area, East Highway 1804 transmission improvements	2018	5,642	416,228		AE2S
26	18	2801400-18-01	McLean-Sheridan RWD	1,600	Water tower, transmission lines, & booster station for Turtle Lake	2018	3,550	419,578	20	Moore
133	10	3200636-16-01	McVille	349	WTP controls upgrade	2018	75	419,653		KLJ
33	17	4700637-16-01	Medina	308	WTP & well improvements	2018	800	420,453		Moore
37	17	4700637-16-02	Medina	308	Water main & service line replacement	2018	4,000	424,453		Moore
47	16	4700637-16-03	Medina	308	Water tower replacement	2018	1,000	425,453		Moore
57	15	4700637-16-04	Medina	308	Refinance- WTP	2018	80	425,533		Moore
1	36	2800650-16-01	Mercer ³	120	Water storage and distribution improvements, connection to rural water	2018	1,553	427,086	30	Uffrig
237	4	3200653-13-01	Michigan	345	Water tower rehab	2018	75	427,161		Moore
224	5	5100660-18-01	Minot	46,194	Water main replacement	2018	4,500	431,661		Moore
164	8	5000691-14-01	Minto	604	Water main replacement (Stoltman's Addition)	2019	757	432,418		AE2S

Priority Ranking	Priority Points	Tracking No.	System Name	Present Population	Project Description	Construction Start Date	Cost (\$1000)		Est. Loan Term ⁴	Eng.
							Project	Cumulative		
221	6	5000691-14-02	Minto	604	Portion of new public works building that is directly related to the drinking water system	2019	352	432,770		AE2S
234	4	3800695-18-01	Mohall	808	Water main replacement	2018	330	433,100		Ackerman
243	3	3800695-14-01	Mohall	808	Water main looping	2018	402	433,502		Ackerman
97	11	3900703-11-01	Mooreton	197	Gate valve replacement, well house rehab, electrical upgrades, reservoir rehab, bladder tank storage	2019	266	433,768		Interstate
134	10	2400715-13-01	Napoleon	707	Extend water service to residents with private wells within city limits	2019	900	434,668		Moore
196	7	2801487-18-01	NCRWD	1,386	Service to Plaza, western Ward Co, & SE Mountrail Co	2019	2,600	437,268		Interstate
123	10	2100726-15-01	New England	600	Water tower & transmission line to correct pressure issues	2018	2,100	439,368		Moore
69	14	1400732-12-01	New Rockford	1,391	Water main replacement	2018	5,800	445,168		Interstate
171	8	1400732-12-02	New Rockford	1,391	Water tower rehab	2018	290	445,458		Interstate
63	14	3000736-16-01	New Salem	1,000	Water main replacement	2020	2,194	447,652		AE2S
105	11	3100744-16-02	New Town	2,600	Storage tank	2021	2,060	449,712		AE2S
106	11	3100744-18-02	New Town	2,528	Water main & service replacement	2018	360	450,072		Ackerman
172	8	3100744-18-01	New Town	2,528	Gate valve & hydrant replacement	2018	284	450,356		Ackerman
235	4	1200748-18-01	Noonan	144	Water main replacement	2018	530	450,886		Ackerman
99	11	5101189-11-01	NPRWD	13,085	Water storage rehabilitation	2018	1,820	452,706		Interstate
127	10	5101065-18-02	NPRWD	13,085	WTP improvements, well replacement	2018	2,300	455,006		Interstate
195	7	5101065-18-01	NPRWD	13,085	Connection of Silver Springs Development to 12" water line	2018	850	455,856		Interstate
156	9	1001380-18-01	NRWD	2,350	Refinance- extend service to residents on individual wells	2005	2,580	458,436		AE2S
176	8	1001380-14-01	NRWD	2,350	Water transmission & distribution for rural residents with private wells	2018	8,000	466,436		AE2S
153	9	1100758-11-01	Oakes	1,856	WTP improvements	2018	2,000	468,436		Moore
189	7	1100758-11-02	Oakes	1,856	Well & well house replacement	2018	400	468,836		Moore
218	6	1100758-09-01	Oakes	1,856	Reservoir, pump station & transmission main	2018	720	469,556		Moore
31	17	0300762-15-01	Oberon	204	Distribution system replacement	2018	3,100	472,656		Moore
80	13	0300762-15-02	Oberon	204	Well & pump house replacement	2018	550	473,206		Moore
161	8	0200763-09-01	Oriska	128	Pump house & reservoir replacement	2018	550	473,756		Moore
21	18	1000768-11-01	Osnabrock	160	Water main rehab, gate valve replacement	2018	200	473,956	20	
70	14	5000773-14-01	Park River	5,100	Water main replacement	2019	2,240	476,196		AE2S

Priority Ranking	Priority Points	Tracking No.	System Name	Present Population	Project Description	Construction Start Date	Cost (\$1000)		Est. Loan Term ⁴	Eng.
							Project	Cumulative		
25	18	2900789-18-01	Pick City	123	Water main, service, curb stop, meter, & gate valve replacement	2018	750	476,946	20	Moore
6	20	3100798-16-01	Plaza	171	Well & WTP rehab	2020	2,000	478,946		AE2S
95	12	3100798-16-02	Plaza	171	Hydrant replacement or rehab	2020	500	479,446		AE2S
96	12	3100798-16-03	Plaza	171	Water tower replacement	2020	750	480,196		AE2S
154	9	4900803-08-01	Portland	606	Water tower replacement	2018	1,350	481,546		Moore
20	18	2800825-18-01	Riverdale	222	Water tower, water main replacement & looping, WTP SCADA improvements, VFD pumps	2018	2,000	483,546	20	Ultieg
178	7	2200827-16-01	Robinson	37	Pumping & distribution system improvements	2018	250	483,796		Moore
38	17	4000833-12-01	Rolette	594	Water main, gate valve, & hydrant replacement	2018	4,000	487,796		Moore
66	14	4000834-16-01	Rolla	1,417	Water tower rehab, control replacement	2019	450	488,246		Moore
58	15	3500842-18-01	Rugby	2,815	Raw water main replacement	2018	154	488,400		Interstate
76	13	4100848-18-01	Rutland	163	Water tower replacement, meter building improvements	2018	1,000	489,400		Moore
173	8	4100848-16-01	Rutland	163	Water main looping	2018	500	489,900		Moore
107	11	0200858-13-01	Sanborn	194	Water main, service line, gate valve, hydrant replacement	2018	500	490,400		Moore
115	11	0200858-18-01	Sanborn	192	Water tower replacement	2018	1,150	491,550		Moore
83	12	5100868-14-01	Sawyer	367	Water main replacement & looping, gate valve & hydrant replacement	2018	600	492,150		Moore
163	8	3901068-18-01	SEWUD	16,672	Redundant raw water line from wells to WTP	2018	550	492,700		AE2S
219	6	3901068-14-01	SEWUD	16,672	Water meter replacement	2018	1,100	493,800		AE2S
231	5	3901068-14-02	SEWUD	16,672	Extend water service to residents with private wells	2018	20,500	514,300		AE2S
7	20	3700876-11-01	Sheldon	116	Water reservoir pump & control replacement	2018	185	514,485	30	Moore
190	7	3800877-15-01	Sherwood	256	Water main replacement	2018	406	514,891		Ackerman
32	17	1400879-15-01	Sheyenne	204	Water main replacement	2019	3,100	517,991		Moore
157	9	4701303-16-01	SRWD	5,000	Water supply line, distribution system for Pettibone, mainline pipelines between reservoirs	2018	2,900	520,891		B&W
174	8	4701303-18-01	SRWD	5,000	Automated meter reading system	2018	800	521,691		B&W
11	20	4000854-15-01	St. John	341	Well rehab & transmission line replacement	2018	375	522,066	30	Moore
5	20	1501310-15-01	State Line, WC	386	Water tower replacement, system improvements	2018	222	522,288	30	Moore
207	6	2200913-18-01	Steele	781	Water main replacement	2018	777	523,065		Wold
17	19	4700922-13-02	Streeter	170	Well & pump house improvements	2018	860	523,925	20	Moore
39	17	4700922-12-01	Streeter	170	Water main looping	2018	500	524,425		Moore
40	17	4700922-13-01	Streeter	170	WTP improvements	2018	500	524,925		Moore
87	12	5200927-18-01	Sykeston	117	Water tower replacement, pump house improvements	2018	1,200	526,125		Moore

Priority Ranking	Priority Points	Tracking No.	System Name	Present Population	Project Description	Construction Start Date	Cost (\$1000)		Est. Loan Term ⁴	Eng.
							Project	Cumulative		
129	10	5200927-13-01	Sykeston	117	Water main, corporation stop, curb stop, & hydrant replacement	2018	2,400	528,525		Moore
136	10	3201072-16-01	TCWD	2,475	Connection to McVilleville	2018	3,900	532,425		B&W
177	7	5301152-16-01	Tioga	2,500	Water main replacement	2019	6,900	539,325		Ackerman
92	12	0900945-12-01	Tower City	252	Water main & hydrant replacement	2018	2,100	541,425		Moore
158	9	0900945-09-01	Tower City	252	Water tower rehab	2018	315	541,740		Moore
51	15	2500946-16-01	Towner	533	Water main replacement & looping, gate valve & hydrant replacement	2018	500	542,240		Moore
52	15	2500946-16-02	Towner	533	WTP rehab	2018	750	542,990		Moore
119	11	2500946-18-01	Towner	533	Water tower rehab	2018	430	543,420		Moore
25	18	2800949-15-01	Turtle Lake	581	Water tower replacement, transmission lines, & booster station	2018	3,350	546,770	20	Moore
53	15	2200951-18-01	Tuttle	60	Transmission main & well pump replacement	2018	100	546,870		
48	16	2500956-16-01	Upham	130	Water main replacement & looping	2018	500	547,370		
191	7	0200958-16-01	Valley City	6,585	Water tower rehab	2018	250	547,620		KLJ
8	20	2300969-14-01	Verona	85	Water reservoir & pump house replacement	2018	300	547,920	30	Moore
18	19	2300969-12-01	Verona	85	Water main service, & water meter replacement	2018	515	548,435	20	Moore
86	12	3900973-09-01	Wahpeton	7,766	Raw waterline, lime slaker, lime silo, & day bin replacement (phase I)	2018	1,618	550,053		Wahpeton
108	11	3900973-04-01	Wahpeton	7,766	Water main replacement & looping	2020	440	550,493		Wahpeton
135	10	3900973-16-01	Wahpeton	7,766	Solids contact clarifier, clearwell, backwash reclamation tank, high service pump, & recarbonation basin for redundancy	2021	10,707	561,200		Wahpeton
155	9	3900973-18-01	Wahpeton	7,766	Water main replacement- Loy Avenue	2020	610	561,810		Wahpeton
192	7	3900973-18-02	Wahpeton	7,766	Water main, hydrant, gate valve, & service line replacement (3rd Avenue North)	2018	2,029	563,839		Wahpeton
193	7	3900973-18-03	Wahpeton	7,766	Water main replacement (15th Avenue and 14th Street North)	2021	947	564,786		Wahpeton
194	7	3900973-18-04	Wahpeton	7,766	Water main & service replacement (8th Avenue North)	2022	1,874	566,660		Wahpeton
140	9	5001075-14-01	Walsh RWD	2,800	Water main replacement & looping	2018	1,900	568,560		AE2S
81	12	2800989-18-01	Washburn	1,313	Intake, wet well, & pump house	2018	2,932	571,492		AE2S
228	5	2700990-14-01	Wafford City	6,500	Water main replacement & looping	2018	7,000	578,492		AE2S
229	5	2700990-14-03	Wafford City	6,500	SE water tower	2019	4,000	582,492		AE2S
236	4	2700990-16-01	Wafford City	6,500	Water main replacement & looping	2019	2,140	584,632		AE2S
208	6	5101447-16-01	West River WD	625	Service line replacement (from water main to curb stop)	2018	466	585,098		Ackerman
226	5	0501001-09-01	Westhope	429	Water main replacement	2018	456	585,554		Ackerman
247	1	5201012-14-01	Williston	30,000	Distribution system improvements (Hi-Land Heights)	2018	5,200	590,754		AE2S

Priority Ranking	Priority Points	Tracking No.	System Name	Present Population	Project Description	Construction Start Date	Cost (\$1000)		Est. Loan Term ⁴	Eng.
							Project	Cumulative		
209	6	0801031-18-01	Wilton	750	Water main replacement	2018	1,449	592,203		Ultieg
230	5	2601037-18-01	Wishek	1,002	Remote reading water meters	2018	410	592,613		Interstate
56	15	3901043-08-01	Wyndmere	429	Water main looping	2019	750	593,363		Bolton
67	14	3901043-16-01	Wyndmere	429	Water service & water meter replacement	2018	500	593,863		Bolton
116	11	2601055-03-01	Zeeland	85	Water meter replacement	2018	200	594,063		

Abbreviations

SCADA = Supervisory Control and Data Acquisition
 MG = Million Gallons
 RWD = Rural Water District
 WC = Water Company
 WD = Water District
 WTP = Water Treatment Plant

ASWUD = All Seasons Water User District
 CRW = Cass Rural Water
 NPRWD = North Prairie Rural Water District
 SCRWD = South Central Regional Water District
 SEWUD = Southeast Water Users District
 SRWD = Stutsman Rural Water District
 TCWD = Tri-County Water District
 WRWD = Williams Rural Water District
 NRWD = Northeast Regional Water District

¹ It is unknown at this time if mandatory additional subsidization will apply to the 2017 DWSRF allotment. To address this potential requirement, a funding level of \$2,000,000 has been assumed for additional subsidization (as loan forgiveness). Adjustments will be made, as necessary, based on the actual requirements and capitalization grant amount.

² These projects appear eligible for 75% loan forgiveness. The actual loan forgiveness amount is dependant upon available funds. Loan forgiveness eligibility will be confirmed when the loan application is submitted.

³ These projects appear eligible for 40% loan forgiveness. The actual loan forgiveness amount is dependant upon available funds. Loan forgiveness eligibility will be confirmed when the loan application is submitted.

⁴ Estimated length of the loan term only. The loan term will be set at the time of facility plan approval.

Appendix C

STATE OF NORTH DAKOTA

PRIORITY RANKING SYSTEM FOR FINANCIAL ASSISTANCE THROUGH THE DRINKING WATER STATE REVOLVING LOAN FUND (DWSRF) PROGRAM

DWSRF PROGRAM
DIVISION OF MUNICIPAL FACILITIES
ENVIRONMENTAL HEALTH SECTION
NORTH DAKOTA DEPARTMENT OF HEALTH

October 2017

The following criteria and point system is utilized by the DWSRF Program to rank eligible projects for potential financial assistance through the DWSRF Program:

- Water Quality (35 points maximum)
- Water Quantity (20 points maximum)
- Affordability (15 points maximum)
- Infrastructure Adequacy (15 points maximum)
- Consolidation or Regionalization of Water Supplies (10 points maximum)
- Operator Safety (5 points maximum)

Maximum Total Points = 100

DWSRF funds may be used to buy or refinance existing local debt obligations (publicly owned systems only) where the initial debt was incurred and the construction started after July 1, 1993. DWSRF assistance requests of this type, if eligible, will be ranked based on the original purpose and success of the constructed improvements.

Creation of New Systems - eligible projects are those that, upon completion, will create a community water system (CWS) to address existing and serious public health problems caused by unsafe drinking water from individual wells or surface water sources. Eligible projects are also those that create a new regional CWS by consolidating existing systems with technical, financial, or managerial difficulties. Projects to address existing public health problems associated with individual wells or surface water sources must be limited in scope to the specific geographic area affected by contamination. Projects that create new regional CWSs by consolidating existing systems must be limited in scope to the service area of the systems being consolidated. A project must be a cost-effective solution to addressing the problem. Applicants must ensure that sufficient public notice has been given to potentially affected parties and consider alternative solutions to addressing the problem. Capacity to serve future population growth cannot be a substantial portion of the project.

Water Quality (select all that apply, 35 points maximum) ^{1,2}	
A. Documented waterborne disease outbreaks within last 2 years.	20
B. Unresolved nitrate or nitrite maximum contaminant level (MCL) exceedance(s), OR acute microbiological MCL exceedance(s) within last 12 months.	15
C. Exceedance(s) of EPA-established unreasonable risk to health (URTH) level(s) within last 4 years for regulated chemicals or radionuclides (excludes nitrate and nitrite).	10
D. Disinfection treatment inadequate to satisfy one of the following: <ul style="list-style-type: none"> • The Surface Water Treatment Rule (SWTR) • The Enhanced SWTR (ESWTR) • The Groundwater Disinfection Rule (GWDR) once finalized • Groundwater source(s) deemed by the PWSS to be under the direct influence of surface water • Multiple turbidity treatment technique requirement (TTR) violations within last 2 years (includes at least one event where the maximum allowed turbidity was exceeded) 	8
E. Multiple turbidity TTR violations within last 2 years (no events where the maximum allowed turbidity was exceeded), OR 3 or more non-acute microbiological MCL violations within last 12 months.	7
F. MCL or TTR exceedance(s) (no URTH level exceedances) within last 4 years (excludes microbiological contaminants, nitrate, nitrite, and turbidity).	6
G. Potential MCL or TTR compliance problems based on most recent 4-year period (excludes microbiological contaminants and turbidity).	
75% to 100% of MCL or TTR	5
50% to 74% of MCL or TTR	4
H. General water quality problems (see table on page 5).	
Significant general water quality problem	4
Moderate general water quality problem	3
Minor general water quality problem	2

Water Quantity (select all that apply, 20 points maximum) ^{2,3}	
A. Correction of a critical water supply problem involving the loss or imminent loss of a water supply in the near future.	20
B. Correction of an extreme water supply problem. Maximum water available <150 gallons per capita per day (gpcd) (community water systems only), OR continuous water shortages during all periods of operation (non-profit non-community water systems only).	10
C. Correction of a serious water supply problem. Maximum water available <200 gpcd (community water systems only), OR daily water shortages, or inability to meet peak daily water demand at a frequency of at least once per week during all periods of operation (non-profit non-community water systems only).	7

D. Correction of a moderate water supply problem. Maximum water available <250 gpcd (community water systems only), OR occasional daily water shortages, or occasional inability to meet peak daily water demands on a seasonal basis (non-profit non-community water systems only).	4
E. Correction of a minor water supply problem. Maximum water available <300 gpcd (community water systems only), OR sporadic water shortages or occasional inability to meet peak water demands (non-profit non-community water systems only).	2

Affordability (for the applicable subcategory, select one for each item, 15 points maximum)

A. Community Water Systems	
Relative income index- ratio of local or service area annual median household income (AMHI) to the state nonmetropolitan AMHI (based on 2011-2015 ACS 5-Year Estimates)	
≤60%	8
61% to 70%	7
71% to 80%	5
81% to 90%	3
91% to 100%	1
Relative future water cost index- ratio of expected average annual residential water user charge resulting from the project, including costs recovered through special assessments, to the local AMHI (based on 2011-2015 ACS 5-Year Estimates)	
>2.5%	7
2.0% to 2.5%	6
1.5% to 1.9%	5
1.0% to 1.4%	3
0.5% to 0.9%	1
B. Non-profit Non-community Water Systems	
Relative income index- ratio of local or service area AMHI to the state non- metropolitan AMHI (based on 2011-2015 ACS 5-Year Estimates)	
≤60%	8
61% to 70%	7
71% to 80%	5
81% to 90%	3
91% to 100%	1
Relative future water cost index- ratio of expected annual water service expenditures resulting from the project to total annual operating expenses	
>20%	7
15% to 20%	6
10% to 14%	5
5% to 9%	3
2% to 4%	1

Infrastructure Adequacy (select all that apply, 15 points maximum)	
A. Correction of general disinfection treatment deficiencies - excludes improvements necessary to directly comply with the SWTR, the ESWTR, or the GWDR (once finalized).	3
B. Correction of well construction or operating deficiencies.	3
C. Correction of distribution system pressure problems (dynamic pressure <20 psi).	3
D. Replacement of deteriorated water mains.	3
E. Replacement of deteriorated finished water storage structures.	3
F. Replacement of distribution system piping/materials shown via DWP-approved testing to contribute unacceptable levels of lead or asbestos.	3
G. Water treatment plant operating at or above design capacity.	3
H. Water treatment plant operating at or beyond useful or design life.	3
I. Correction of specific design or operating deficiencies associated with water treatment plant unit processes (excludes disinfection treatment).	2
J. Correction of specific design or operating deficiencies associated with surface water intake facilities.	2
K. Correction of specific design or operating deficiencies associated with finished water storage facilities.	2
L. Correction of specific design or operating deficiencies associated with raw or finished water pumping facilities.	2
M. Correction of specific design or operating deficiencies associated with raw or finished water distribution system piping.	2
N. Correction of specific design or operating deficiencies associated with chemical feed installations (excludes disinfection).	2
O. Provision of a second well where only one functional well exists for systems relying solely on their own groundwater supplies.	2
P. Replacement of inoperative, obsolete, or inadequate instrumentation or controls.	2

Consolidation or Regionalization of Water Supplies (select all that apply, 10 points maximum)	
A. Correction of Safe Drinking Water Act (SDWA) compliance problem(s) or extreme to critical water supply problem(s) for one or more PWSs through consolidation with another PWS or regionalized service provided by another PWS.	4
B. Correction of contamination problems (regulated contaminants) or extreme water quantity problems (no water, imminent loss of water supply, or continuous/frequent daily water shortages) for individual residences or businesses through consolidation with another PWS or regionalized service provided by a PWS.	3
C. Correction of potential MCL or TTR compliance problems, general water quality problems, or moderate to serious water quantity problems for one or more PWSs through consolidation with another PWS or regionalized service provided by another PWS.	2
D. Correction of general water quality problems or moderate water quantity problems (occasionally daily or seasonal water shortages) for individual residences or businesses through consolidation with another PWS or regionalized service provided by a PWS.	1

Operator Safety (select one if applicable, 5 points maximum)	
Correction of a problem that poses a critical and chronic safety hazard for operators.	5
Correction of a problem that poses an intermittent safety hazard for operators.	3
Correction of a potential significant safety hazard for operators.	1

General Water Quality (select all that apply)			
Total Dissolved Solids (TDS)		Manganese (Mn)	
500 - 999 mg/L	1	0.05 - 0.25 mg/L	1
1,000 - 1,499 mg/L	2	0.26 - 1.00 mg/L	2
≥ 1,500 mg/L	3	> 1.00 mg/L	3
Total Hardness as Calcium Carbonate (TH)		Sodium (Na)	
200 - 424 mg/L	1	200 - 424 mg/L	1
425 - 649 mg/L	2	0.26 - 1.00 mg/L	2
≥ 650 mg/L	3	> 1.00 mg/L	3
Iron (Fe)		Sulfate (SO ₄)	
0.3 - 0.89 mg/L	1	250 - 499 mg/L	1
0.9 - 2.0 mg/L	2	500 - 750 mg/L	2
≥ 2.0 mg/L	3	> 750 mg/L	3
Total From Above	Category for Water Quality Item H		
≥ 6	Significant general water quality problem		
4 or 5	Moderate general water quality problem		
≤ 3	Minor general water quality problem		

¹ Applies to community and non-profit non-community public water systems only. Water quality problems must be ongoing and unresolved under the present system configuration. Analysis applies to finished water after all treatment (raw water if no treatment is provided).

² Projects intended to address multiple community and/or non-profit non-community public water system water quality and/or quantity problems will be ranked based on the highest-level problem to be solved.

³ Applies to community and non-profit non-community public water systems only. Projects intended mainly to increase water availability for or to improve fire protection are not eligible for DWSRF assistance. To be eligible, fire protection features must represent an ancillary project benefit or secondary project purpose.

Appendix D

Non-Project Set-Aside and Fee Activity¹

North Dakota Drinking Water State Revolving Loan Fund Program

Set-Aside	Set Aside Through 6/30/2017	Transferred to Loan Fund	Expended Through 6/30/2017	Balance Available as of 6/30/2017	Planned Set-Asides for 2018	Total Set-Aside Funds Available 2018	Reserved Through 2017	Reserved from 2018 Allotment	Total Reserved Through 2018
DWSRF Administration	8,156,644	-	7,756,644	400,000	400,000	800,000	-	-	-
10% State Program Assistance	3,542,888	327,112	1,683,339	1,532,437	1,000,000	2,532,437	1,418,500	-	1,418,500
Source Water Protection Capacity Development Operator Certification									
2% Small System Technical Assistance	3,135,392	-	2,829,232	306,160	200,000	506,160	93,640	-	93,640
15% Local Assistance ²									
Land Acquisition									
Capacity Development									
Wellhead Protection									
Source Water Petition Programs	1,255,880	820,612	435,268	-	NA	-	-	NA	-
Source Water Protection	16,090,804	1,147,724	12,704,483	2,238,597	1,600,000	3,838,597	1,512,140	-	1,512,140
Totals									
Fee Type	Collected Through 6/30/2017	Transferred to Loan Fund	Expended Through 6/30/2017	Balance Available 6/30/2017	Projected Funds 1/1/18 - 12/31/18	Total Funds Available Through 12/31/18	Total Funds Held Through 12/31/18		
Loan Fee ³	9,478,988	0	2,941,466	6,537,522	1,096,389	10,575,377	7,633,911		

¹ The FY 1997 through 2017 allotments have been awarded. The anticipated allotment for FY 2018 is \$10,000,000. The FY 2018 allotment will be applied for by July 1, 2018.

² No more than 10% may be used for any one activity with a maximum of 15% for all activities combined.

³ The loan fee amounts reflect loans approved up to June 30, 2017. The amounts may increase based upon repayments due (if any) under loans approved after this date.

Appendix E

Amounts Available to Transfer Between State Revolving Fund Programs¹ North Dakota Drinking Water State Revolving Loan Fund Program

Year	Transaction Description	Banked Transfer Ceiling	Transferred from DWSRF to CWSRF	Transferred from CWSRF to DWSRF	DWSRF Funds Available for Transfer	CWSRF Funds Available for Transfer
1998	DW Grant	4.1			4.1	4.1
1998	DW Grant	6.5			6.5	6.5
2000	DW Grant	9.0			9.0	9.0
2000	DW Grant	11.5			11.5	11.5
2001	DW Grant	14.1			14.1	14.1
2002	DW Grant	16.7			16.7	16.7
2002	Transfer	16.7	10.0	3.0	9.7	23.8
2003	DW Grant	19.4			12.4	26.4
2003	Transfer	19.4	0	5.9	18.3	20.5
2004	DW Grant	22.1			21.0	23.2
2004	Transfer	22.1	0	2.6	23.7	20.6
2005	DW Grant	24.9			26.4	23.3
2005	Transfer	24.9	0	0.1	26.5	23.2
2006	DW Grant	27.6			29.2	25.9
2006	Transfer	27.6	0	1.5	30.8	24.4
2007	DW Grant	30.3			33.5	27.1
2007	Transfer	30.3	0	4.9	38.3	22.2
2008	DW Grant	33.0			41.0	24.9
2008	Transfer	33.0	0	3.0	44.1	21.9
2009	DW Grant	35.7			46.8	24.6
ARRA	DW Grant	42.1			53.2	31.0
ARRA	Transfer	42.1	0	2.6	55.8	28.4
2009	Transfer	42.1	0	0.7	56.5	27.7
2010	DW Grant	46.6			61.0	32.2
2010	Transfer	46.6	0	0.8	61.8	31.4
2011	DW Grant	49.7			64.9	34.5
2012	DW Grant	52.7			67.8	37.5
2013	DW Grant	55.4			70.6	40.3
2014	DW Grant	58.3			73.5	43.2
2015	DW Grant	61.2			76.4	46.1
2015	Transfer	61.2	19.1	0	57.4	65.1
2016	DW Grant	64.0			60.1	67.9
2017	DW Grant	66.7			62.8	70.6
2017	Transfer	66.7	0	4.1	66.9	66.5
2018	DW Grant	70.0			70.2	69.8
2018	Transfer	70.0	0	1.0	71.2	68.8

¹ All amounts are in millions of dollars

Appendix F

Sources and Uses Table

North Dakota Drinking Water State Revolving Loan Fund Program Cumulative Amounts as of June 30, 2017

SOURCES	
Federal Capitalization Grants	193,823,767
State Match	46,432,137
Transfers from CWSRF	29,277,672
Net Leveraged Bonds	103,941,728
Investment Earnings	44,867,786
Interest Payments	47,733,349
Principal Repayments	139,245,453
TOTAL SOURCES OF FUNDS	<u>605,321,892</u>
USES	
4% Administration	8,156,644
2% SSTA	3,135,392
10% DW Program Set-Aside	3,542,888
15% Local Asst. Set-Aside	435,268
Transfers to CWSRF	29,061,000
Bond Principal Repayments	50,270,252
Bond Interest Expense	51,989,740
Arbitrage	763,211
Reserves	3,242,256
Closed Agreements	507,822,319
Loans Approved by Industrial Commission	6,361,000
TOTAL USES OF FUNDS	<u>664,779,970</u>
DWSRF Funds Available for Projects in 2018	<u><u>-\$59,458,078</u></u>
ANNUAL SOURCES FOR 2018	
FY18 Capitalization Grant	10,000,000
Set-asides taken from FY18 Capitalization Grant	(1,600,000)
State Match (if applicable)	
Leveraged Bonds (if applicable)	80,000,000
Transfers with CW +/- (if applicable)	1,000,000
Total New 2018 Funds	<u>\$89,400,000</u>
TOTAL DWSRF FUNDS AVAILABLE FOR 2017	<u><u>\$29,941,922</u></u>
TOTAL DWSRF PROJECTS ON FUNDABLE LIST	<u><u>\$29,941,922</u></u>
AVAILABLE FUNDS	<u><u>\$0</u></u>