GARRISON DIVERSION CONSERVANCY DISTRICT

AGRICULTURE AND NATURAL RESOURCES COMMITTEE

Garrison Diversion Conservancy District
Carrington, North Dakota

10:30 A.M.
April 11, 2019

AGENDA

10:30 a.m. I. Pledge of Allegiance
10:31 a.m. II. Roll Call
10:32 a.m. III. Consideration of Minutes
10:35 a.m. IV. Oakes Irrigation Research Site Update – Kelly Klosterman
   A. 2020 Budget – Blaine Schatz
11:05 a.m. V. Oakes Title Transfer Update – Kip Kovar
   A. S 47
11:35 a.m. VI. ND Irrigation Association Report – Lance Gaebe
11:45 a.m. VII. Other
12:00 p.m. VIII. Adjourn
The following minutes are in draft form subject to review and approval by the Agriculture and Natural Resources Committee at its next meeting.

GARRISON DIVERSION CONSERVANCY DISTRICT
AGRICULTURE AND NATURAL RESOURCES COMMITTEE

Garrison Diversion Conservancy District
Carrington, North Dakota
January 24, 2019

A meeting of the Agriculture and Natural Resources Committee of the Garrison Diversion Conservancy District was held at the Garrison Diversion headquarters, Carrington, North Dakota, on January 24, 2019. The meeting was called to order by Chairman D. Anderson at 9 a.m.

DIRECTORS PRESENT

Board Chairman Ken Royse
Committee Chairman Dave Anderson
Director Rick Anderson
Director Norman Haak
Director Kelly Klosterman

DIRECTORS ABSENT

Director Jim Pellman

OTHERS PRESENT

Staff members of the Garrison Diversion Conservancy District were present along with others. A copy of the registration sheet is attached to these minutes as Annex I.

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

READING OF THE MINUTES

Motion by Director Klosterman to approve the October 18, 2018, Agriculture and Natural Resources Committee minutes as distributed. Second by Director R. Anderson. Upon voice vote, motion carried.

OAKES IRRIGATION RESEARCH SITE UPDATE

Blaine Schatz, Director, NDSU Carrington Research Extension Center (CREC), provided an update on the budget for the NDSU service station, specifically the CREC.

Mr. Schatz reported there is a plan in place in an attempt to construct a facility at the Oakes Irrigation Research Site (OIRS) that would house an office, shop and small lab. It is not the facility that has been referenced in the past number of years but something that is terribly needed and has to get done in order to get staff out of the current facility that is deteriorating.
Mr. Schatz said he believes he could come up with approximately two-thirds or three-fourths of the resources necessary to build this facility. He is presently working with the facilities people on campus to get an idea of what the structure might entail in regard to materials and associated costs. He asked for the opportunity to further discuss this with Garrison Diversion staff or this committee.

Kelly Cooper, Oakes Irrigation Research Site (OIRS), provided a PowerPoint presentation as a summary of the 2018 crop season and studies at the OIRS.

**OAKES TEST AREA TITLE TRANSFER**

**Memorandum of Agreement**

Dale Esser, Irrigation Specialist, referred to the Memorandum of Agreement (MOA) between the Bureau of Reclamation (Reclamation) and Dickey-Sargent Irrigation District (DSID), stating this document represents DSID’s official entry into Reclamation’s title transfer process. The document stipulates what the parties agree to as well as the responsibilities of each party.

Mr. Esser said one thing to note is that Reclamation determined they were going to have approximately $12,000 in reimbursable costs that are the responsibility of DSID, and DSID has issued a check for that amount.

**Agreement between United States and Dickey-Sargent Irrigation District**

Mr. Esser next referred to and reviewed the Draft Agreement between the United States and DSID to transfer title of the Oakes Test Area (OTA) Irrigation Facilities. The agreement spells out the details of the transfer and lists all of the facilities, equipment and easements included in the title transfer.

Mr. Esser called attention to the following:

**Item 4, Payment**

Mr. Esser commented this is the major issue being faced with the transfer. Whenever Reclamation enters into a title transfer agreement with any facility across the west, one of the requirements by law is that the recipient pay Reclamation what Reclamation determines to be the current value of the facility. Reclamation has completed the analysis on the OTA and came up with $17.6 million, which is more than DSID can pay.

Mr. Esser said the reason the agreement says “to be added later” is to include language stating that the payment will be negotiated, which will have to take place in Washington, D.C.

Mr. Esser added, in addition to the items that need to be done on the draft, DSID will need an advocate who can help get the cost down to an amount that is reasonable and affordable.
Item 5(c), Water Service Contract from Jamestown Reservoir

Mr. Esser stated there is 7,000 acres of storage set aside for irrigation in Jamestown Reservoir. DSID would like to pursue a long-term contract to lock that in similar to what was done with the McClusky Canal.

Item 12, Applicability of Federal Reclamation Laws Following Title Transfer

Mr. Esser pointed out that following the title transfer, the project works are no longer regarded or treated as United States facilities. DSID can operate the OTA as they need.

Mr. Esser said the second sentence states all provisions of the Federal Reclamation laws, as amended and supplemented, shall be applicable to water delivered from Jamestown Dam and Reservoir. This means the 960 acre limitation that applies right now would remain in place for the water from Jamestown Reservoir.

Mr. Esser commented that water from Jamestown Reservoir would not be considered DSID’s prime water supply. It is more for emergencies and would be used when they are short of water. In 20 years, it may have been used three times. DSID would be looking to have this language nullified.

Mr. Esser said if all of the issues can be worked out, and DSID is willing to sign this agreement, then they would be in the position to take ownership of the OTA. However, Reclamation currently does not have the authority to perform the OTA title transfer. Right now any transfer is tied to the Dakota Water Resources Act (DWRA) and the Record of Decision on the Red River Valley Water Supply Project (RRVWSP). In order to validate the title transfer, legislation is needed giving Reclamation the authority to conduct the transfer.

Mr. Esser added within the legislation, an exemption would be sought from the Reclamation Reform Act (RRA).

DSID has had their first meeting with Senator Hoeven’s staff to go over the title transfer agreement and enlist their help in drafting legislation and be their advocate in Washington, D.C.

Board Chairman Royse asked if either of the agreements address the mitigation payment.

Mr. Esser explained that the OTA pays approximately $32,000 annually toward the O&M of the mitigation lands that are considered to be used up by Oakes. DSID has been told since this will no longer be a federal facility, Reclamation cannot ask DSID to make the mitigation payment. He added that DSID does not have that in writing so that issue needs to be addressed.

Board Chairman Royse asked how the power rates would be affected.

Mr. Esser said since the OTA will no longer be a United States facility, it would not qualify for project use power. DSID would have to purchase their power from the local cooperative.
SENATE BILL 2295

Duane DeKrey, General Manager, Garrison Diversion, referred to the copy of SB 2295 included with the meeting materials. The bill ties the tile drainage, which is underneath the irrigation district, to the water sales so that DSID can continue to maintain the tile drainage. The hearing on the bill will be held on January 25 at the legislature. A DSID board member will be presenting testimony.

Mr. DeKrey said this issue has come up in preparation for the OTA title transfer.

MCCLUSKY CANAL IRRIGATION UPDATE

Irrigation Map - - Ryan Anderson, Engineer, Garrison Diversion, referred to the most recent irrigation map showing the location of the projects along the McClusky Canal along with acreage amounts. These are all of the 2018 water service contracts.

Irrigation Summary - - Mr. Anderson also referred to the table providing a breakdown, including project name, acres involved per project and landowner names. A total of 7,241 acres were irrigated in 2018.

Cost Share Request - - Mr. Anderson informed the board that Garrison Diversion submitted a request to the State Water Commission for cost share funding on the Mile Marker 0 (MM 0) and Mile Marker 0.4 (MM 0.4) Irrigation Projects located near the canal headworks. He referred to and reviewed the information submitted to the State Water Commission that is provided with the meeting materials.

Mile Marker 0

MM 0 is a 2,560 acre project. It is a mix of pivot and subsurface irrigation. The cost share request was for $1,552,606. This included 50 percent of the cost for the central supply works and 35 percent for engineering services.

Mr. Anderson added after the request was submitted, the State Water Commission’s rules changed, and they now allow 50 percent cost share on engineering services, therefore, an additional 15 percent was approved for engineering on MM 0. The final amount approved for funding on MM 0 came to $1,553,106.

Mile Marker 0.4

MM 0.4 includes approximately 250 acres. The plan is to do subsurface irrigation with this project.

The cost share request for MM 0.4 was submitted for $106,187. The State Water Commission increased the amount for engineering services on this project as well; therefore the amount approved was $110,687.

Mr. DeKrey referred to copies of the resolutions included with the meeting materials creating Irrigation Improvement Districts 2019-1 (MM 0) and 2019-2 (MM 0.4). Creating the improvement districts and preparing engineering reports are requirements in the special assessment process. Copies of the resolutions are attached to these minutes as Annex II and III, respectively.
Mr. DeKrey also referred to copies of task orders 1.41 and 1.42 to provided engineering services on MM 0 and MM 0.4. A recommendation to the full board on the resolutions and task orders are required from this committee.

Motion by Director Haak to recommend approval of the resolution authorizing a project creating Irrigation Improvement District 2019-1 (Mile Marker 0) and directing preparation of an engineer’s report to the full board. Second by Director Klosterman. Upon roll call vote, the following directors voted aye: D. Anderson, Haak, Klosterman and Royse. Those voting nay: none. Abstaining: R. Anderson. Absent and not voting: Pellman. Motion carried.

Motion by Director Klosterman to recommend approval of Task Order 1.41 providing engineering services for Mile Marker 0. Second by Director Haak. Upon roll call vote, the following directors voted aye: D. Anderson, Haak, Klosterman and Royse. Those voting nay: none. Abstaining: R. Anderson. Absent and not voting: Pellman. Motion carried.

Motion by Director Haak to recommend approval of the resolution authorizing a project creating Irrigation Improvement District 2019-2 (Mile Marker 0.4) and directing preparation of an engineer’s report to the full board. Second by Director Klosterman. Upon roll call vote, the following directors voted aye: D. Anderson, Haak, Klosterman and Royse. Those voting nay: none. Abstaining: R. Anderson. Absent and not voting: Pellman. Motion carried.

Motion by Director Klosterman to recommend approval of Task Order 1.42 providing engineering services for Mile Marker 0.4. Second by Director Haak. Upon roll call vote, the following directors voted aye: D. Anderson, Haak, Klosterman and Royse. Those voting nay: none. Abstaining: R. Anderson. Absent and not voting: Pellman. Motion carried.

ND IRRIGATION ASSOCIATION REPORT

2019 Proposed Work Plan - - Lance Gaebe, North Dakota Irrigation Association (NDIA), referred to the 2019 NDIA Proposed Work Plan, which was recently adopted by their board. They look forward to working with this committee and the Garrison Diversion board to continue supporting irrigation in the areas of education and research, project development and funding. A copy of the work plan is attached to these minutes and Annex IV.

Legislative Report - - Mr. Gaebe referred to the NDIA’s Legislative Report and provided an update on 2019 legislative issues relating to Garrison Diversion and agriculture/irrigation.

2019 AG & NATURAL RESOURCES WORK PLAN & BUDGET

Secretary Kovar referred to and reviewed the Agriculture and Natural Resources portion of the 2019 Garrison Diversion Work Plan, stating the items in red are the additions to this year’s work plan. The amount budgeted for the Irrigation Fund is $1,170,200 and $464,875 for General Fund Irrigation Expense. A copy of the work plan is attached to these minutes as Annex V.
Motion by Director Haak to approve the 2019 Agriculture and Natural Resources Work Plan and Budget. Second by Director Klosterman. Upon roll call vote, the following directors voted aye: D. Anderson, R. Anderson, Haak, Klosterman and Royse. Those voting nay: none. Absent and not voting: Pellman. Motion carried.

EQUIPMENT PURCHASE

Secretary Kovar reminded the committee of the discussion during the October committee meeting regarding the need for a different pickup at the OIRS. Garrison Diversion was planning to trade a 2008 Chevrolet 3500 that was an O&M vehicle. Rather than trading it, Garrison Diversion reimbursed the O&M Fund for the pickup and sent it to the OIRS. Also included was a fairly new gooseneck trailer. In total, the cost was approximately $19,500.

OAKES IRRIGATION RESEARCH SITE CONTINUED

Mr. Schatz reminded the committee of previous committee discussions regarding a new facility at the OIRS. The first thing that was looked at was putting in a rinsate facility, which has continued to be put off. This needs to move forward, but also being pursued is a headquarters facility.

Mr. Schatz said as he looks to move forward with a pesticide rinsate facility, which is basically just a cement pad with a catch basin for the rinsate and a minimal structure to store chemicals and personal protection equipment. No strides have been made toward a headquarters facility, which was envisioned to be offices, a shop and equipment storage area, two rooms to conduct lab work and restrooms.

Mr. Schatz feels he has saved enough funds to build the rinsate facility at approximately $100,000-$120,000. His idea is to expand the limited chemical storage area to encompass office and shop space. The conditions of the current garage/shop are unacceptable, and it is difficult to entice or recruit any potential new staff to come to work there.

Mr. Schatz stated if the envisioned headquarters facility is not going to happen anytime soon, he has to do something beyond just the rinsate pad and chemical storage. The OIRS is in desperate need of decent restrooms and an area to perform lab work and do research. The scaled back facility would be a 32 feet by 72 feet building, which would cost around $200,000.

Mr. Schatz added if he moves forward with the scaled back facility, it will impact what has been discussed with this committee for the past 6-8 years.

Director Klosterman suggested a design be developed showing the scaled back facility, including adding an addition that would not be fully completed at the same time. The building is easy to construct when building everything else, and the cost would be cheaper. It can then be finished down the road.

Mr. Schatz said one scenario would be NDSU funding $140,000 and Garrison Diversion funding the remaining $200,000 for the scaled back facility. If he cannot follow through with the scaled back version, then he will just put in the rinsate facility, chemical storage and restrooms.
Secretary Kovar said he would like to see a two-stage plan. Phase one would be what could be built next year and include a second phase thinking five years out if additional funding is received. He would like to see the building constructed with a plan to add on or include an unfinished addition.

Mr. Schatz said his main point was to let the committee know the situation with the current facility, share an alternative approach and further the conversation.

Motion by Director Klosterman authorizing staff to work with Mr. Schatz on the preparation of three proposals for the OIRS facility: 1) build the scaled back version 2) build the original version and 3) leave the current facility as is. The proposals would include a dollar amount and where the funding would come from. Second by Director R. Anderson. Upon roll call vote the following directors voted aye: D. Anderson, R. Anderson, Haak, Klosterman and Royse. Those voting nay: none. Absent and not voting: Pellman.

OTHER BUSINESS

There being no further business to come before the committee, the meeting adjourned at 11a.m.

(SEAL)

Dave Anderson, Chairman

Kip Kovar, Secretary
# REGISTRATION

Agriculture and Natural Resources Committee  
Carrington, North Dakota  
January 24, 2019

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<td>Blaine G. Schatz</td>
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<td>Ken Patton</td>
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BE IT RESOLVED by the Board of Directors of Garrison Diversion Conservancy District (the “District”) as follows:

1. Pursuant to Section 61-24.8-03 of the North Dakota Century Code (“N.D.C.C.”), the District hereby authorizes an irrigation project consisting of a central supply work, pumps, piping and related facilities which are necessary or reasonably incidental to the completion of MM 0 Irrigation Project (the “Project”). The cost of the Project shall be financed with bonds to be issued in anticipation of the collection of special assessments or of the revenues of the Project.

2. There is hereby created Irrigation Improvement District No. 2019-1 (MM 0 Irrigation Project) (the “Improvement District”) pursuant to Section 61-24.8-07, N.D.C.C. The Improvement District, as herein described, is of such size and form as to include all properties which in the judgment of this governing body, after consultation with the engineer planning the improvement, will be benefited by all or a portion of the improvement Project. The Improvement District shall include all tracts and parcels of land described below:

   Southwest 1/4, Section 11, Township 147 North, Range 82 West
   Southwest 1/4 of the Southeast 1/4, Section 11, Township 147 North, Range 82 West
   North 1/2, Section 14, Township 147 North, Range 82 West
   Northwest 1/4, Section 15, Township 147 North, Range 82 West
   Northwest 1/4, Section 16, Township 147 North, Range 82 West
   Northeast 1/4, Section 16, Township 147 North, Range 82 West
   South 1/2, Section 14, Township 147 North, Range 82 West
   Section 23, Township 147 North, Range 82 West
   East 1/2, Section 15, Township 147 North, Range 82 West
   Southwest 1/4, Section 15, Township 147 North, Range 82 West
   North 1/2 of the Southwest 1/4, Section 16, Township 147 North, Range 82 West
   North 1/2 of the Southeast 1/4, Section 16, Township 147 North, Range 82 West
   South 1/2 of the Southwest 1/4, Section 16, Township 147 North, Range 82 West
   South 1/2 of the Southeast 1/4, Section 16, Township 147 North, Range 82 West
   Southwest 1/4, Section 17, Township 147 North, Range 82 West
   East 1/2, Section 17, Township 147 North, Range 82 West
3. Pursuant to Section 61-24.8.09, N.D.C.C., the engineer for the Project is hereby directed to prepare a report as to the general nature, purpose and feasibility of the proposed Project including profiles, plans and specifications for the proposed Project and an estimate of the total cost of the Project.

4. The cost of the Project, or a portion thereof, as may be determined from time to time by this governing body in its resolutions, shall be paid by special assessments assessed against lots, tracts, and parcels of land within the Improvement District in amounts proportionate to and not exceeding the benefits derived from the improvement or a portion of the cost may be raised by service charges for use of the Project and of the utility of which it forms a part. The establishment, imposition and collection of service charges shall be made in accordance with Sections 61-24-22 through 61-24-32, N.D.C.C.

5. The General Manager is authorized to coordinate the Project and provide for financing the cost thereof with Advanced Engineering and Environmental Services and Arntson Stewart Wegner PC, bond counsel.

Dated: January 24, 2019.

GARRISON DIVERSION
CONSERVANCY DISTRICT

____________________________________
Chairman

ATTEST:

____________________________________
Secretary

The Board of Directors of the District acted on the foregoing resolution at a properly noticed meeting held in Carrington, North Dakota, on January 24, 2019, with the motion for adoption made by ___________________ and seconded by ___________________. Upon roll call vote on the motion, the following directors voted:

“Aye” ____________________________________________________________

______________________________________________________________

______________________________________________________________

“Nay” ____________________________________________________________

Absent __________________________________________________________
BE IT RESOLVED by the Board of Directors of Garrison Diversion Conservancy District (the “District”) as follows:

1. Pursuant to Section 61-24.8-03 of the North Dakota Century Code (“N.D.C.C.”), the District hereby authorizes an irrigation project consisting of a central supply work, pumps, piping and related facilities which are necessary or reasonably incidental to the completion of MM 0.4 Irrigation Project (the “Project”). The cost of the Project shall be financed with bonds to be issued in anticipation of the collection of special assessments or of the revenues of the Project.

2. There is hereby created Irrigation Improvement District No. 2019-2 (MM 0.4 Irrigation Project) (the “Improvement District”) pursuant to Section 61-24.8-07, N.D.C.C. The Improvement District, as herein described, is of such size and form as to include all properties which in the judgment of this governing body, after consultation with the engineer planning the improvement, will be benefited by all or a portion of the improvement Project. The Improvement District shall include all tracts and parcels of land described below:

   Northwest 1/4, Section 11, Township 147 North, Range 82 West
   Northeast 1/4, Section 11, Township 147 North, Range 82 West
   Southeast 1/4, Section 11, Township 147 North, Range 82 West

3. Pursuant to Section 61-24.8.09, N.D.C.C., the engineer for the Project is hereby directed to prepare a report as to the general nature, purpose and feasibility of the proposed Project including profiles, plans and specifications for the proposed Project and an estimate of the total cost of the Project.

4. The cost of the Project, or a portion thereof, as may be determined from time to time by this governing body in its resolutions, shall be paid by special assessments assessed against lots, tracts, and parcels of land within the Improvement District in amounts proportionate to and not exceeding the benefits derived from the improvement or a portion of the cost may be raised by service charges for use of the Project and of the utility of which it forms a part. The establishment, imposition and collection of service charges shall be made in accordance with Sections 61-24-22 through 61-24-32, N.D.C.C.

5. The General Manager is authorized to coordinate the Project and provide for financing the cost thereof with Advanced Engineering and Environmental Services and Arntson Stewart Wegner PC, bond counsel.

   Dated: January 24, 2019.

GARRISON DIVERSION CONSERVANCY DISTRICT

Chairman
ATTEST:

__________________________________________

Secretary

The Board of Directors of the District acted on the foregoing resolution at a properly noticed meeting held in Carrington, North Dakota, on January 24, 2019, with the motion for adoption made by ________________ and seconded by _________________. Upon roll call vote on the motion, the following directors voted:

“Aye” _______________________________________________________________________

_____________________________________________________________________________

_____________________________________________________________________________

“Nay” _______________________________________________________________________

Absent _______________________________________________________________________
Proposed
Work Plan – 2019
North Dakota Irrigation Association

A. Education/Resources
1. Coordinate with NDSU Extension to conduct briefings on water management and irrigation issues in 2019
2. Participate in the North Dakota Water magazine
3. Provide the North Dakota Water magazine to all county commissioners
4. Participate in Research Field Days
5. Co-Sponsor Executive Briefing as part of the annual summer water meeting
6. Arrange irrigation tour in coordination with the ND Water Education Foundation

B. State Legislation and Funding
1. Participate in the North Dakota Water Coalition funding process
2. Support funding for general water management projects and irrigation cost-share
3. Support legislative proposals to improve irrigation opportunities, investment, cost-share and incentives.
5. Support funding efforts for the expansion and modernization of the Oakes Irrigation Research Station; with NDSU, SBARE, and the legislature.
6. Support efforts for expansion of irrigation development adjacent to the McClusky Canal and other areas.

C. State Water Commission
1. Support favorable cost-sharing polices for irrigation projects
2. Maintain favorable working relationships with State Water Commission members and staff
3. Request the State Water Commission approve suspended permits and get permits approved in a timely manner
4. Work with the State Water Commission to increase the permit overage percentage to 15%
D. Federal Legislation
1. Work to restrict the jurisdiction and narrow the scope of federal acts and administrative rules that hinder the development of water projects, such as WOTUS
2. Work to secure adequate federal funds for water projects and programs

E. Irrigation District Support
1. Provide resource materials and support for districts on administrative/management issues
2. Continue to communicate with groups, agencies, individuals, and companies to discuss irrigation development and the production of crops under irrigation.
3. Work with proponents to explore opportunities for irrigation development in the Horsehead Irrigation District or other areas as appropriate.

F. Project Activities
1. Support and work with the Garrison Diversion Conservancy District in the development of irrigation from the McClusky Canal and projects under the authority of the Dakota Water Resources Act (DWRA).
2. Support and work with entities and individuals with existing irrigation and development of new irrigation from the Missouri River.
3. Work with irrigators and potential irrigators in developing water supplies utilizing ponds, ground water recharge, off-stream storage, horizontal wells, drainage systems, and other innovative means.
4. Monitor legislative issues on the national and state level which may affect irrigation and provide support or opposition as needed.
5. Monitor horizontal well development and monitoring, ground water recharge, off-stream water supplies, and other innovative activities to improve irrigated agriculture.
2019 WORK PLAN
Garrison Diversion Conservancy District
DRAFT

C. Develop and enhance irrigation in North Dakota
   1. Provide assistance and support to the ND Irrigation Association
   2. Continue support for Oakes Test Area title transfer
   3. Implement NDSU Cooperative Agreement for funding Oakes Irrigation Research Site – Robert Titus Research Farm
   4. Continue development of the McClusky Canal Power Infrastructure Master Plan
   5. Continue development of the McClusky Canal Irrigation Project
      (1) Construct MM 0 and MM 0.4 Irrigation Projects
   6. Continue to support irrigation in current state cost-share policy

E. Natural Resources
   7. Assist with maintenance of Audubon & Arrowwood National Wildlife Refuges
   8. Assist with maintenance of mitigation features as requested by Reclamation
   9. Continue communications with the Natural Resources Trust
# Oakes Irrigation Research Site - Robert Titus Research Farm

NDSU Carrington Research Extension Center

Budget Proposal for Fiscal Year 2020

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<td>Travel</td>
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<td>Miscellaneous</td>
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<td><strong>Other Direct Costs</strong></td>
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<td>One-Time Expenses</td>
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<td>Research Grants and Contracts</td>
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<td>Expected Carryover</td>
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<td><strong>Total Revenues</strong></td>
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**GDCD Budget Request**  267,875
submit to the Committee on Natural Resources
of the House of Representatives and the Com-
mittee on Environment and Public Works of the
Senate a report regarding the progress and
challenges in the transition from paper to dig-
ital maps and a timetable for completion of the
digitization of all maps related to the System.”.

(c) REPEAL OF REPORT.—Section 3 of Public Law
109–226 (16 U.S.C. 3503 note) is repealed.

TITLE VIII—WATER AND POWER
Subtitle A—Reclamation Title
Transfer

SEC. 8001. PURPOSE.
The purpose of this subtitle is to facilitate the trans-
fer of title to Reclamation project facilities to qualifying
entities on the completion of repayment of capital costs.

SEC. 8002. DEFINITIONS.
In this subtitle:

(1) CONVEYED PROPERTY.—The term “con-
veyed property” means an eligible facility that has
been conveyed to a qualifying entity under section
8003.

(2) ELIGIBLE FACILITY.—The term “eligible fa-
cility” means a facility that meets the criteria for
potential transfer established under section 8004(a).
(3) Facility.—

(A) In general.—The term “facility” includes a dam or appurtenant works, canal, lateral, ditch, gate, control structure, pumping station, other infrastructure, recreational facility, building, distribution and drainage works, and associated land or interest in land or water.

(B) Exclusions.—The term “facility” does not include a Reclamation project facility, or a portion of a Reclamation project facility—

(i) that is a reserved works as of the date of enactment of this Act;

(ii) that generates hydropower marketed by a Federal power marketing administration; or

(iii) that is managed for recreation under a lease, permit, license, or other management agreement that does contribute to capital repayment.

(4) Project Use Power.—The term “project use power” means the electrical capacity, energy, and associated ancillary service components required to provide the minimum electrical service needed to operate or maintain Reclamation project facilities in
accordance with the authorization for the Reclamation project.

(5) QUALIFYING ENTITY.—The term "qualifying entity" means an agency of a State or political subdivision of a State, a joint action or powers agency, a water users association, or an Indian Tribe or Tribal utility authority that—

(A) as of the date of conveyance under this subtitle, is the current operator of the eligible facility pursuant to a contract with Reclamation; and

(B) as determined by the Secretary, has the capacity to continue to manage the eligible facility for the same purposes for which the property has been managed under the reclamation laws.

(6) RECLAMATION.—The term "Reclamation" means the Bureau of Reclamation.

(7) RECLAMATION PROJECT.—The term "Reclamation project" means—

(A) any reclamation or irrigation project, including incidental features of the project—

(i) that is authorized by the reclamation laws;
(ii) that is constructed by the United States pursuant to the reclamation laws; or

(iii) in connection with which there is a repayment or water service contract executed by the United States pursuant to the reclamation laws; or

(B) any project constructed by the Secretary for the reclamation of land.

(8) RESERVED WORKS.—The term “reserved works” means any building, structure, facility, or equipment—

(A) that is owned by the Bureau; and

(B) for which operations and maintenance are performed, regardless of the source of funding—

(i) by an employee of the Bureau; or

(ii) through a contract entered into by the Commissioner.

(9) SECRETARY.—The term “Secretary” means the Secretary, acting through the Commissioner of Reclamation.

SEC. 8003. AUTHORIZATION OF TRANSFERS OF TITLE TO ELIGIBLE FACILITIES.

(a) AUTHORIZATION.—
(1) **IN GENERAL.**—Subject to the requirements of this subtitle, the Secretary, without further authorization from Congress, may, on application of a qualifying entity, convey to a qualifying entity all right, title, and interest of the United States in and to any eligible facility, if—

(A) not later than 90 days before the date on which the Secretary makes the conveyance, the Secretary submits to Congress—

(i) a written notice of the proposed conveyance; and

(ii) a description of the reasons for the conveyance; and

(B) a joint resolution disapproving the conveyance is not enacted before the date on which the Secretary makes the conveyance.

(2) **CONSULTATION.**—A conveyance under paragraph (1) shall be made by written agreement between the Secretary and the qualifying entity, developed in consultation with any existing water and power customers affected by the conveyance of the eligible facility.

(b) **RESERVATION OF EASEMENT.**—The Secretary may reserve an easement over a conveyed property if—
(1) the Secretary determines that the easement is necessary for the management of any interests retained by the Federal Government under this subtitle;

(2) the Reclamation project or a portion of the Reclamation project remains under Federal ownership; and

(3) the Secretary enters into an agreement regarding the easement with the applicable qualifying entity.

(c) INTERESTS IN WATER.—No interests in water shall be conveyed under this subtitle unless the conveyance is provided for in a separate, quantified agreement between the Secretary and the qualifying entity, subject to applicable State law and public process requirements.

SEC. 8004. ELIGIBILITY CRITERIA.

(a) ESTABLISHMENT.—The Secretary shall establish criteria for determining whether a facility is eligible for conveyance under this subtitle.

(b) MINIMUM REQUIREMENTS.—

(1) AGREEMENT OF QUALIFYING ENTITY.—The criteria established under subsection (a) shall include a requirement that a qualifying entity shall agree—

(Δ) to accept title to the eligible facility;
(B) to use the eligible facility for substantially the same purposes for which the eligible facility is being used at the time the Secretary evaluates the potential transfer; and

(C) to provide, as consideration for the assets to be conveyed, compensation to the reclamation fund established by the first section of the Act of June 17, 1902 (32 Stat. 388, chapter 1093), in an amount that is the equivalent of the net present value of any repayment obligation to the United States or other income stream that the United States derives from the eligible facility to be transferred, as of the date of the transfer.

(2) Determinations of Secretary.—The criteria established under subsection (a) shall include a requirement that the Secretary shall—

(A) be able to enter into an agreement with the qualifying entity with respect to the legal, institutional, and financial arrangements relating to the conveyance;

(B) determine that the proposed transfer—

(i) would not have an unmitigated significant effect on the environment;
(ii) is consistent with the responsibilities of the Secretary—

(I) in the role as trustee for federally recognized Indian Tribes; and

(II) to ensure compliance with any applicable international and Tribal treaties and agreements and interstate compacts and agreements;

(iii) is in the financial interest of the United States;

(iv) protects the public aspects of the eligible facility, including water rights managed for public purposes, such as flood control or fish and wildlife;

(v) complies with all applicable Federal and State law; and

(vi) will not result in an adverse impact on fulfillment of existing water delivery obligations consistent with historical operations and applicable contracts; and

(C) if the eligible facility proposed to be transferred is a dam or diversion works (not including canals or other project features that receive or convey water from the diverting works) diverting water from a water body containing a
species listed as a threatened species or an en-
dangered species or critical habitat under the
1531 et seq.), determine that—

(i) the eligible facility continues to
comply with the Endangered Species Act
of 1973 (16 U.S.C. 1531 et seq.) in a
manner that provides no less protection to
the listed species as existed under Federal
ownership; and

(ii) the eligible facility is not part of
the Central Valley Project in the State of
California.

(3) STATUS OF RECLAMATION LAND.—The cri-
teria established under subsection (a) shall require
that any land to be conveyed out of Federal owner-
ship under this subtitle is—

(A) land acquired by the Secretary; or
(B) land withdrawn by the Secretary, only
if—

(i) the Secretary determines in writing
that the withdrawn land is encumbered by
facilities to the extent that the withdrawn
land is unsuitable for return to the public
domain; and
(ii) the qualifying entity agrees to pay fair market value based on historical or existing uses for the withdrawn land to be conveyed.

(c) HOLD HARMLESS.—No conveyance under this subtitle shall adversely impact applicable Federal power rates, repayment obligations, or other project power uses.

SEC. 8005. LIABILITY.

(a) In General.—Effective on the date of conveyance of any eligible facility under this subtitle, the United States shall not be held liable by any court for damages of any kind arising out of any act, omission, or occurrence relating to the eligible facility, other than damages caused by acts of negligence committed by the United States or by agents or employees of the United States prior to the date of the conveyance.

(b) Effect.—Nothing in this section increases the liability of the United States beyond that currently provided in chapter 171 of title 28, United States Code (commonly known as the “Federal Tort Claims Act”).

SEC. 8006. BENEFITS.

After a conveyance of an eligible facility under this subtitle—

(1) the conveyed property shall no longer be considered to be part of a Reclamation project;
(2) except as provided in paragraph (3), the qualifying entity to which the conveyed property is conveyed shall not be eligible to receive any benefits, including project use power, with respect to the conveyed property, except for any benefit that would be available to a similarly situated entity with respect to property that is not a part of a Reclamation project; and

(3) the qualifying entity to which the conveyed property is conveyed may be eligible to receive project use power if—

(A) the qualifying entity is receiving project use power as of the date of enactment of this Act;

(B) the project use power will be used for the delivery of Reclamation project water; and

(C) the Secretary and the qualifying entity enter into an agreement under which the qualifying entity agrees to continue to be responsible for a proportionate share of operation and maintenance and capital costs for the Federal facilities that generate and deliver, if applicable, power used for delivery of Reclamation project water after the date of conveyance, in accordance with Reclamation project use power rates.
SEC. 8007. COMPLIANCE WITH OTHER LAWS.

(a) IN GENERAL.—Before conveying an eligible facility under this subtitle, the Secretary shall comply with all applicable Federal environmental laws, including—

(1) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

(2) the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.); and

(3) subtitle III of title 54, United States Code.

(b) SENSE OF CONGRESS.—It is the sense of Congress that any Federal permitting and review processes required with respect to a conveyance of an eligible facility under this subtitle should be completed with the maximum efficiency and effectiveness.

Subtitle B—Endangered Fish Recovery Programs

SEC. 8101. EXTENSION OF AUTHORIZATION FOR ANNUAL BASE FUNDING OF FISH RECOVERY PROGRAMS; REMOVAL OF CERTAIN REPORTING REQUIREMENT.

Section 3(d) of Public Law 106–392 (114 Stat. 1604; 126 Stat. 2444) is amended—

(1) by striking paragraph (1) and inserting the following:

“(1) AUTHORIZATION OF APPROPRIATIONS.—
Ag Research and Extension
HB 1020 – NDSU Ag Research and Extension (SBARE Priorities)
Passed House
The appropriation bill for NDSU ag research and Extension, which includes the 2019-2021 SBARE (State Board of Agriculture Research and Education) priorities. House action resulted in a 6% decrease from the 2017-19 base level funding for the main station. This is following a 13% cut in 2017-19 biennium. Extension held even with the 2017-19 funding level. Funding for SBARE priorities include one-time funding of $1.4 million from the strategic investment and improvements fund for extraordinary repairs and $750,000 for the Williston seed cleaning plant, including $250,000 from the general fund and $500,000 from other funds to be raised.

The Senate is working to restore research funds to closer to the base (current) budget.

Water and Irrigation Legislation
SB 2090 Permits for the Appropriation of Water
Passed Senate, Passed House, Assigned to Conference Committee
This bill exempts reuse of fossil byproduct water from requiring a water permit, clarifies that a legal interest in the point of diversion or place of use for irrigation water is required, and puts into statute the long-standing practice of having a 30-day comment period on water permit applications. It also increases the costs. All new water permit applications increased from $200 to $500, industrial permits are now $1,000, and amendments are raised to $100. The $250 under 2,500 population break will also go away.

SB 2295 Limiting Creation of Irrigation Districts
Passed Senate, Passed House, Signed by Governor
This bill limits the creation of irrigation districts, adds permit requirements for drainage projects and ensures drainage benefits provided by an irrigation district do not impact the authority of a water resource board.

SB 2293 Aquatic Nuisance Species (ANS) Program Fund
Passed Senate
This bill creates funding mechanisms to support ANS programs. This would be done through a $3 surcharge on in state fishing licenses (excluding senior citizen and disabled licenses) and $6
surcharge on out of state fishing waterfowl licenses.

The House added a $15 per in-state and out-of-state boat ANS boat fee. Both sources together could raise $2.7 million to address ANS

**Grain Buyer Licensure**

**HB 1467 – Grain and licensing regulation moves from PSC to Ag Department**

*Passed* House, now a study

Would have moved grain and licensing regulation from PSC to Ag Department.

**SB 2346 – Records confidentiality for warehousemen and grain buyers**

*Passed* Senate

Bill provides additional PSC licensing authority to require applicant financial statements. It also broadens grain buyer loss indemnity fund with an assessment on all grain transactions. The assessment would be one-twentieth of one percent (.0005) on the value of grain sold. The bill adopts a 30-day trigger to convert scale tickets to credit sale contracts in an indemnity case. The grain indemnity fund could cover 80% of the amount owed in an insolvency, up to $280,000.

House Agriculture Committee dropped the expanded indemnity fund and moved grain buying regulation to from the PSC to the Agriculture Department

**Farm home property tax exemption**

**SB 2360 – Calculation of income for farm residence property tax exemption**

*Passed* Senate, *Passed* House, Signed by Governor

This bill modernizes the tax exemption by changing the definition of farm income from net to gross for purposes of qualification for the farm home property tax exemption. The bill adopts the IRS definition of a farmer, which is two-thirds or more of annual gross income from farming activities during any of the two preceding calendar years. It also removes the $40,000 cap for allowable off-farm income.

**SB 2278 – Exemptions for records to assessors to document eligibility for the farm residence exemption**

*Passed* Senate

Allows records and income information provided to county tax directors for eligibility with farmstead property tax exemption to be confidential.

**Property Rights**

**HB 1290 – Prohibiting entry onto private land without permission**

*Passed* House, *Failed* Senate

Limits law enforcement entry onto private lands

**SB 2315 – Relating to identifying private land open to hunters**

*Passed* Senate
Reverses the presumption that all land is considered open and requires people to seek permission to access private property, except for hunting, where designations of open or closed will be indicated on an electric database. If the landowner does not provide information for the database, the land will be considered open to hunting unless traditional signs have been posted as they take precedence over the database. The bill establishes an advisory group, including landowners and sportsmen, to oversee the development of the database so it meets stakeholder needs.

**SB 2344 – Relates to injection or migration of substances into pore space**
Passed Senate, Passed House, Conference Committee to work out differences
This bill is intended to clarify that underground injection for CO2 or natural gas storage, or CO2 used for enhanced oil recovery, and saltwater disposal do not constitute a “damage” to pore space. The bill states that the policy cannot be construed to take ownership of pore space from the surface owner, but instead is designed to protect landowners who have an injection well. Even as amended, landowner rights concerns remain for many.

**Environmental Mitigation**
**HB 1383 – Mitigation bill**
Passed House, amended version Passed the Senate
As introduced, the bill provides for environmental impact mitigation payments in energy project siting projects to be maintained is a grant fund in the Department of Ag for grants for the alleviation of environmental impacts on private land.

The Senate adopted amendments that change the bill. It now only applies to wind power necessitated mitigation; changes the makeup of the existing Federal Environmental Law Impact Review Committee (FELIRC) by adding state agencies and conservation groups.

**SB 2261 – Relating to mitigating adverse direct and indirect environmental impacts**
Passed Senate
Under the changes proposed in this bill, environmental and wildlife mitigation payments could not be stipulated by the PSC or any state agency

**Other**
**HB 1291 – Relating to semitrailer and farm trailer plates**
Passed House, Passed Senate, Signed by Governor
This bill allows permanent registration for commercial trailers at the same price as a multi-year registration option and will eliminates the multi-year registration option.

**SB 2151 – Relating to annual permits for vehicles of excessive size or weight**
Passed House, Passed Senate, Signed by Governor
This bill would require payment of permits for vehicles of excessive size or weight to be purchased every twelve-month period rather than every calendar year.

**SB 2152 – Licensing of anhydrous ammonia storage tanks and mobile storage containers**
Passed Senate, Passed House
This bill would require a license for privately-owned mobile downloading units of anhydrous ammonia.

SB 2197 – Loans for family farmers
Passed Senate, Passed House, Signed by Governor
This bill is intended to assist young farmers by providing an extension of a financing option through the Bank of North Dakota. The program would require young farmers to have a net worth of less than $1.5 million and would offer a fixed rate financing option of 10 years rather than the five years that is in place now.

SB 2296 – BND loan guarantee program
Passed House, Passed Senate, Signed by Governor
This bill establishes a $50 million loan guarantee program for loan guarantee programs for large-scale, value-added projects and expansions.