

**GARRISON DIVERSION CONSERVANCY DISTRICT****EXECUTIVE COMMITTEE**

**Garrison Diversion Conservancy District  
Carrington, North Dakota  
September 8, 2016**

A meeting of the Executive Committee of the Garrison Diversion Conservancy District was held at the Garrison Diversion Conservancy District, Carrington, North Dakota, on September 8, 2016. The meeting was called to order by Chairman Vein at 11 a.m.

**DIRECTORS PRESENT**

Chairman Ken Vein  
Vice Chairman Ken Royse  
Second Vice Chairman Steve Metzger  
Director Jeff Breker  
Director Roger Fenstad  
Director Kelly Klosterman  
Director Bill Krivarchka  
Director Bill Ongstad

**DIRECTORS ABSENT**

Director Dave Anderson

**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 Krivarchka to dispense with a reading of the June 9, 2016, Executive Committee minutes and the August 12, 2016, Special Executive Committee minutes and approve them as distributed. Second by Director Fenstad. Upon voice vote, motion carried.**

**FINANCIAL REPORT**

**2015 Audit Report** - - Merri Mooridian, Administrative Officer, Garrison Diversion, reported that Garrison Diversion's 2015 draft audit report has had a couple of delays. She has recently received a copy of the draft. It is now expected to be ready for approval at the October board meeting.

**Financial Statements** - - Ms. Mooridian referred to and reviewed the financial statements for the period of January 1, 2016, through August 31, 2016. Copies of the financial statements are attached to these minutes as Annex II.

Revenues through August are broken out as follows: General Fund \$3,653,789; Operations and Maintenance \$2,709,039; MR&I \$2,877,124; Red River Valley Water Supply Project \$3,231,136 and Irrigation Fund \$204,063.

Expenditures were: General Fund \$1,932,778; Operations and Maintenance \$2,814,536; MR&I \$2,877,100; Red River Valley Water Supply Project \$2,752,024 and Irrigation Fund \$203,588.

Income through August is \$12,836,501 with expenditures of \$10,580,026.

Garrison Diversion reserve accounts total \$5,564,632.

The balance of funds held at Bremer Bank is \$5,241,252, Bank of North Dakota is \$7,274,324 and Farm Credit Services is \$1,000.

**Motion by Second Vice Chairman Metzger to accept the financial statements for the period of January 1, 2016, through August 31, 2016. Second by Director Klosterman. Upon roll call vote, the following directors voted aye: Breker, Fenstad, Klosterman, Krivarchka, Metzger, Ongstad, Royse and Vein. Those voting nay: none. Directors absent and not voting: Anderson. Motion carried.**

**2016 Budget Revisions** - - Ms. Mooridian referred to the Revised Budget Rv2 and reviewed the revisions with the committee. A copy of the revised budget is attached to these minutes as Annex III.

**Motion by Second Vice Chairman Metzger to approve the following 2016 budget revisions:**

#### **Expenses**

##### **General Fund**

##### **Administration**

Electronic Communications, increase of \$4,000

Supplies, **decrease of \$4,000**

##### **Public Education**

Other Tours, **decrease of \$159**

Missouri River Joint Board/MRRIC, increase of \$159

##### **Professional Services**

Odney, **decrease of \$25,000**

Black & Veatch, increase of \$75,000

##### **Irrigation Development**

Irrigation Development, **decrease of \$50,000**

##### **Maintenance & Repair**

Land & Bldg Maintenance, increase of \$17,000

##### **Capital Purchases**

Office Equip & Furniture, **decrease of \$6,000**

Land & Buildings, **decrease of \$11,000**

##### **GDU O&M**

Training, increase of \$1,200

Equipment Purchases, increase of \$14,500

Equipment Rental, increase of \$17,000

**Second by Director Fenstad. Upon roll call vote, the following directors voted aye: Breker, Fenstad, Klosterman, Krivarchka, Metzger, Ongstad, Royse and Vein. Those voting nay: none. Directors absent and not voting: Anderson. Motion carried.**

**Budget Timeline** - - Ms. Mooridian referred to the Budget Timeline used for budget preparation. This is provided for the committee's reference.

### **MCCLUSKY CANAL UPDATE**

Kip Kovar, District Engineer, Garrison Diversion, reported that work has been continuing on the slide issue along the McClusky Canal. The Bureau of Reclamation (Reclamation) requested that a preconstruction cooperative agreement be prepared that would cover purchasing equipment and negotiations with landowners. That preconstruction agreement has been approved for \$4.7 million. Work now begins on writing specs for the equipment.

Mr. Kovar added with the approval of the preconstruction agreement, work will start on the construction cooperative agreement also required by Reclamation.

Mr. Kovar said no major repairs have been made on the existing irrigation projects along the canal. There are potentially three interested irrigators at Mile Marker 15 that could be a larger project. There are also potential projects at Mile Markers 1, 36 and 42.

Mr. Kovar stated that the next item he would like to touch on is reclassification of the Garrison Diversion Unit (GDU). The GDU, as a whole, was put on hold because of environmental and other reasons. All of the features that were built were put into a category called construction in abeyance by Reclamation, which is where the operation and maintenance budget comes from. The auditors from Reclamation's Denver office informed Garrison Diversion that some features of the project were being put into plant in service, such as the Snake Creek Pumping Plant, Lake Audubon and Mile Marker 0-59. He said no one consulted Garrison Diversion about this; therefore, Garrison Diversion has prepared a list of questions for Reclamation regarding this transfer and what it means.

Arden Freitag, Deputy Area Manager, Bureau of Reclamation, commented that the Bismarck office received a letter from the commissioner's office on this topic last week. As he understands it, for the last several years Reclamation has had an internal audit like all federal agencies. They were being questioned by the auditors about costs on construction in abeyance. There was approximately \$650 million for the Department of Interior, and Garrison Diversion's amount of that is \$240 million. The auditors questioned why this was still in construction and abeyance. Their contention was, with certain findings in the audit, once construction is complete and the project manager declares the project complete, it comes to a point where it gets transferred into operation status, and the costs get moved to plant in service. The GDU has been through several iterations of legislation, things have not been completed, and the project's been revised, so Reclamation's recommendation was to leave everything in construction in abeyance until these issues are resolved, but the auditors disagreed.

Chairman Vein asked what do the auditors think has changed from the previous years.

Mr. Freitag replied that they started flagging it as a potential material weakness, and an internal control plan was recently adopted by Reclamation that could have affected this as well.

Mr. Freitag stated at this point for 2017, they are making changes to account for these costs in the different categories.

Ms. Mooridian asked if this has anything to do with the Office of Inspector General (OIG) Report.

Mr. Freitag said this is very similar to the OIG report, but they have not heard that there is any connection between the two.

### **MR&I PROGRAM**

**Construction Report** - - Duane DeKrey, Secretary, referred to the MR&I construction report dated August 31, 2016. MR&I expenditures this year are \$2,741,109. Remaining federal MR&I funds are \$10,220,547. A copy of the report is attached to these minutes as Annex IV.

Ms. Mooridian stated that currently, there is a request to the regional office for Garrison Diversion to allow projects to move forward at their own expense knowing that they must follow Reclamation guidelines. As long as the guidelines are followed, they will be reimbursed for expenses.

Mr. DeKrey added that Garrison Diversion will begin discussions with the State Water Commission and Reclamation on 2017 MR&I funding allocations.

### **BUREAU OF RECLAMATION REPORT**

Mr. Freitag referred to and provided highlights from their written summary of activities dated September 8, 2016. A copy is attached to these minutes as Annex V.

**NAWS** - - As of August 16, the final briefs have been filed associated with the Supplemental Environmental Impact Statement (EIS) on the NAWS Project. The Department of Justice requested oral arguments. Whether the court will honor that request is yet to be determined.

The state of North Dakota has filed a motion to remove the injunction on construction to allow design of the biota water treatment plant. This was denied by the court and the state appealed this decision in July. There is no word at this time on how that appeal is being handled.

**MR&I Program** - - The MR&I funding request for 2017 is \$7.4 million. It is likely there will be a continuing resolution this year.

**Cooperative Agreements** - - Mr. Freitag said several agreements will be expiring in the next year and need to be renewed, including the state MR&I agreement that expires in September of 2017. There will also need to be a new agreement for construction on the slide repair work. Also expiring are the agreements with ND Game & Fish for management of Lonetree Reservoir and Audubon, as well as the agreement with the Fish and Wildlife Service for management of the scattered tracts.

**OIG Report** - - Mr. Freitag said Reclamation will continue its quarterly progress report to the OIG. The OIG Report concluded that irrigation on the Garrison Diversion Project is not going to be finished, and Reclamation needs to pursue the deauthorization of the undeveloped irrigation acres. The Bismarck area office responded, saying that the state and Garrison Diversion are pursuing irrigation development so this is not accurate, but there are certain components of the project that they would look at to see if there are alternate uses and further disposition. This would be primarily the New Rockford Canal and the Oakes Test Area.

Mr. Freitag added that Reclamation has held meetings in Eddy and Wells Counties to explain the OIG Report and to try to gather input from the landowners along the New Rockford Canal on the desired usage for the canal. A corrective action plan is to be finalized by September 2017 and reported back to the OIG.

**Painted Woods** - - Mr. Freitag reported that discussions have taken place with Garrison Diversion, Reclamation, the Game and Fish Department and the Fish and Wildlife Service regarding Painted Woods Wildlife Development Area. Reclamation acquired the lake and some lands there and transferred management to the Fish and Wildlife Service. Reclamation contracts with the Game and Fish Department to manage the area. Reclamation continued to maintain the weir for a number of years.

The McLean County Water Resource District (WRD) wants to make improvements to alleviate flooding problems. Reclamation looked into what their responsibilities are and what they could contribute. Since they turned management over to the Fish and Wildlife Service, it is up to them to decide how much repair should be done. Reclamation will contribute some work to make the weir safe and add riprap for stabilization or the WRD can use it for a replacement structure if that is what they decide to do.

Mr. Kovar added that the McLean County WRD will be making a presentation at the Engineering and Operations Committee meeting in regard to this issue on October 6 at 10:30 a.m. in Carrington.

### **RED RIVER VALLEY WATER SUPPLY PROJECT**

**Status Report** - - Mr. Kovar referred to and reviewed the work plan update, explaining the progress being made with the engineering portions of the conceptual and preliminary design phases on the Red River Valley Water Supply Project (RRVWSP). A copy of the update is attached to these minutes as Annex VI.

Mr. Kovar stated that the RRVWSP Conceptual Design Report has been completed, and he distributed a copy of the draft report to the committee. A presentation will be given on this report at the October board meeting.

#### **Needs Assessment**

Ms. Mooridian reported on the meetings that have been taking place with the systems, stating that they have met with almost every system. Meetings usually consist of a pre-meeting to explain the project, and they are often times invited back for board or city council meetings.

Ms. Mooridian stated that the systems have until October 1 to nominate and sign the Development Agreement before a 20 percent latecomer fee kicks in. To date, three systems have decided not to participate in the project. Five systems have officially nominated.

Ms. Mooridian added that the system meetings have taken a lot of man hours and have required a second and third meeting. There are also a lot of documents being produced for distribution at each meeting. Originally, \$400,000 was the cost estimate for this task order. It appears this effort may go over the \$400,000 estimated amount, and additional funds will be needed to cover the overage.

#### **Financial Modeling**

Ms. Mooridian commented that work is being done on the financial modeling for the project. During the Environmental Impact Statement, EES Consulting developed a cost allocation model and a tier system for the project. The model will be revised with new cost allocations and the addition of central North Dakota and a few other systems.

### Municipal Advisor

Ms. Mooridian said this committee voted to start contract negotiations with Ernst & Young Infrastructure Advisors for municipal advisory services on the RRVWSP. They will be assisting with the financing for this project and looking into any type of creative financing that there might be. Garrison Diversion is in the process of bringing them on board. A video conference was held with them on September 6. The financial modeling and municipal advisory services will work hand in hand. Legal counsel is currently reviewing the contract before it is ready for signature.

### **Request to Evaluate McClusky Canal for MR&I Water Supply to Central North Dakota - -**

Mr. Kovar referred to a copy of the letter Garrison Diversion submitted to Reclamation requesting that they evaluate an alternative water supply from the McClusky Canal for use in the Jamestown/Spiritwood Area within the Missouri River Basin. A copy of the letter is attached to these minutes as Annex VII.

Secretary DeKrey said that Garrison Diversion has contracted with Reclamation to do an environmental assessment on a pipeline from the canal to the main pipeline.

Mr. Freitag commented that Reclamation is assessing its workload and will need to discuss priorities with Garrison Diversion because they have other environmental assessments and rural projects they will be working on as well.

**Task Orders Request - -** Mr. Kovar commented that the RRVWSP has moved into the preliminary design phase. Landowner packets are going out now, and field work will be going on this fall. It is anticipated that the preliminary design report will be complete by next summer. There are two task orders going along with this: 1) Aerial Photography and LiDAR Services and 2) Main Pumping Station, Pre-Treatment, Break Tank, Control Valve Structure, Hydraulics and Transients – Preliminary Engineering. Copies of each were distributed to the committee.

### Aerial Mapping

Mr. Kovar referred to the first task order, stating it consists of base mapping of approximately 160 miles of the pipeline corridor obtained through aerial photography and light imaging, detection and ranging (LiDAR). The estimated cost is \$259,985.

### Hydraulic Pumping System

Mr. Kovar said the work associated with the second task order includes preliminary engineering design for the main pumping station, pre-treatment, break tank and control valve structure. Objectives are to complete project design for the project elements, evaluate and select final sites, finalize the system hydraulic design and perform the preliminary transient analyses. The estimated cost is \$997,267.

**Motion by Director Fenstad to approve the following RRVWSP Work Plan task orders: 1) Aerial photography and LiDAR services in the amount of \$259,984 and 2) Main pumping station, pre-treatment, break tank, control valve structure, hydraulics and transients – preliminary engineering in the amount of \$997,267. Second by Second Vice Chairman Metzger. Upon roll call vote, the following directors voted aye: Breker, Fenstad, Klosterman, Krivarchka, Metzger, Ongstad, Royse and Vein. Those voting nay: none. Directors absent and not voting: Anderson. Motion carried.**

Ms. Mooridian asked if the committee would also like to approve an increase to the budget amount for the needs assessment that she mentioned earlier in her report. This would be an

increase to the task order entitled Stakeholder Re-engagement. She is asking for an additional \$45,000 to complete this work.

**Motion by Director Klosterman to approve an increase of \$45,000 for the stakeholder re-engagement task order. Second by Director Breker. Upon roll call vote, the following directors voted aye: Breker, Fenstad, Klosterman, Krivarchka, Metzger, Ongstad, Royse and Vein. Those voting nay: none. Directors absent and not voting: Anderson. Motion carried.**

**Planning Level Budget** - - Ms. Mooridian distributed and reviewed the table called RRVWSP Planning Level Budget dated September 7, 2016. The amount expended is \$4.5 million for conceptual engineering. She pointed out that the top four items under that category are approaching completion and coming in slightly under budget. At some point, the extra funds will be absorbed back into the budget as available dollars. Under preliminary engineering, approximately \$634,000 has been spent.

Ms. Mooridian mentioned that the amount estimated for Municipal Advisor under Administration was \$150,000. Once contract negotiations have taken place with Ernst & Young, there will be a better idea on the cost of that task order. The total expended for all categories in the biennium is \$5.4 million. A copy of the table is attached to these minutes as Annex VIII.

**Information Piece** - - Ms. Mooridian referred to the August 25 informational piece that has been prepared regarding the RRVWSP. These have been taken to the user meetings and are being used as handouts to provide a quick overview of the project. It is continually being updated as the project moves forward and changes take place.

### **LEADERSHIP DEVELOPMENT/BUILDING HIGH PERFORMING TEAM**

Chairman Vein said he is proposing to incorporate, as a proactive issue, leadership development and building a high performance team to keep everyone working well together on the RRVWSP. He would like to implement a process of team building and is asking for authorization from the Executive Committee to do this internally with the key stakeholders, including Steve Burian, Tami Norgard, himself and the three other staff members of the management team. The key areas looked at are the strengths and development needs of each of the stakeholders as well as values and culture and challenge profiles.

Chairman Vein said this would be an ongoing process, but there is an initial computerized test for team profiling. Then the stakeholders would meet as a group. The estimated cost is \$10,000 to \$12,000, but he believes there is a return on investment from the process when all is said and done.

**Motion by Vice Chairman Royse to approve the leadership development and team building process. Second by Director Fenstad. Upon roll call vote, the following directors voted aye: Breker, Fenstad, Klosterman, Krivarchka, Metzger, Ongstad, Royse and Vein. Those voting nay: none. Directors absent and not voting: Anderson. Motion carried.**

### **WASHINGTON, DC CONSULTING SERVICES**

Chairman Vein referred to the proposals included in the meeting materials that were received from the three firms who answered the request for proposals for Washington, DC, consulting services. He reminded the committee of the State Water Commission's decision not to renew the contract that Garrison Diversion and the State Water Commission had with Will and Carlson.

Secretary DeKrey added that Garrison Diversion has been without a consulting firm in Washington for approximately five months.

Chairman Vein said that he and other Garrison Diversion staff members have met with individuals from all three firms while at meetings in Washington. A determination needs to be made as to which firm to hire. The cost in the past has been \$3,500 per month, which was split with the State Water Commission so Garrison Diversion paid \$1,750 per month. The proposals submitted are each fairly different in dollar amount as well as level of service. Will and Carlson is at \$5,000 per month, Water Strategies is \$5,000 per month and Brownstein, Hyatt, Farber and Schreck is \$3,500 per month. The \$3,500 is a basic monthly fee. If a larger issue were to arise, a negotiated fee would need to be settled upon.

Chairman Vein and Secretary DeKrey provided a review and comparison of each of the firms, pointing out that Brownstein, Hyatt, Farber and Schreck is the firm recently retained for the RRVWSP.

Secretary DeKrey stated that he and the management staff have discussed this issue, and they recommend hiring Brownstein, Hyatt, Farber and Schreck.

Upon further discussion, the committee decided to make a recommendation to the full board.

**Motion by Second Vice Chairman Metzger to recommend hiring Brownstein, Hyatt, Farber and Schreck for Garrison Diversion's Washington, DC, consulting services to the full board. Second by Director Krivarchka. Upon roll call vote, the following directors voted aye: Breker, Fenstad, Klosterman, Krivarchka, Metzger, Ongstad, Royse and Vein. Those voting nay: none. Directors absent and not voting: Anderson. Motion carried.**

## **GENERAL MANAGER'S REPORT**

### **Garrison Diversion**

#### **2017 Meeting Dates**

Secretary DeKrey referred to the list of proposed 2017 Executive Committee and Board meeting dates, which requires the committee's approval.

**Motion by Vice Chairman Royse to approve the following meeting dates for 2017:**

#### **Board of Directors**

**January 12 & 13  
April 6 & 7  
July 12-14  
October 5 & 6**

#### **Executive Committee**

**March 9  
June 8  
September 7  
December 14**

**Second by Director Ongstad. Upon roll call vote, the following directors voted aye: Anderson, Breker, Fenstad, Klosterman, Krivarchka, Metzger, Ongstad, Royse and Vein. Those voting nay: none. Directors absent and not voting: Anderson. Motion carried.**

#### **Accounting Specialist**

Secretary DeKrey updated the committee on the ongoing search for an accounting specialist.



NWRA Executive Vice President

The information contained in the meeting packet regarding the NWRA's executive vice president position is provided for the committee's information. Robert Johnson has announced that he is stepping down and a committee has been formed to find his replacement.

**Meetings and Travel**

Secretary DeKrey reported on his recent and upcoming meetings.

**UPCOMING EVENTS**

Chairman Vein reviewed the list of upcoming meetings and events that directors may wish to attend.

**OTHER BUSINESS**

There being no other business to come before the committee, the meeting adjourned at 2:45 p.m.

(SEAL)

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Kenneth Vein, Chairman

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Duane DeKrey, Secretary

# REGISTRATION

EXECUTIVE COMMITTEE MEETING  
Garrison Diversion  
Carrington, North Dakota  
September 8, 2016

NAME	ADDRESS
Kip Kover	Carrington
Memi Munnich	GDCD
Brett Joachim	AEZS
Eric Volk	Rural Water
Arden Freitag	Reclamation
Luis Schupler	GDCD
Duane DeKrey	GDCD
Tami Norgard	Voegel Law Firm

**GARRISON DIVERSION CONSERVANCY DISTRICT  
COMBINED STATEMENT OF REVENUES AND EXPENDITURES  
JANUARY 1--AUGUST 31, 2016**

	General Fund	GDU Operations & Maintenance Fund	Municipal, Rural, and Industrial Fund	Red River Valley Water Supply Project	Irrigation Fund	Total
Beginning Bank Balance January 1, 2016	\$3,566,680	\$320,849	\$3,828	\$250,855	\$182,032	\$4,324,244
<b>REVENUES:</b>						
Net Change in Assets	(\$175,799)	\$14,710	\$0		(\$261)	(\$161,350)
MR&I Overhead	\$80,154					\$80,154
O&M Overhead	\$560,343					\$560,343
GF Admn Charge from Irrigation Fund	\$0					\$0
Lease Income	\$2,303					\$2,303
Revenue from Sale of GFAG	\$20	\$21,553				\$21,573
Miscellaneous Income	\$79				\$11	\$90
Interest Income	\$23,992	\$123	\$24	\$62	\$261	\$24,462
Tax Levy	\$2,991,321					\$2,991,321
State Aid Distribution	\$160,581					\$160,581
Contract Revenue	\$10,795	\$2,421,172	\$2,877,100	\$3,231,074	\$204,052	\$8,744,193
Irrigation Fund Bond/Loan Proceeds					\$0	\$0
O&M Project Income		\$3,725				\$3,725
O&M Non-project Revenue		\$247,756				\$247,756
<b>Total Revenues</b>	<b>\$3,653,789</b>	<b>\$2,709,039</b>	<b>\$2,877,124</b>	<b>\$3,231,136</b>	<b>\$204,063</b>	<b>\$12,675,151</b>
<b>EXPENDITURES:</b>						
Directors Expense	\$129,309					\$129,309
Employee Expenses	\$755,322					\$755,322
Administrative Expenses	\$117,756					\$117,756
Public Education	\$82,365					\$82,365
Professional Services	\$324,981					\$324,981
Irrigation Development	\$346,758					\$346,758
GDCD Recreation Grant Program	\$125,970					\$125,970
DWRA Recreation Program	\$1,484					\$1,484
Irrigation Districts Expenses	\$0					\$0
Irrigation Fund					\$203,588	\$203,588
Maintenance & Repairs	\$48,833					\$48,833
Capital Purchases	\$0					\$0
Operations and Maintenance Fund		\$2,814,536				\$2,814,536
State Administration			\$135,991			\$135,991
MR&I Project Expenditures			\$2,741,109			\$2,741,109
RRVWSP Fund				\$2,752,024		\$2,752,024
<b>Total Expenditures</b>	<b>\$1,932,778</b>	<b>\$2,814,536</b>	<b>\$2,877,100</b>	<b>\$2,752,024</b>	<b>\$203,588</b>	<b>\$10,580,026</b>
TRANSFERS IN/OUT		\$0	\$0	\$0		\$0
REVENUES OVER EXPENDITURES*	\$1,721,011	(\$105,497)	\$24	\$479,112	\$475	\$2,095,125
Ending Bank Balance August 31, 2016	\$5,287,691	\$215,352	\$3,852	\$729,967	\$182,507	\$6,419,369

\*Depreciation not reflected

**GARRISON DIVERSION CONSERVANCY DISTRICT  
INCOME BUDGET ANALYSIS STATEMENT  
JANUARY 1--AUGUST 31, 2016**

<b>GENERAL, O&amp;M, MR&amp;I, RRVWSP, and IRRIGATION FUNDS</b>	<b>Budget 01-01-16 to 12-31-16</b>	<b>Income Received to 8-31-16</b>	<b>Percent of Amount Budgeted</b>	<b>Balance of Budget 8-31-16</b>
MR&I Overhead	\$100,000	\$80,154	80.2%	\$19,846
O&M Overhead	579,431	560,343	96.7%	19,088
GF Admn Charge from Irrigation Fur	0	0	0.0%	0
Lease Income	2,500	2,303	92.1%	197
Miscellaneous Income	1,000	90	9.0%	910
Interest Income (all funds)	11,000	24,462	222.4%	(13,462)
Tax Levy	2,458,203	2,991,321	121.7%	(533,118)
State Aid Distribution	250,000	160,581	64.2%	89,419
General Fund Contract Revenue	30,000	10,795	36.0%	19,205
MR&I Contract Revenue	7,180,000	2,877,100	40.1%	4,302,900
O&M Contract Revenue	3,944,815	2,421,172	61.4%	1,523,643
O&M Project Income	0	3,725	0.0%	(3,725)
O&M Non-project Revenue	375,000	247,756	66.1%	127,244
RRVWSP Contract Revenue	6,080,000	3,231,074	53.1%	2,848,926
Irrigation Fund Revenue	1,000,000	204,052	20.4%	795,948
Revenue from Sale of GFAG	0	21,573	0.0%	(21,573)
<b>TOTAL</b>	<b>\$22,011,949</b>	<b>\$12,836,501</b>	<b>58.3%</b>	<b>\$9,175,448</b>

**GARRISON DIVERSION CONSERVANCY DISTRICT  
EXPENSE BUDGET ANALYSIS STATEMENT  
JANUARY 1--AUGUST 31, 2016**

<b>GENERAL, O&amp;M, MR&amp;I, RRVWSP and IRRIGATION FUNDS</b>	<b>Budget 01-01-15 to 12-31-15</b>	<b>Expenditures Chargeable to 2015 Budget</b>	<b>Budget 01-01-16 to 12-31-16</b>	<b>Expen- ditures to 8-31-16</b>	<b>Percent of Amount Budgeted</b>	<b>Balance of Budget 8-31-16</b>
Directors Expenses	\$205,000	\$201,046	\$215,000	\$129,309	60.1%	\$85,691
Employee Expenses	1,311,528	1,052,571	1,254,286	755,322	60.2%	498,964
Administrative Expenses	205,000	154,076	201,000	117,756	58.6%	83,244
Operations & Maintenance Fund	4,580,315	4,109,057	4,319,815	2,814,536	65.2%	1,505,279
Red River Valley Supply Project	8,000,000	1,753,806	6,080,000	2,752,024	45.3%	3,327,976
MR&I Fund	10,248,970	2,060,508	7,180,000	2,877,100	40.1%	4,302,900
Public Education	247,750	144,128	105,200	82,365	78.3%	22,835
Professional Services	1,209,800	916,588	632,000	324,981	51.4%	307,019
Maintenance & Repairs	58,000	45,497	58,000	48,833	84.2%	9,167
Irrigation Districts Expense	2,643	0	24,900	0	0.0%	24,900
Irrigation Fund	5,430,000	836,555	1,000,000	203,588	20.4%	796,412
Irrigation Development	486,132	485,225	444,275	346,758	78.1%	97,517
Capital Purchases	66,000	19,525	76,000	0	0.0%	76,000
GDCD Recreation Grant Program	431,329	321,453	350,000	125,970	36.0%	224,030
DWRA Recreation Program	15,000	5,952	10,000	1,484	14.8%	8,516
<b>TOTALS</b>	<b>\$32,497,467</b>	<b>\$12,105,987</b>	<b>\$21,950,476</b>	<b>\$10,580,026</b>	<b>48.2%</b>	<b>\$11,370,450</b>

**GARRISON DIVERSION CONSERVANCY DISTRICT  
EXPENSE BUDGET ANALYSIS STATEMENT  
January 1--August 31, 2016**

	Budget 1/1/15 to 12/31/15	Expenditures Chargeable to 2015 Budget	Budget 1/1/16 to 12/31/16	2016 Actual as of 8/31/16	Balance of Budget as of 8/31/16	Percentage of Budget Spent
<b>GENERAL FUND</b>						
<b>Directors Expense</b>						
Directors Per Diem	\$90,000	\$88,498	\$90,000	\$58,654	\$31,346	65.2%
Directors Expense	\$115,000	\$112,548	\$125,000	\$70,655	\$54,345	56.5%
<b>Total Directors Expense</b>	<b>\$205,000</b>	<b>\$201,046</b>	<b>\$215,000</b>	<b>\$129,309</b>	<b>\$85,691</b>	<b>60.1%</b>
<b>Employee Expense</b>						
Employee Salaries	\$769,281	\$640,460	\$775,000	\$486,074	\$288,926	62.7%
General Manager Exp	\$40,000	\$17,567	\$40,000	\$8,302	\$31,698	20.8%
<b>Travel</b>	<b>\$66,000</b>	<b>\$27,430</b>	<b>\$63,000</b>	<b>\$17,070</b>	<b>\$45,930</b>	<b>27.1%</b>
Deputy Manager	\$25,800	\$0	\$0	\$0	\$0	0.0%
Admn Officer - Merri Mooridian	\$14,200	\$14,056	\$20,000	\$13,136	\$6,864	65.7%
Dist. Engr - Kip Kovar	\$10,000	\$7,387	\$10,000	\$882	\$9,118	8.8%
Engineer - Ryan Anderson	\$0	\$0	\$10,000	\$411	\$9,589	4.1%
Dir. Comm. - Kim Cook	\$8,000	\$2,067	\$8,000	\$768	\$7,232	9.6%
Emp Exp Other	\$8,000	\$3,920	\$15,000	\$1,873	\$13,127	12.5%
<b>Professional Development</b>	<b>\$10,000</b>	<b>\$5,569</b>	<b>\$10,000</b>	<b>\$5,310</b>	<b>\$4,690</b>	<b>53.1%</b>
Employee Training	\$8,000	\$5,569	\$8,000	\$5,310	\$2,690	66.4%
Wellness Program	\$2,000	\$0	\$2,000	\$0	\$2,000	0.0%
<b>Benefits</b>	<b>\$426,247</b>	<b>\$361,545</b>	<b>\$366,286</b>	<b>\$238,566</b>	<b>\$127,720</b>	<b>65.1%</b>
GDCD FICA	\$70,587	\$59,705	\$66,173	\$40,803	\$25,370	61.7%
Retirement	\$116,604	\$90,066	\$100,515	\$68,053	\$32,462	67.7%
Hospital & Life Insurance	\$132,000	\$116,392	\$142,620	\$89,310	\$53,310	62.6%
Unemployment Comp	\$3,815	\$2,769	\$3,468	\$2,955	\$513	85.2%
Work Force Safety	\$7,000	\$1,916	\$7,000	\$1,032	\$5,968	14.7%
Dental / Vision Ins.	\$17,160	\$13,033	\$16,410	\$9,334	\$7,076	56.9%
Long-term Disability Ins	\$5,662	\$4,245	\$5,100	\$3,172	\$1,928	62.2%
Vacation/Sick Leave Liability	\$73,419	\$73,419	\$25,000	\$23,907	\$1,093	95.6%
<b>Total Employee Expense</b>	<b>\$1,311,528</b>	<b>\$1,052,571</b>	<b>\$1,254,286</b>	<b>\$755,322</b>	<b>\$498,964</b>	<b>60.2%</b>
<b>Administration</b>						
Postage	\$10,000	\$9,193	\$6,000	\$236	\$5,764	3.9%
Printing	\$1,000	\$0	\$0	\$0	\$0	0.0%
Communications	\$17,172	\$17,172	\$15,000	\$13,605	\$1,395	90.7%
Utilities	\$35,899	\$35,899	\$33,000	\$19,872	\$13,128	60.2%
Meetings & Events	\$7,000	\$5,070	\$7,000	\$5,939	\$1,061	84.8%
Miscellaneous	\$7,000	\$1,266	\$7,000	\$1,267	\$5,733	18.1%
Subscriptions/Publications	\$5,000	\$3,442	\$5,000	\$2,296	\$2,704	45.9%
Data Processing	\$21,929	\$14,385	\$15,000	\$12,347	\$2,653	82.3%
Employee Recruiting	\$9,000	\$0	\$12,000	\$8,620	\$3,380	71.8%
Supplies	\$29,000	\$14,937	\$35,000	\$11,775	\$23,225	33.6%
Small Office Equipment	\$15,000	\$10,121	\$15,000	\$8,780	\$6,220	58.5%
Dues	\$12,000	\$10,074	\$13,000	\$9,047	\$3,953	69.6%
Insurance	\$8,000	\$7,727	\$10,000	\$1,877	\$8,123	18.8%
Annual Independent Audit	\$27,000	\$24,790	\$28,000	\$22,095	\$5,905	78.9%
<b>Total Administration</b>	<b>\$205,000</b>	<b>\$154,076</b>	<b>\$201,000</b>	<b>\$117,756</b>	<b>\$83,244</b>	<b>58.6%</b>
<b>Public Education</b>						
GDCD Tours	\$5,000	\$5,000	\$5,000	\$5,000	\$0	100.0%
Other Tours	\$5,000	\$0	\$5,000	\$0	\$5,000	0.0%
Marketplace	\$0	\$0	\$0	\$0	\$0	0.0%
ND Water Users Ass'n Dues	\$20,000	\$10,000	\$20,000	\$20,000	\$0	100.0%
ND Water Coalition Dues	\$14,000	\$14,000	\$14,000	\$14,000	\$0	100.0%
ND Water Magazine	\$18,000	\$9,000	\$18,000	\$18,000	\$0	100.0%
Missouri River Coordinator	\$143,550	\$78,107	\$0	\$0	\$0	0.0%
Missouri River Joint Board/MRRIC	\$15,000	\$14,543	\$15,000	\$15,159	(\$159)	101.1%
NWRA Presidency--Dave Koland	\$10,200	\$5,914	\$10,200	\$4,093	\$6,107	40.1%
Nature Based Tourism Development	\$1,000	\$0	\$0	\$0	\$0	0.0%
Conference Booth Fees, Sponsorships	\$8,000	\$5,767	\$10,000	\$4,373	\$5,627	43.7%
Miscellaneous	\$8,000	\$1,797	\$8,000	\$1,740	\$6,260	21.8%
<b>Total Public Education</b>	<b>\$247,750</b>	<b>\$144,128</b>	<b>\$105,200</b>	<b>\$82,365</b>	<b>\$22,835</b>	<b>78.3%</b>

**GARRISON DIVERSION CONSERVANCY DISTRICT  
EXPENSE BUDGET ANALYSIS STATEMENT  
January 1--August 31, 2016**

	Budget 1/1/15 to 12/31/15	Expenditures Chargeable to 2015 Budget	Budget 1/1/16 to 12/31/16	2016 Actual as of 8/31/16	Balance of Budget as of 8/31/16	Percentage of Budget Spent
<b>Professional Services</b>						
Odney	\$129,000	\$101,985	\$150,000	\$51,915	\$98,085	34.6%
Black & Veatch	\$445,800	\$286,044	\$85,000	\$70,565	\$14,435	83.0%
Will & Carlson	\$45,000	\$43,801	\$45,000	\$18,101	\$26,899	40.2%
Sundog Web Hosting	\$4,000	\$3,164	\$3,000	\$321	\$2,679	10.7%
<b>RRVWSP Development</b>	<b>\$350,000</b>	<b>\$263,885</b>	<b>\$140,000</b>	<b>\$23,305</b>	<b>\$116,695</b>	<b>16.6%</b>
Technical Support for LAWA	\$15,000	\$0	\$15,000	\$0	\$15,000	0.0%
Engineering	\$224,173	\$224,173	\$70,000	\$0	\$70,000	0.0%
Legal	\$40,000	\$37,286	\$40,000	\$21,033	\$18,967	52.6%
Financial	\$7,827	\$0	\$12,000	\$0	\$12,000	0.0%
Consultants	\$60,000	\$0	\$0	\$0	\$0	0.0%
Meeting, Misc. Exp	\$3,000	\$2,426	\$3,000	\$2,272	\$728	75.7%
Water Conservation Plan	\$99,000	\$99,000	\$99,000	\$86,755	\$12,245	87.6%
Prof Services Other	\$7,000	\$0	\$10,000	\$0	\$10,000	0.0%
Legal Services	\$130,000	\$118,709	\$100,000	\$74,019	\$25,981	74.0%
<b>Total Professional Services</b>	<b>\$1,209,800</b>	<b>\$916,588</b>	<b>\$632,000</b>	<b>\$324,981</b>	<b>\$307,019</b>	<b>51.4%</b>
<b>Irrigation Development</b>						
ND Irrigation Association	\$50,000	\$50,000	\$50,000	\$25,000	\$25,000	50.0%
NDSU Oakes Field Trials	\$267,875	\$267,875	\$267,875	\$267,875	\$0	100.0%
Robert Titus Lease	\$36,000	\$35,093	\$16,400	\$14,385	\$2,015	87.7%
Irrigation Development	\$132,257	\$132,257	\$110,000	\$39,498	\$70,502	35.9%
<b>Total Irrigation Development</b>	<b>\$486,132</b>	<b>\$485,225</b>	<b>\$444,275</b>	<b>\$346,758</b>	<b>\$97,517</b>	<b>78.1%</b>
<b>Recreation</b>						
GDCD Recreation Grant Program	\$431,329	\$321,453	\$350,000	\$125,970	\$224,030	36.0%
DWRA Recreation Program	\$15,000	\$5,952	\$10,000	\$1,484	\$8,516	14.8%
<b>Total Recreation</b>	<b>\$446,329</b>	<b>\$327,405</b>	<b>\$360,000</b>	<b>\$127,454</b>	<b>\$232,546</b>	<b>35.4%</b>
<b>Irrigation Districts Expense</b>						
Irrigation Districts	\$2,643	\$0	\$4,900	\$0	\$4,900	0.0%
<b>Oakes Title Transfer</b>	<b>\$0</b>	<b>\$0</b>	<b>\$20,000</b>	<b>\$0</b>	<b>\$20,000</b>	<b>0.0%</b>
Technical Support	\$0	\$0	\$15,000	\$0	\$15,000	0.0%
Legal	\$0	\$0	\$5,000	\$0	\$5,000	0.0%
<b>Total Irrigation Districts Expense</b>	<b>\$2,643</b>	<b>\$0</b>	<b>\$24,900</b>	<b>\$0</b>	<b>\$24,900</b>	<b>0.0%</b>
<b>Maintenance &amp; Repair</b>						
Equipment Maintenance	\$15,000	\$12,028	\$20,000	\$12,647	\$7,353	63.2%
Small Yard Equipment Purchases	\$4,000	\$0	\$4,000	\$0	\$4,000	0.0%
Land & Bldg Maintenance	\$22,000	\$21,738	\$17,000	\$29,058	(\$12,058)	170.9%
Auto Expense	\$17,000	\$11,731	\$17,000	\$7,128	\$9,872	41.9%
<b>Total Maintenance &amp; Repair</b>	<b>\$58,000</b>	<b>\$45,497</b>	<b>\$58,000</b>	<b>\$48,833</b>	<b>\$9,167</b>	<b>84.2%</b>
<b>Capital Purchases</b>						
Office Equip & Furniture	\$15,000	\$0	\$15,000	\$0	\$15,000	0.0%
Yard Equipment	\$20,000	\$0	\$20,000	\$0	\$20,000	0.0%
Vehicle	\$20,000	\$19,525	\$30,000	\$0	\$30,000	0.0%
Land and Buildings	\$11,000	\$0	\$11,000	\$0	\$11,000	0.0%
<b>Total Capital Purchases</b>	<b>\$66,000</b>	<b>\$19,525</b>	<b>\$76,000</b>	<b>\$0</b>	<b>\$76,000</b>	<b>0.0%</b>
<b>Total General Fund</b>	<b>\$4,238,182</b>	<b>\$3,346,061</b>	<b>\$3,370,661</b>	<b>\$1,932,778</b>	<b>\$1,437,883</b>	<b>57.3%</b>

**GARRISON DIVERSION CONSERVANCY DISTRICT  
EXPENSE BUDGET ANALYSIS STATEMENT  
January 1--August 31, 2016**

	Budget 1/1/15 to 12/31/15	Expenditures Chargeable to 2015 Budget	Budget 1/1/16 to 12/31/16	2016 Actual as of 8/31/16	Balance of Budget as of 8/31/16	Percentage of Budget Spent
<b>IRRIGATION FUND</b>						
McClusky Canal Irrigation	\$2,930,000	\$836,555	\$1,000,000	\$203,588	\$796,412	20.4%
Construction	\$2,500,000	\$423,289	\$500,000	\$0	\$500,000	0.0%
Operations	\$430,000	\$413,266	\$500,000	\$203,588	\$296,412	40.7%
Oakes Test Area Development	\$2,500,000	\$0	\$0	\$0	\$0	0.0%
<b>Total Irrigation Fund</b>	<b>\$5,430,000</b>	<b>\$836,555</b>	<b>\$1,000,000</b>	<b>\$203,588</b>	<b>\$796,412</b>	<b>20.4%</b>
<b>GDU O &amp; M</b>						
Salaries and Benefits	\$1,957,139	\$1,842,108	\$1,957,139	\$1,468,409	\$488,730	75.0%
Salaries	\$1,373,466	\$1,261,608	\$1,373,466	\$1,005,504	\$367,962	73.2%
Benefits	\$583,673	\$580,500	\$583,673	\$462,905	\$120,768	79.3%
Travel	\$29,739	\$23,816	\$29,739	\$9,136	\$20,603	30.7%
Training	\$3,709	\$3,585	\$3,209	\$3,795	(\$586)	118.3%
Utilities	\$88,790	\$81,939	\$88,790	\$51,691	\$37,099	58.2%
Contractual Services	\$553,885	\$553,885	\$275,000	\$162,480	\$112,520	59.1%
Supplies	\$317,366	\$311,851	\$470,560	\$194,814	\$275,746	41.4%
Equipment Purchases	\$401,158	\$326,107	\$387,158	\$401,652	(\$14,494)	103.7%
Equipment Rental	\$15,000	\$14,028	\$14,000	\$26,400	(\$12,400)	188.6%
Equipment Maintenance	\$165,803	\$165,803	\$158,858	\$63,152	\$95,706	39.8%
Safety	\$38,155	\$32,760	\$38,155	\$30,089	\$8,066	78.9%
Miscellaneous	\$14,977	\$7,780	\$14,977	\$4,775	\$10,202	31.9%
Materials	\$302,799	\$53,600	\$302,799	\$40,166	\$262,633	13.3%
O&M Overhead Expense	\$691,795	\$691,795	\$579,431	\$357,977	\$221,454	61.8%
<b>Total GDU O &amp; M</b>	<b>\$4,580,315</b>	<b>\$4,109,057</b>	<b>\$4,319,815</b>	<b>\$2,814,536</b>	<b>\$1,505,279</b>	<b>65.2%</b>
<b>MR&amp;I Fund</b>						
State Administration	\$382,754	\$185,002	\$180,000	\$135,991	\$44,009	75.6%
MR&I Project Expenditures	\$9,866,216	\$1,875,506	\$7,000,000	\$2,741,109	\$4,258,891	39.2%
<b>Total MR&amp;I Fund</b>	<b>\$10,248,970</b>	<b>\$2,060,508</b>	<b>\$7,180,000</b>	<b>\$2,877,100</b>	<b>\$4,302,900</b>	<b>40.1%</b>
<b>RRV Water Supply Project</b>						
Right of Way	\$6,000,000	\$810	\$1,530,000	\$0	\$1,530,000	0.0%
Final/Preliminary Design	\$2,000,000	\$1,752,996	\$4,550,000	\$2,752,024	\$1,797,976	60.5%
Financing/Contracts	\$0	\$0	\$0	\$0	\$0	0.0%
Travel & Supplies	\$0	\$0	\$0	\$0	\$0	0.0%
<b>Total RRVWSP</b>	<b>\$8,000,000</b>	<b>\$1,753,806</b>	<b>\$6,080,000</b>	<b>\$2,752,024</b>	<b>\$3,327,976</b>	<b>45.3%</b>
<b>TOTAL ALL FUNDS</b>	<b>\$32,497,467</b>	<b>\$12,105,987</b>	<b>\$21,950,476</b>	<b>\$10,580,026</b>	<b>\$11,370,450</b>	<b>48.2%</b>



**GARRISON DIVERSION CONSERVANCY DISTRICT  
RESERVES STATEMENT  
AUGUST 31, 2016**

**OPERATING RESERVE** \$3,023,934.46

Operating Reserve authorized to be established in the amount of \$300,000.00 per resolution of the Board dated January 15, 1970. Limit changed to \$330,000 by Board action on January 6, 1995. Reserve cap removed by Board action July 2, 1997.

**O&M EMERGENCY RESERVE** 822,817.55

O&M Emergency Reserve to be established in the amount of \$500,000.00 by Article 13 (a) of the Master Contract and by action taken by the Board dated January 16, 1970. Limit changed to \$1,500,000.00 July 1980. Reserve capped at \$822,817.55 by Board action July 2, 1997.

**DEFICIENCY RESERVE** 802,287.54

Deficiency Reserve to be established in the amount of \$750,000.00 by Article 13 (b) of the Master Contract. Limit changed to \$1,500,000.00 July 1980. Reserve capped at \$802,287.54 by Board action July 2, 1997.

**PROJECT DEVELOPMENT RESERVE** 915,592.98

Project Development Reserve to be established in the amount of \$750,000.00 by resolution of the Board dated July 17, 1969. Limit changed to \$1,000,000.00 July 1982. Reserve capped at \$915,592.98 by Board action July 2, 1997.

**TOTAL GARRISON DIVERSION CONSERVANCY DISTRICT RESERVES** -----  
\$5,564,632.53  
=====

**GARRISON DIVERSION CONSERVANCY DISTRICT  
FUNDS HELD IN BANK OF NORTH DAKOTA ACCOUNTS  
AS OF AUGUST 31, 2016**

FUND	Account Name/Reserve	Interest Rate	Maturity Date	Cash Balance
General	Checking Account	0.050%		\$3,809,183.53
General	Money Market Deposit Account	0.050%		1,478,506.05
General	Recreation Matching, Oper. Res.	0.100%		517,163.43
General	Recreation Reserve, Oper. Res	0.100%		948,186.28
General	Accrued Leave Res., Oper. Res.	0.100%		98,084.75
General	Operating Reserve	0.200%	11-14-16	47,000.00
General	Deficiency Reserve	0.250%	05-22-17	124,146.00
General	Project Development	0.250%	05-22-17	252,054.00
	TOTAL			\$7,274,324.04

**GARRISON DIVERSION CONSERVANCY DISTRICT  
FARM CREDIT SERVICES OF NORTH DAKOTA STOCK  
AS OF AUGUST 31, 2016**

FUND	Account Name/Reserve Account Purpose	Principal Balance	Maturity Date	Cash Balance
General	Operating Reserve for Irrigation	\$ 125,000.00	05-01-2025	\$ 1,000.00

**GARRISON DIVERSION CONSERVANCY DISTRICT  
FUNDS HELD IN BREMER BANK ACCOUNTS  
AS OF AUGUST 31, 2016**

Account Type Deposit Insurance / Pledging Status	Book Balance	Collateral Value / Pledge Amount	Interest Rate	Maturity Date
<b>Repurchase Agreement Sweep Account</b>				
Collateralized with repurchase agreement collateral at 110% of balance.				
Execusweep - M R & I Working Fund	\$0.00		0.20%	
Subject to limit of \$250,000 FDIC Insurance. FHLB Letter of Credit and Security Pledges collateralizing the excess at 110%				

**Noninterest Bearing Deposit Accounts**

Irrigation Fund	182,507.54		0.00%	
Total Noninterest Bearing Checking Balance	\$182,507.54			

**Interest Bearing Checking Accounts**

Dev Const & Mgmt Rec Facility	82,564.00		0.01%	
FlexComp Program	8,883.15		0.01%	
Red River Valley Water Supply Project	729,966.22		0.01%	
M R & I Working Fund	3,851.74		0.01%	
Operations & Maintenance Fund	215,353.18		0.21%	
O & M FlexComp	2,930.93		0.01%	
Debt Service Reserve--Irr Fund	142,309.88		0.16%	
O&M Res--Irr Fund	113,379.95		0.16%	
Total Interest Bearing Checking Balance	\$1,299,239.05			

**Savings Accounts**

Money Mkt Inv - O & M Accr Leave Reserve	160,030.87		0.07%	
GF Interest Acct	22,476.51		0.03%	
Total Savings Balance	182,507.38			

**Certificates of Deposit**

Operating Res. Certificate of Deposit	542,000.00	0.80%	01-01-18
Operating Res. Certificate of Deposit	820,000.00	0.70%	11-11-17
Operating Res. Certificate of Deposit	50,500.00	0.70%	08-19-17
O&M Emergency Res. Certificate of Deposit	210,000.00	0.80%	05-24-18
O&M Emergency Res. Certificate of Deposit	106,317.55	0.61%	06-22-17
O&M Emergency Res. Certificate of Deposit	156,500.00	0.40%	01-17-18
O&M Emergency Res. Certificate of Deposit	350,000.00	0.45%	08-24-17
Deficiency Res. Certificate of Deposit	228,141.54	0.60%	06-22-17
Deficiency Res. Certificate of Deposit	200,000.00	0.70%	08-19-17
Deficiency Res. Certificate of Deposit	250,000.00	0.80%	01-01-18
Proj. Dev. Res. Certificate of Deposit	350,000.00	0.70%	09-12-17
Proj. Dev. Res. Certificate of Deposit	313,538.98	0.60%	06-30-17
Total Certificate of Deposit Balance	3,576,998.07		

**Total Accounts & CD Balance \$5,241,252.04 \$7,000,000.00**

**Pledging Adequacy Calculation**

Total Deposit Account Balance	\$5,241,252.04
Less: FDIC Insurance Coverage	(500,000.00)
Deposit Balance to Secure	\$4,741,252.04
x 110%	1.10
Security Pledging Required	\$5,215,377.24
Market Value - Total Securities Pledged	\$0.00
FHLB Letter of Credit	\$ 7,000,000.00
<b>Total Collateral Pledged</b>	<b>\$ 7,000,000.00</b>

**Pledging Excess \$1,784,622.76**

**GARRISON DIVERSION CONSERVANCY DISTRICT  
TAX COLLECTIONS STATEMENT  
January 1 through August 31, 2016**

County	Estimated Taxes to be Collected 2015 Levy	Current Tax Collections Year to Date	Delinquent Tax Collections Year to Date	Int. & Penalty Collections Year to Date	State Aid Dist. Year to Date
Barnes	\$70,949.55	\$71,178.44	612.97	113.28	3,554.12
Benson	29,062.12	29,079.04	444.34	91.06	1,702.83
Bottineau	55,541.22	52,126.18	887.03	564.68	2,992.11
Burleigh	393,847.99	423,756.54	2,026.59	0.00	27,728.76
Cass	602,447.46	637,473.22	3,958.04	817.36	36,976.72
Dickey	35,128.20	34,742.62	537.17	80.64	2,755.74
Eddy	11,510.02	12,032.96	120.53	21.78	1,508.92
Foster	21,896.47	21,066.88	343.48	23.00	2,510.91
Grand Forks	249,669.13	251,589.17	1,858.10	432.01	8,209.44
Griggs	17,573.16	17,544.52	168.02	38.13	1,507.74
LaMoure	35,034.80	35,452.70	422.27	78.64	2,714.83
McHenry	36,895.98	37,644.60	334.79	80.53	1,296.75
McKenzie	113,697.09	151,481.82	3,654.18	327.76	9,940.38
McLean	64,751.81	66,490.03	795.64	164.32	5,471.59
Nelson	23,326.93	22,907.91	295.78	61.66	1,352.61
Pierce	27,394.98	26,557.00	538.15	113.76	2,073.95
Ramsey	48,028.49	48,435.99	487.87	97.89	3,799.61
Ransom	32,523.69	31,840.22	411.89	82.85	0.00
Renville	22,656.70	22,061.21	293.88	56.75	1,860.16
Richland	80,018.63	79,694.27	853.36	150.14	3,919.37
Sargent	30,071.80	31,079.91	292.96	63.87	1,925.02
Sheridan	12,025.75	12,204.73	128.87	31.05	2,657.87
Steele	27,533.00	27,200.36	274.36	46.17	1,300.24
Stutsman	90,934.89	97,874.78	671.53	135.66	5,731.12
Traill	44,855.91	45,047.44	466.38	103.86	2,466.72
Ward	319,452.63	305,304.01	5,526.47	793.77	19,313.82
Wells	35,300.88	36,311.61	252.09	57.25	1,834.19
Williams	284,073.97	320,791.98	11,066.32	0.00	3,475.08
<b>TOTALS</b>	<b>\$2,816,203.25</b>	<b>\$2,948,970.14</b>	<b>\$37,723.06</b>	<b>\$4,627.87</b>	<b>\$160,580.60</b>

**GARRISON DIVERSION CONSERVANCY DISTRICT  
GD CD RECREATION GRANT PROGRAM  
OUTSTANDING PROJECTS  
JULY 1, 1990, to AUGUST 31, 2016**

COUNTY	PROJECT	GRANT	OUTSTANDING	PROJECTS	EXPENDITURES	EXPENDITURES	ADJUSTMENTS	BALANCE
		APPROVAL DATE	PROJECTS	APPROVED 2016	1990 to 12-31-15	1-1-16 to 8-31-16		REMAINING 08-31-16
Barnes	North Country Trail Improvements	04-30-14	\$ 18,714.00					\$ 18,714.00
Barnes/Ransom	Parks Enhancement Project	04-29-16		\$ 21,855.00				\$ 21,855.00
Bottineau	Tommy Turtle Park Improv/Welcome Cntr	10-08-15	\$ 50,000.00					\$ 50,000.00
Burleigh	General Sibley Interpretive Trail	04-29-16		\$ 24,668.00				\$ 24,668.00
Burleigh	Kiwanis Park Playground Equipment	10-08-15	\$ 23,250.00					\$ 23,250.00
Cass	Progressive Aq Fields Picnic Area	09-30-14	\$ 2,500.00					\$ 2,500.00
Cass	RRV Fair Campground Phase 2	04-29-16		\$ 21,831.00				\$ 21,831.00
Dickey	Pheasant Lake Frisbee Golf	04-23-15	\$ 742.00					\$ 742.00
Dickey	Pheasant Lake/Wilson Dam Signs	04-30-14	\$ 1,500.00			\$ 1,500.00		\$ -
Eddy	Campbell Memorial Park Playground Equip	04-23-15	\$ 12,500.00					\$ 12,500.00
Foster	Carrington Park Concession Stand	04-29-16		\$ 5,000.00				\$ 5,000.00
Foster	Community Entertainment Pavilion	04-23-15	\$ 7,980.00					\$ 7,980.00
Foster	CrossRoads Shelter/Restroom	04-23-15	\$ 3,675.00					\$ 3,675.00
Foster	Lake Juanita Playground	09-30-14	\$ 1,759.00					\$ 1,759.00
Grand Forks	Fordville Dam RV Park Electric Updates	04-29-16		\$ 7,400.00		\$ 2,500.00	\$ (4,900.00)	\$ -
McHenry	Anamoose Park Playground Equipment	04-29-16		\$ 10,000.00				\$ 10,000.00
McHenry	McHenry County Parks Shelters	04-29-16		\$ 3,000.00				\$ 3,000.00
McKenzie	Kent Pelton Nature Park Phase I	04-29-16		\$ 50,000.00				\$ 50,000.00
McLean	Brekken-Holmes Campground Improv.	04-23-15	\$ 7,500.00					\$ 7,500.00
McLean	McLean County Fairgrounds Upgrades	10-09-13	\$ 20,213.00					\$ 20,213.00
McLean	Underwood Parks Playground Equip.	10-09-13	\$ 1,617.00					\$ 1,617.00
Nelson	Stump Lake Café Canopies	05-06-13	\$ 5,000.00			\$ 1,109.53		\$ 3,890.47
Nelson	Tolna Bay Boat Ramp/Fish Cleaning Stn	04-23-15	\$ 6,646.00					\$ 6,646.00
Pierce	Eastside Park Improvements	05-06-13	\$ 9,425.00		\$ 8,633.16		\$ (791.84)	\$ -
Ramsey	East Ditch Rec Site Playground Equipment	04-29-16		\$ 9,974.00				\$ 9,974.00
Ramsey	Lakewood Beach Dock & Fishing Pier	10-08-15	\$ 3,750.00					\$ 3,750.00
Ransom	McLeod Restroom Project	04-30-14	\$ 11,471.00			\$ 11,471.00		\$ -
Renville	Glenburn Park Playground Equipment	04-23-15	\$ 3,528.00		\$ 3,494.25			\$ 33.75
Renville	Mohall Fairgrounds Playground Equipment	04-23-15	\$ 10,000.00					\$ 10,000.00
Renville	Mohall Gun Club Traphouses	09-30-14	\$ 15,750.00		\$ 6,016.01			\$ 9,733.99
Richland	Briarwood Court Playground	04-30-14	\$ 2,500.00					\$ 2,500.00
Richland	Hankinson City Pk Restroom Replacement	10-08-15	\$ 10,000.00					\$ 10,000.00
Richland	Mooreton Park Updates	04-29-16		\$ 13,175.00				\$ 13,175.00
Richland	Wyndmere Rock Garden Park Equipment	04-23-15	\$ 17,554.00		\$ 11,155.03	\$ 505.23		\$ 5,893.74
Sargent	Silver Lake Park Picnic Shelter	10-08-15	\$ 1,583.00					\$ 1,583.00
Sargent	Silver Lake Phase 2	04-29-16		\$ 8,250.00				\$ 8,250.00
Sheridan	Hoffer Lake Beach Area	04-29-16		\$ 2,620.00				\$ 2,620.00
Steele	Golden Lake Pavilion Deck	10-09-13	\$ 1,875.00			\$ 1,875.00		\$ -
Steele	Golden Lake Playground Phase II	04-29-16		\$ 7,500.00				\$ 7,500.00
Stutsman	Medina City Park Playground Equipment	04-23-15	\$ 8,750.00			\$ 6,947.61		\$ 1,802.39
Stutsman	Pelican Point Campground	04-23-12	\$ 10,500.00				\$ (10,500.00)	\$ -
Traill	Hatton Park Shelter/Picnic Area	04-23-15	\$ 1,670.00				\$ (1,670.00)	\$ -
Ward	Burlington Riverfront Project	04-29-16		\$ 50,000.00				\$ 50,000.00
Ward	Minot to AFB Multi-use Path	09-30-14	\$ 25,000.00			\$ 25,000.00		\$ -
Ward	Minot to AFB Multi-use Path	04-23-15	\$ 25,000.00			\$ 25,000.00		\$ -
Ward	ND St Fair Camping Lot Elec Upgrades	04-29-16		\$ 6,000.00				\$ 6,000.00
Ward	Trail Shelters Around Minot Area	10-08-15	\$ 9,626.00					\$ 9,626.00
Wells	Harvey Kiwanis Centennial Park Playgrnd	04-29-16		\$ 25,000.00				\$ 25,000.00
Williams	Blacktail Dam Upgrades	04-30-14	\$ 25,875.00			\$ 25,875.00		\$ -
Williams	Epping/Springbrook Playground Equip.	09-30-14	\$ 6,180.00			\$ 6,180.00		\$ -
Williams	Epping/Springbrook Vault Toilet	09-30-14	\$ 16,925.00			\$ 11,888.30		\$ 5,036.70
Williams	Kota Ray Dam Vault Toilet	09-30-14	\$ 8,463.00			\$ 6,118.61		\$ 2,344.39
Williams	Williams County Parks-Picnic Shelters	04-29-16		\$ 35,000.00				\$ 35,000.00
<b>TOTAL</b>			<b>\$389,021.00</b>	<b>\$301,273.00</b>	<b>\$29,298.45</b>	<b>\$125,970.28</b>	<b>(\$17,861.84)</b>	<b>\$ 517,163.43</b>

**GARRISON DIVERSION CONSERVANCY DISTRICT  
DWRA RECREATION PROGRAM  
CHAIN OF LAKES RECREATION  
JANUARY 1, 2008, to AUGUST 31, 2016**

DESCRIPTION	Interest Income	Bureau of Reclamation Income	Income from Returned Recreation Funds	Expenditures Eligible for Cost Share	Expenditures Ineligible for Cost Share
<b>2008</b>					
<b>2008 Totals</b>	<b>\$19.62</b>	<b>\$149,000.00</b>	<b>\$168,675.40</b>	<b>\$3,870.71</b>	
<b>2009</b>					
<b>2009 Totals</b>	<b>\$145.51</b>	<b>\$0.00</b>	<b>\$25,606.33</b>	<b>\$117,101.89</b>	<b>\$60.57</b>
<b>2010</b>					
<b>2010 Totals</b>	<b>\$96.61</b>	<b>\$0.00</b>	<b>\$5,986.16</b>	<b>\$80,610.93</b>	<b>\$4,781.83</b>
<b>2011</b>					
<b>2011 Totals</b>	<b>\$66.09</b>	<b>\$0.00</b>	<b>\$5,981.63</b>	<b>\$0.00</b>	<b>\$4,834.57</b>
<b>2012</b>					
<b>2012 Totals</b>	<b>\$25.97</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$4,942.10</b>
<b>2013</b>					
<b>2013 Totals</b>	<b>\$10.08</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$4,098.21</b>
<b>2014</b>					
<b>2014 Totals</b>	<b>\$9.28</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$4,144.18</b>
<b>2015</b>					
<b>2015 Totals</b>	<b>\$8.85</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$5,951.86</b>
<b>2016</b>					
<b>Income:</b>					
GDCD Recreation Grant Funds Returned From Projects					
Interest Income	\$5.59				
<b>Expenditures:</b>					
Chain of Lakes Recreation Facilities Maintenance					\$1,483.78
<b>2016 Totals</b>	<b>\$5.59</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,483.78</b>
<b>GRAND TOTALS</b>	<b>\$387.60</b>	<b>\$149,000.00</b>	<b>\$206,249.52</b>	<b>\$201,583.53</b>	<b>\$30,297.10</b>

\$100,791.77 = 50 Percent

<b>COST SHARE SUMMARY:</b>	
Total Bureau of Reclamation Funds Received to Date	\$ 149,000.00
Less 50% of Expenditures Eligible for Cost Share	\$ (100,791.77)
Balance of Federal Funds	<u>\$ 48,208.24</u>
Total GDCD Unused Recreation Funds to Date	\$ 206,249.52
Less 50% of Expenditures for Cost Share	\$ (100,791.77)
Less Facilities Maintenance	\$ (30,297.10)
Balance of GDCD Unused Recreation Funds	\$ 75,160.66
Plus Interest Income to Date	\$ 387.60
Balance of GDCD Funds	\$ 75,548.26
Less 12-31-12 transfer to Recreation Reserve (zero in 2013, '14, '15)	\$ (41,192.49)
Balance of GDCD Funds	\$ 34,355.77
Balance of Federal Funds	\$ 48,208.24
Cash Balance in DWRA Account 8-31-16	<u>\$ 82,564.00</u>

**GARRISON DIVERSION CONSERVANCY DISTRICT  
BUDGET OF REVENUES AND EXPENDITURES Rv2  
January 1, 2016 to December 31, 2016**

	General Fund	Operations & Maintenance Fund	Municipal, Rural, and Industrial Fund	Red River Valley Water Supply Project	Irrigation Fund	Total
<b>REVENUES:</b>						
Transfers In (MR&I)	\$ 100,000					\$ 100,000
Transfers In (O&M)	\$ 579,431					\$ 579,431
Transfers In (RRVWSP)						\$ 0
Non-project Activities		\$ 375,000				\$ 375,000
Lease Income	\$ 2,500					\$ 2,500
Miscellaneous Income	\$ 1,000					\$ 1,000
Interest Income	\$ 11,000					\$ 11,000
Tax Levy	\$ 2,458,203					\$ 2,458,203
State Aid Distribution	\$ 250,000					\$ 250,000
Contract Revenue	\$ 30,000	\$ 3,977,515	\$ 7,180,000	\$ 6,080,000	\$ 1,000,000	\$ 18,267,515
<b>Total Revenues</b>	<b>\$ 3,432,134</b>	<b>\$ 4,352,515</b>	<b>\$ 7,180,000</b>	<b>\$ 6,080,000</b>	<b>\$ 1,000,000</b>	<b>\$ 22,044,649</b>
<b>EXPENDITURES:</b>						
Directors Expense	\$ 215,000					\$ 215,000
Employee Expenses	\$ 1,254,286					\$ 1,254,286
Administrative Expenses	\$ 201,000					\$ 201,000
Public Education	\$ 105,200					\$ 105,200
Professional Services	\$ 682,000					\$ 682,000
Irrigation Development	\$ 394,275					\$ 394,275
Recreation Matching	\$ 360,000					\$ 360,000
Irrigation Districts Expenses	\$ 24,900					\$ 24,900
Irrigation Fund					\$ 1,000,000	\$ 1,000,000
Maintenance & Repairs	\$ 75,000					\$ 75,000
Capital Purchases	\$ 59,000					\$ 59,000
O&M Fund		\$ 4,352,515				\$ 4,352,515
MR&I Fund			\$ 7,180,000			\$ 7,180,000
RRVWSP Fund				\$ 6,080,000		\$ 6,080,000
<b>Total Expenditures</b>	<b>\$ 3,370,661</b>	<b>\$ 4,352,515</b>	<b>\$ 7,180,000</b>	<b>\$ 6,080,000</b>	<b>\$ 1,000,000</b>	<b>\$ 21,983,176</b>
<b>REVENUES OVER EXPENDITURES*</b>	<b>\$ 61,473</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 61,473</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Appropriated fund balance (operating reserve)						\$ -
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>NET CHANGE IN TOTAL FUND BALANCE</b>	<b>\$ 61,473</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 61,473</b>

\*Flexible Spending Programs and Depreciation not reflected  
9/1/16 9:32 AM

**GARRISON DIVERSION CONSERVANCY DISTRICT  
BUDGET Rv2  
January 1, 2016 to December 31, 2016**

9/1/16 9:18 AM	Budget	Revision	Revised Budget
<b>GENERAL FUND</b>			
<b>Directors Expense</b>			
Directors Per Diem	\$90,000		\$90,000
Directors Exp	\$125,000		\$125,000
<b>Total Directors Expense</b>	<b>\$215,000</b>	<b>\$ -</b>	<b>\$215,000</b>
<b>Employee Expense</b>			
Employee Salaries	\$775,000		\$775,000
General Managers Expense	\$40,000		\$40,000
Travel	\$63,000		\$63,000
Administrative Officer	\$20,000		\$20,000
District Engineer	\$10,000		\$10,000
Engineer	\$10,000		\$10,000
Communications Director	\$8,000		\$8,000
Emp Exp Other	\$15,000		\$15,000
Professional Development	\$10,000	\$ -	\$10,000
Employee Training	\$8,000		\$8,000
Wellness Program	\$2,000		\$2,000
Benefits	\$366,286	\$ -	\$366,286
GDCD FICA	\$66,173		\$66,173
Retirement	\$100,515		\$100,515
Hospital & Life Insurance	\$142,620		\$142,620
Unemployment Comp	\$3,468		\$3,468
Vision / Dental	\$16,410		\$16,410
Workforce Safety Insurance	\$7,000		\$7,000
Long Term Disability Ins	\$5,100		\$5,100
Vacation/Sick Leave Liability	\$25,000		\$25,000
<b>Total Employee Expense</b>	<b>\$1,254,286</b>	<b>\$ -</b>	<b>\$1,254,286</b>
<b>Administration</b>			
Postage	\$6,000		\$6,000
Printing	\$0		\$0
Electronic Communications	\$15,000	\$ 4,000	\$19,000
Utilities	\$33,000		\$33,000
Meetings & Events	\$7,000		\$7,000
Subscriptions	\$5,000		\$5,000
Miscellaneous	\$7,000		\$7,000
Data Processing	\$15,000		\$15,000
Employee Recruiting	\$12,000		\$12,000
Supplies	\$35,000	\$ (4,000)	\$31,000
Small Office Equipment	\$15,000		\$15,000
Dues	\$13,000		\$13,000
Insurance	\$10,000		\$10,000
Annual Independent Audit	\$28,000		\$28,000
<b>Total Administration</b>	<b>\$201,000</b>	<b>\$ -</b>	<b>\$201,000</b>
<b>Public Education</b>			
GDCD Tours	\$5,000		\$5,000
Other Tours	\$5,000	\$ (159)	\$4,841
ND Water Users	\$20,000		\$20,000
ND Water Coalition	\$14,000		\$14,000
ND Water Magazine	\$18,000		\$18,000
Missouri River Joint Board/MRRIC	\$15,000	\$ 159	\$15,159
Missouri River Coordinator	\$0		\$0
NWRA Presidency - Dave Koland	\$10,200		\$10,200
Nature Based Tourism Development	\$0		\$0
Conferences/Sponsorships	\$10,000		\$10,000
Miscellaneous	\$8,000		\$8,000
<b>Total Public Education</b>	<b>\$105,200</b>	<b>\$ -</b>	<b>\$105,200</b>



**GARRISON DIVERSION CONSERVANCY DISTRICT**  
**BUDGET Rv2**  
**January 1, 2016 to December 31, 2016**

9/1/16 9:18 AM	Budget	Revision	Revised Budget
<b>Professional Services</b>			
Odney	\$150,000	\$ (25,000)	\$125,000
Black & Veatch	\$85,000	\$ 75,000	\$160,000
Will & Carlson	\$45,000		\$45,000
Sundog Web Hosting	\$3,000		\$3,000
RRVWSP Development	\$140,000	\$ -	\$140,000
Technical Support for LAWA	\$15,000		\$15,000
Engineering	\$70,000		\$70,000
Legal	\$40,000		\$40,000
Financial	\$12,000		\$12,000
Consultants	\$0		\$0
Meeting, Misc. Exp	\$3,000		\$3,000
Water Conservation Plan	\$99,000		\$99,000
Prof Services Other	\$10,000		\$10,000
Legal Services	\$100,000		\$100,000
<b>Total Professional Services</b>	<b>\$632,000</b>	<b>\$ 50,000</b>	<b>\$682,000</b>
<b>Irrigation Development</b>			
ND Irrigation Association	\$50,000		\$50,000
NDSU Oakes Field Trials	\$267,875		\$267,875
Bob Titus Lease	\$16,400		\$16,400
Irrigation Development	\$110,000	\$ (50,000)	\$60,000
<b>Total Irrigation Development</b>	<b>\$444,275</b>	<b>\$ (50,000)</b>	<b>\$394,275</b>
<b>Recreation</b>			
Recreation Matching	\$350,000		\$350,000
DWRA Recreation Program	\$10,000		\$10,000
<b>Total Recreation</b>	<b>\$360,000</b>	<b>\$ -</b>	<b>\$360,000</b>
<b>Irrigation District Expense</b>			
Irrigation District Expenses	\$4,900		\$4,900
OTA Title Transfer	\$20,000	\$ -	\$20,000
Technical Support	\$15,000		\$15,000
Legal	\$5,000		\$5,000
<b>Total Irrigation District Expense</b>	<b>\$24,900</b>	<b>\$ -</b>	<b>\$24,900</b>
<b>Maintenance &amp; Repair</b>			
Equipment Maintenance	\$20,000		\$20,000
Small Yard Equipment Purchases	\$4,000		\$4,000
Land & Bldg Maintenance	\$17,000	\$ 17,000	\$34,000
Auto Expense	\$17,000		\$17,000
<b>Total Maintenance &amp; Repair</b>	<b>\$58,000</b>	<b>\$ 17,000</b>	<b>\$75,000</b>
<b>Capital Purchases</b>			
Office Equip & Furniture	\$15,000	\$ (6,000)	\$9,000
Yard Equipment	\$20,000		\$20,000
Vehicle	\$30,000		\$30,000
Land & Buildings	\$11,000	\$ (11,000)	\$0
<b>Total Capital Purchases</b>	<b>\$76,000</b>	<b>\$ (17,000)</b>	<b>\$59,000</b>
<b>GENERAL FUND TOTAL</b>	<b>\$3,370,661</b>	<b>\$ -</b>	<b>\$3,370,661</b>

**GARRISON DIVERSION CONSERVANCY DISTRICT  
BUDGET Rv2  
January 1, 2016 to December 31, 2016**

9/1/16 9:18 AM	Budget	Revision	Revised Budget
<b>IRRIGATION FUND</b>			
McClusky Canal Irrigation	\$1,000,000	\$ -	\$1,000,000
Construction	\$500,000		\$500,000
Operations	\$500,000		\$500,000
Oakes Test Area Development	\$0		\$0
<b>IRRIGATION FUND TOTAL</b>	<b>\$1,000,000</b>	<b>\$ -</b>	<b>\$1,000,000</b>
<b>GDU O&amp;M FUND</b>			
Salaries & Benefits	\$1,957,139	\$ -	\$1,957,139
Salaries	\$1,373,466		\$1,373,466
Benefits	\$583,673		\$583,673
Travel	\$29,739		\$29,739
Training	\$3,209	\$ 1,200	\$4,409
Utilities	\$88,790		\$88,790
Contracted Services (Eng / Survey)	\$275,000		\$275,000
Supplies	\$470,560		\$470,560
Equipment Purchases	\$387,158	\$ 14,500	\$401,658
Equipment Rental	\$14,000	\$ 17,000	\$31,000
Equipment Maintenance	\$158,858		\$158,858
Safety	\$38,155		\$38,155
Miscellaneous	\$14,977		\$14,977
Materials	\$302,799		\$302,799
Overhead Expense	\$579,431		\$579,431
<b>GDU O&amp;M FUND TOTAL</b>	<b>\$4,319,815</b>	<b>\$ 32,700</b>	<b>\$4,352,515</b>
<b>MR&amp;I FUND</b>			
State Administration	\$180,000		\$180,000
MR&I Project Expenditures	\$7,000,000		\$7,000,000
<b>MR&amp;I FUND TOTAL</b>	<b>\$7,180,000</b>	<b>\$ -</b>	<b>\$7,180,000</b>
<b>RRVWSP FUND</b>			
ROW	\$1,530,000		\$1,530,000
Permits	\$0		\$0
Design	\$4,550,000		\$4,550,000
Financing/Contracts	\$0		\$0
Operational Plan	\$0		\$0
Travel & Supplies	\$0		\$0
<b>RRVWSP FUND TOTAL</b>	<b>\$6,080,000</b>	<b>\$ -</b>	<b>\$6,080,000</b>
<b>TOTAL ALL FUNDS</b>	<b>\$21,950,476</b>	<b>\$ 32,700</b>	<b>\$21,983,176</b>

**GARRISON DIVERSION CONSERVANCY DISTRICT**  
**MR&I Project Construction Report**  
**Current Federal Funding**  
**August 30, 2016**

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>		<u>5</u>	<u>7</u>
	<u>Prior</u>	<u>2016</u>	<u>State</u>	<u>Funding Source</u>		<u>Total Funds</u>	<u>Federal</u>
	<u>MR&amp;I Fund</u>	<u>MR&amp;I Fund</u>	<u>Grant</u>	<u>MR&amp;I Fund</u>	<u>Federal</u>	<u>Approved</u>	<u>MR&amp;I Fund</u>
	<u>Expenditures</u>	<u>Expenditures</u>					<u>Remaining</u>
McLean-Sheridan BB Expansion	\$1,219,509.68	\$9,594.35	\$698,288.83	\$735,000		\$1,433,288.83	\$204,184.80
South Central RWD-FY2010 P2	\$8,855,253.13	\$0.00	\$0	\$8,950,746		\$8,950,746	\$95,492.79
South Central RWD-FY2010 P3	\$9,696,155.25	\$0.00	\$0	\$10,000,000		\$10,000,000	\$303,844.75
South Central RWD-FY2012 P4	\$7,663,959.63	\$36,040.37		\$7,700,000		\$7,700,000	\$0.00
South Central RWD-FY2014 P4	\$0.00	\$450,045.65	\$0	\$937,500		\$937,500	\$487,454.35
South Central RWD-FY2014 P5	\$0.00	\$245,428.73	\$0	\$4,987,500		\$4,987,500	\$4,742,071.27
South Central RWD-FY2015 P5	\$0.00	\$0.00	\$0	\$4,387,500		\$4,387,500	\$4,387,500.00
SWPP-FY2015	\$0.00	\$2,000,000.00	\$0	\$2,000,000		\$2,000,000	\$0.00
SWPP-FY2016	\$0.00	\$0.00	\$0	\$1,000,000		\$1,000,000	\$1,000,000.00
	<b>\$27,434,877.69</b>	<b>\$2,741,109.10</b>	<b>\$698,289</b>	<b>\$39,698,246</b>		<b>\$41,396,535</b>	<b>\$10,220,547.96</b>
						\$40,396,535	

8/30/16 2:47 PM

**Garrison Diversion Executive Committee Meeting  
September 8, 2016  
Carrington, ND**

Reclamation Activities

**NAWS SEIS**

In August 2015, the Bureau of Reclamation issued the Record of Decision. This action completed the requirements of the National Environmental Policy Act. It also fulfilled Reclamation's obligation under the District Court order from the ongoing litigation. In December 2015, the U.S. District Court issued an order identifying the schedule for various court filings applicable to all parties involved in the litigation. In January 2016, the Province of Manitoba, Canada and the State of Missouri (Plaintiffs) filed separate legal challenges with the court. In summary, their claims are that Reclamation failed to comply with the National Environmental Policy Act (NEPA); therefore, a decision based on these analyses are arbitrary, capricious, and an abuse of discretion and otherwise not in accordance with the law.

Reclamation (Defendant) filed the Administrative Record with the court in February 2016. All parties involved agreed to a schedule for filing the numerous legal briefs on this matter and throughout the next six months this was accomplished. There were two different courses of action in these filings. One focused on the adequacy of the NEPA completed for the project and the other was a request by the State of North Dakota to modify the existing injunction on project construction.

Plaintiff's filed briefs challenging the NEPA analysis prepared by Reclamation. Reclamation and the State of North Dakota (as the intervenor defendant) filed response briefs addressing/clarifying the arguments made by the plaintiffs. The final briefs were filed in August 2016. All parties are awaiting a decision from the court or the court may grant the Department of Justice's request for oral arguments in this case. There is no timeline for when the court will rule on this.

In March 2016, the State of North Dakota filed a motion with the court seeking a modification to the existing injunction on project construction. The State requested permission to begin design work on the biota water treatment plant. Plaintiff's opposed this motion and in June 2016, the Court denied the State's request. In July 2016, the State of North Dakota filed an appeal of this decision. Reclamation is not aware of the schedule associated with this appeal.

Because of the ongoing litigation and the existing injunction on the Project, the court will need to rule on the adequacy of Reclamation's environmental analysis before construction of the selected alternative can move forward.

**Municipal, Rural, and Industrial Program**

Rural Water Budgets:

	<b>FY 15</b>	Request FY 16	<b>Enacted FY 16</b>	<b>Request FY 17</b>
<b>GDU</b>	<b>16.8</b>	7.4	<b>24.804</b>	<b>7.4</b>
State	7.5		15.964	
Tribe	9.3		8.84	
<b>L&amp;C</b>	<b>9.0</b>	2.774	<b>9.54</b>	<b>2.775</b>
<b>Ft. Peck</b>	<b>9.85</b>	3.7	<b>16.06</b>	<b>4.625</b>
<b>Rocky Boys</b>	<b>10.891</b>	4.625	<b>13.095</b>	<b>3.7</b>
<b>E NM</b>	<b>0.747</b>	0.047	<b>2.047</b>	<b>1.0</b>
<b>Total</b>	<b>47.3</b>	18.5	<b>65.546</b>	<b>19.5</b>

**Indian MR&I Program:**

Standing Rock MR&I System

Bids were opened on Contract 3-7 on September 24, 2015. The low bidder was Northwest Asphalt, Inc., of Shakopee, Minnesota, in the amount of \$2,694,679.37. The project includes the installation of approximately 9.6 miles of 18-inch diameter PVC Pipe and related appurtenances. This project starts approximately 2 miles north and 7 miles east of McLaughlin, South Dakota, and proceeds north to the North/South Dakota state line. The project is scheduled for completion by November 1, 2016. All construction activities have been completed. The contractor is working on punch list items.

Bids were opened on Contract 3-8 on July 14, 2016. The low bidder was Wager Construction, Inc., of International Falls, Minnesota, in the amount of \$4,361,957.03. The project includes the installation of approximately 12.1 miles of 18-inch diameter PVC Pipe and related appurtenances. This project starts approximately 10¾ miles south of Fort Yates and proceeds north to a connection point west of Fort Yates. The project is scheduled for completion by December 31, 2016. Final completion, including seeding and cleanup is scheduled for May 31, 2017. The Tribe is working on the contract award.

Spirit Lake MR&I System

Final inspection has been completed for the 750,000-gallon West Fort Totten Tank (School Tank Project). As of August 12, 2016, the School Tank is up and running and providing service to the community of Fort Totten.

The final punch list items for the Tokio Tank have been completed by the Tribe's consultant and final inspection is expected to be completed in April 2016. However, a few problems were encountered when the tank was filled. Currently they are waiting on a replacement valve and an isolation kit. The tank will be disinfected and placed into service as soon the replacement parts can be installed.

Contract 7-16A, Wood Lake Service Area, has been delayed due to issues concerning the acquisition of rights-of-way. The project consists of two areas located southwest of Tokio and includes the installation of approximately 7.8 miles of 6-inch to 1½-inch PVC pipe, 24 services,

road crossings, connections to existing pipelines and other related appurtenances. The project was scheduled for completion in 2016, however, most likely construction will be delayed until 2017.

Pre-design and rights-of-way acquisition also continues on several other projects.

#### Fort Berthold Rural Water System

On August 18, 2016, Fort Berthold Rural Water (FBRW) opened the four bids that were received for the Twin Buttes Area 2 contract, which will add about 30 miles of pipe (varying in size from 6-inch to 1-inch) and 32 services. Currently the bids are being reviewed.

Designs are underway for a new 600 gpm water treatment plant, located near Twin Buttes, and a 10-inch raw water transmission line from the intake to the new water treatment plant. The Tribe has procured land for the new WTP; a perpetual easement will be given to Reclamation for the rural water infrastructure. One easement has been obtained for the raw water line; several more are needed.

Reclamation, IHS, the Corps of Engineers, and FBRW are collaborating to complete shoreline protection work at the Twin Buttes and White Shield Intakes. The intakes are at risk due to erosion damage by fluctuating water levels in the reservoir during and following the flood in 2011. Reclamation obligated FY2015 RAX funds for this project, with the work planned for completion in 2016/2017.

#### Turtle Mountain Rural Water System

Turtle Mountain has begun expansion of the Rolette well field to a total of 2400 gpm with the addition of seven new groundwater wells, matching the recently expanded capacity of the water treatment plant. The project was awarded to Meyer Contracting, Inc. on September 2015, in the amount of \$1,253,766.85.

Bids were opened on the Reservoir B project on August 25, 2015, with the low bid being awarded to Landmark at an amount of \$2,468,000. IHS, USDA, and Reclamation are providing the funding for this project with completion expected by the end of FY 2017.

#### Trenton Indian Service Area

The Trenton Indian Service Area is working with IHS and Reclamation on the design of a booster station to replace and upsize an existing station to upsize the pumps and serve the expanded service area.

#### State MR&I Program

##### South Central Regional Water District

**Contract 2015-1, North Logan and Kidder Country Rural Distribution Project** – This project was awarded to Swanberg Construction Inc., of Valley City, North Dakota, in the amount of \$8,945,685.50 This work generally consists of furnishing and installing approximately 207 miles of 10-inch through 1½-inch PVC pipe, 342 service connections and other related appurtenances. This project is located in Logan and Kidder Counties in North Dakota. The project has a completion date of August 15, 2017. Construction is underway.

### **Southwest Pipeline Project**

**Contract 2-8F, East Center Service Area** – This contract was awarded on February 27, 2014, to Carstensen Contracting, Inc., in the amount of \$7,162,006. This project includes 20 miles of 16-inch through 14-inch PVC pipe, 17.5 miles of 10-inch through 6-inch PVC pipe, 2 steel VFD booster stations, master meter vault for Killdeer, road crossings, connections to other pipelines, etc. Final payment is pending final cleanup and final inspection.

**Contract 1-2A, Supplementary Raw Water Intake** - This contract was awarded to James W. Fowler Company of Dallas, Oregon, in the amount of \$12,994,000. The contractor has completed the installation of the caisson shaft. Tunneling operation for the intake pipeline began on July 15, 2015. Tunneling operations were halted in early November 2015, due to a failure within the tunneling section. The plan now to complete this project includes a new pipe alignment rotated 7 degrees east. The new pipe elevation at the caisson shaft is proposed to be 12 feet above the elevation of the to-be-abandoned pipe. Reclamation is checking into whether additional environmental compliance is necessary due to the changes in the project. However, this work will probably be contingent upon the completion of a geotechnical report for the new alignment.

**Contract 7-9F, the East Center Service Area** – This contract was awarded to Eatherly Constructors, Inc. of Leawood, Kansas in the amount of \$8,454,836. Reclamation concurred on the recommendation to award on November 15, 2013. This project includes 275 miles of 8-inch through 1½-inch pipe, 394 services, road crossings, connections to existing pipelines, etc. The project now has a total of 407 service connections. Work continues on the project. The substantial completion date is now October 18, 2016.

**Other State MR&I Projects** – Information from other projects is starting to come in to Reclamation. As project descriptions are received, Reclamation will prepare the appropriate environmental documents. In addition, Reclamation and Garrison Diversion are working on language to pre-approve projects provided the proper Federal procedures are followed as stated in our agreement.

### **OM&R Program**

- **McClusky and New Rockford Canals:** The Cooperative Agreement for Routine O&M has been modified to include the 2016 work plan activities and an additional budget obligation in the amount of \$955,891.12. The agreement modification also extended the agreement one year through December 2017.

Reclamation and Garrison Diversion also entered into a new cooperative agreement for the preconstruction activities for the McClusky Canal slide repair work. This new agreement covers development and negotiation of agreements with cooperating landowners, NEPA/NHPA compliance activities, development of an erosion control and storm water pollution prevention plan, and equipment purchases. The total funding obligation for this agreement was \$4,771,064.82. Preparation of a new separate

agreement for the construction of the slide repairs will commence once sufficient information on the scope of work and budget for the construction activities are available.

In accordance with the Corrective Action Plan responding to the OIG report on GDU Interim Cost Allocation, Reclamation and Garrison Diversion met with the Wells County Water Resource District Board on August 9, 2016, to explain the OIG findings and gather input on future disposition of the New Rockford Canal.

### **GDU Irrigation**

- Turtle Lake and McClusky Canal Irrigation Areas:
  - Reclamation has amended the Garrison Diversion irrigation power contract to allow for project use power for the new project sites along the McClusky Canal described in the water service contract amendment. Garrison Diversion needs to complete contract modifications with WAPA and local REC's to finalize the power contracts and make project use power available to the irrigators.
- Reclamation entered into an annual water service contract with Dickey-Sargent Irrigation District to irrigate 4,363.8 acres in the Oakes Test Area in 2016. Due to an exception provided by Sand Lake National Wildlife Refuge and timely rain and runoff events, surplus James River Flows have been available so far for this irrigation season and all indications are they will be available for the remainder of the season as well. This leaves the water supply from the Jamestown conservation pool available for 2017.
- Standing Rock Irrigation Project:

The Tribe awarded a contract to rehabilitate and expand the capacity of the Tribe's Eagle Unit pumping plant near Wakpala, South Dakota, which has been completed. The new pumping plant will allow for expansion of approximately 700 acres irrigated in this unit and allow the Tribe to fully serve the existing 950 acres. The Tribe is working on purchasing lands to allow for expansion. The Tribe is still looking for suitable lands to complete the remaining approximately 300 acres.

### **Garrison Diversion Unit Recreation**

#### **Development**

There are no new development projects at Chain of Lakes Recreation Area in FY16. Routine O&M will be provided as normal. Garrison Diversion and Reclamation will meet this fall to discuss FY17 projects and existing SOP for O&M of the Chain of Lakes recreation area.

### **North Dakota Natural Resources Trust**

Reclamation will draft a new cooperative agreement to continue funding the trust as required in DWRA (5% of RRV and State MR&I funding). The current agreement expires October 1, 2016.



### **Lonetree**

Routine operation and maintenance continues. An interagency tour was held on August 11, to review management operations. Blake Schaan gave a presentation on the new grazing plan he has developed to improve areas that have been idle for many years.

### **Audubon**

Reclamation staff completed an O&M review of the mitigation wetland dikes on July 27. Most of the dikes have areas where the fabric is exposed and need minor repair. It was decided to have Garrison Diversion start stock piling and cleaning rock for repairing the dikes in 2-3 years.

### **Arrowwood**

Routine operation and maintenance continues. Reclamation staff completed an O&M review of the drawdown channels/facilities on July 28. The mitigation features are in good shape the only maintenance item needed was painting the radial gate. One of the pulsators in the fish barrier was not operating and was removed and sent in for repair, the cost was covered by the maintenance agreement. Lots of wildlife were observed using the created wetland pools.

### **Scattered Tracts**

Reclamation met with the North Dakota Game and Fish Department, US Fish and Wildlife Service, and Garrison Diversion on July 28, 2016, to discuss the McLean County Water Resource District's requests for assistance improving Painted Woods Lake to alleviate flooding. Reclamation previously transferred Painted Woods Lake Wildlife Development Area to the USFWS but continued to maintain the weir. It was decided that Reclamation, USFWS and NDGF will modify the existing MOU for mitigation to clarify that future maintenance of the existing weir will be included as part of the Painted Woods Lake Wildlife Development Area managed by the Service and the Department. Reclamation working with Garrison Diversion will repair the weir walkway and install a safety cable and stockpile rip rap that can be used at the existing weir or at a new weir proposed by the water resource board. The possible use of the rip rap by the water resource board will be the only contribution to the proposed project by Reclamation.

On August 11, an interagency tour looked at several USFWS waterfowl production areas that were purchased as mitigation for GDU and receive annual O&M funding. A brief presentation was given about management goals and successes and problems trying to get cooperators for management operations.

## RRVWSP Work Plan Update September 1, 2016

### Goal

Spring 2016	Complete Conceptual Design and Cost Estimate
Winter 2016	Complete Preliminary Design and Cost Estimate for pipeline and pump station(s)
2017 - 2018	Complete Final Design and Cost Estimate
2019 - 2027	Phased Bidding and Construction

Total draft budget to complete Conceptual, Preliminary and Final designs is \$66 million. The ND legislature appropriated \$12.359 million for the RRVWSP this past session.

### Conceptual Design

**1) Missouri River Intake Investigation Task Order** – A Missouri River bank filtration intake near Washburn is proposed to reduce the amount of federal permits for the RRVWSP. Results of two previous studies indicated only the Washburn area may support 122 cfs and recommended further study of up to four sites. Work includes well pumping tests to determine yield of horizontal collector wells at the sites and the recommended number and spacing of the horizontal collector wells at each site. The previous work was contracted through the SWC and CH2M Hill. The work in this task order was contracted through GDCD and CH2M Hill. Cost of the work is \$1,306,790.

Status – All field work has been completed. The final report is complete and was presented to the LAWA Technical Advisory Committee on January 22. Results suggest that the desired RRVWSP intake capacity of 122 cfs may be achievable through bank filtration intakes at multiple sites. This would require 9-14 collector wells spread across four sites.

**2) Discharge System (Baldhill Creek Investigation) Task Order** – Utilizing the Baldhill Creek as a water conveyance to Lake Ashtabula could eliminate the need for 13 miles of pipeline and provide a savings of \$40 million. Studies include creek capacity and the interaction of Baldhill Creek with groundwater aquifers and impacts, if any, to adjacent lands. Estimated cost is \$806,000.

Status – Monitoring equipment has been installed for year 2016. A draft report was provided in early April. The draft report documented that the creek can contain the additional flow, but up to 15 cfs could be lost to infiltration and evaporation.

**3) Pipeline Alignment Task Order** - The original RRVWSP alignment went from the McClusky Canal to Lake Ashtabula; however, the intake will now be moved to the Missouri River near Washburn. An alignment needs to be established from Washburn to Highway 200 connecting to the original alignment. Also, the original alignment needs to be refined to minimize permitting. Estimated cost is \$960,000.

Status – A draft report with a proposed alignment and cost estimate was released in early March. The alignment has been reviewed by GDCD and LAWA and was submitted to the USCOE for jurisdictional determination.

**4) Hydraulic and Pump System Task Order** – The intake site has moved from the McClusky Canal to the Missouri River near Washburn, including a new segment of pipeline connecting the two. This task order will build on existing data and expand and refine the hydraulic operational characteristics of the pump stations and control facilities required to successfully operate the RRWSP. The specific goals will be to provide an updated hydraulic analysis of the entire project, a conceptual layout of pumping facilities and a conceptual level cost estimate of those pumping facilities. Estimated cost is \$480,000.

Status –The team discussed a range of pumping flows, placement of a water treatment plant, closed system versus open system using break tank and hydraulic differences with each option. The draft report showing a conceptual design for the hydraulic structures and a cost estimate for the hydraulic structures was released in April.

**5) Horizontal Collector Well Conceptual Design Task Order** – The information collected from the Missouri River intake studies will be used to develop conceptual design and cost estimates. Estimated cost is \$400,000.

Status – Four sites have been identified with potential hydrogeology. It is estimated that 9 to14 collector wells would be required to achieve the desired capacity spread across the four sites. An additional 30 miles of pipe will be required to manifold the collector well sites together. Efforts have started to develop a conceptual design for each of the collector wells. The horizontal alignment for the piping to each collector well has been established, as have the initial pump sizes for each collector well. A draft report will be released in mid-April. No further work is recommended at this time related to the collector wells.

Continued work under this task order will be moving forward with a conventional intake conceptual design as recommended by the draft implementation plan.

**6) Land Services Task Order** – The original RRWSP alignment went from the McClusky Canal to Lake Ashtabula; however, the intake will now be moved to the Missouri River near Washburn. An alignment needs to be established from Washburn to Highway 200 connecting to the original alignment. This task order will prepare ROW data and documents for acquiring new easements. Estimated cost is \$470,000.

Status – The task order is being revised to reflect the implementation plan, and work is underway.

**7) Needs Assessment Task Order** – The capacity of the federal RRWSP was 122 cfs. Staff began updating potential users of the current State proposed project. Water users in the LAWA service area are being asked to review their needs and then nominate for those needs, through a development agreement, which will, in turn, determine the appropriate size of the pipeline. Furthermore, systems along the pipeline route in Central North Dakota are being canvassed to see if there is a need to service those systems from the State project. The task order will assist GDCD staff in this effort. Estimated cost is \$400,000.

Status – A list of potential users was generated, and letters or email requests were sent to systems requesting a meeting to discuss their potential participation in the project. RRWSP information pieces were developed, and for each system, water usage, population projections (if available) and a nomination worksheet are generated for use in the system meetings. The meetings are underway. To date, roughly 100 meetings have

taken place with 60 systems, and 20 more meetings are in the works. To date, three systems have nominated a total of 43.1 cfs.

**8) Water Treatment Plant Analysis Task Order** – The federally proposed WTP used pre-treatment, filtration and disinfection processes located near the McClusky Canal. The State project will be using Missouri River water either through a horizontal collector well near Washburn or a conventional intake near Washburn. The location and level of treatment needs to be reviewed. A range of treatment processes will be developed to complement the RRVWSP Concept design and estimate. Estimated cost is \$438,000.

Status –The Bismarck collector well data and the results from the bank filtration study are being used to establish expected conditions in the source water. Overall treatment goals have been drafted that are consistent with the Boundary Waters Treaty. Alternative treatment processes are being developed to deal with a wide range of goals. Depending on the source of water (river or HCW), processes included are 1) pre-sedimentation with no treatment, 2) pre-sedimentation with chlorination/dechlorination, 3) pre-sedimentation, chlorination/dechlorination with UV, and 4) filtration, sedimentation, chlorination/dechlorination and UV.

**9) Implementation Plan** – The report will include project costs, operation and maintenance costs, construction schedule, review regulatory issues, and discuss how to implement the project in phases. Estimated cost is \$190,000.

Status – Ongoing

### **Preliminary Design**

The conceptual design is nearly complete and is anticipated to be released in August. Engineering teams are ready to start the preliminary design phase. It is estimated to cost \$10 million to complete the Preliminary design on the entire project. Moving forward with limited funds, it is cost effective to start project phasing. The Implementation Plan will provide a road map to move forward with items that have to be completed first, which include permit phasing, design phasing, and construction phasing.

**1) Pipeline alignment McClusky to the split** – This pipeline segment from the McClusky Canal traversing east to the split is required for all options under the Implementation Plan. This segment, therefore, has the highest priority of all segments. Preliminary design items include field wetland boundaries, determining trenchless construction boundaries, utility identification, location of valves and blowoffs, and horizontal and vertical layout of pipeline. Estimated cost is \$2,800,000.

Status – Land access agreements are being gathered to allow field services to begin. Field services are being coordinated and scheduled with landowners and field crews.

**2) Missouri River Conventional Intake/COE Permit** – The implementation plan identified using a conventional intake near Washburn as a viable option for the RRVWSP. Conventional intake plans and drawings will be generated and submitted to the COE for approval. Work includes preliminary design of the intake and pump station, survey, river bathymetric survey, environmental and geotechnical information, and permit application. Estimated cost is \$1,000,000.

Status – Land access agreements are being gathered to allow field services to begin. Field services are being coordinated and scheduled with landowners and field crews.

**3) Financial Modeling** – Financial impacts to the local users of the RRVWSP under various funding levels, project implementation scenarios and cost-share scenarios will need to be evaluated. Financing strategies will be generated from these scenarios. The task order will assist GDCD in this effort. Estimated cost is \$363,800.

Status – The team is refining the capital cost methodology.

**4) Pipeline alignment Washburn to McClusky** – This pipeline segment from Washburn to the McClusky Canal is required for all Missouri River intake options. This segment, therefore, has a high priority. Preliminary design items include field wetland boundaries, determining trenchless construction boundaries, utility identification, location of valves and blowoffs, and horizontal and vertical layout of pipeline. Estimated cost is \$594,551.

Status - Land access agreements are being gathered to allow field services to begin. Field services are being coordinated and scheduled with landowners and field crews.

**5) Pipeline alignment split to Baldhill Creek** – This pipeline segment from the split to Baldhill Creek is required for all Red River Valley delivery options under the Implementation Plan. This segment, therefore, has a high priority. Preliminary design items include field wetland boundaries, determining trenchless construction boundaries, utility identification, location of valves and blowoffs, and horizontal and vertical layout of pipeline. Estimated cost is \$574,783.

Status - Land access agreements are being gathered to allow field services to begin. Field services are being coordinated and scheduled with landowners and field crews.

**6) Municipal Advisor** – A Request for Proposal for a Municipal Advisor to provide financial advisory services for the RRVWSP was developed. The selected firm will work in collaboration with the financial modeling team. The firm selected will have a fiduciary responsibility to GDCD.

Status – Four proposals were received. The selection committee, consisting of two LAWA and two GDCD board members, interviewed two firms and recommended moving forward with Ernst & Young Infrastructure Advisors to provide municipal advisory services for the RRVWSP. In addition, the committee recommended retaining Springsted on an as-needed basis for the issuance of bonds and related efforts. The LAWA Board and GDCD Executive Committee voted to move forward with the recommendation. Contract negotiations are underway with Ernst & Young.

**7) Workflow Manager** – The overall objective of this task is to provide a robust Geographical Information System (GIS) that is a single source for all spatially related data with anytime access by team members, GDCD, and other stakeholders. The GIS will contain parcels, rights-of-way, survey data, access agreements, landowner information, easements, and other pertinent data. Estimated cost is \$150,000.

Status – All software has been purchased. Three training classes on the software have been held. Data is being uploaded to the site. Anticipated going live with the web-based access is September 9.



August 5, 2016

David Rosenkrance, Area Manager  
Bureau of Reclamation  
Dakotas Area Office  
PO Box 1017  
Bismarck, ND 58502-1017

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CONSERVANCY DISTRICT  
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**Subject: Request Regarding Potential MR&I Water Supply from McClusky Canal**

Dear Dave:

Thank you for your August 1 letter in reply to Garrison Diversion's request regarding the potential use of the McClusky Canal for a MR&I water supply to Central North Dakota.

To clarify our request, Garrison Diversion would like the Bureau of Reclamation to please evaluate the potential cost saving alternative of getting up to 20 cubic feet per second (cfs) of water out of the McClusky Canal for MR&I water for use in the Jamestown/Spiritwood Area within the Missouri River Basin.

The point of diversion would be near Mile Marker 42. An intake, wet well, pump station, estimated 28" pipeline and electric facilities would be required for the project. The pipeline would traverse approximately six miles south from the diversion point and connect to the proposed State MR&I Project.

Garrison Diversion understands that we need to negotiate and agree on the terms of the water service contract with Reclamation before a contract can be finalized.

Sincerely,

Duane DeKrey  
General Manager

DD/las

Red River Valley Water Supply Project Planning Level Budget 7-Sep-16						
July 2015 through June 2017						
	%	Current Estimate	Actual			
			July 2015 - August 2016	Sep -Dec 2016	Jan.-June 2017	
<b>Conceptual Engineering (July 2015 - June 2016)</b>						
Missouri River Intake Investigation	95%	\$ 1,306,780	\$ 1,141,058	\$ 165,722	\$ -	
Horizontal Collector Well	100%	\$ 390,743	\$ 389,364	\$ 1,379	\$ -	
Hydraulic and Pump System	99%	\$ 481,081	\$ 478,455	\$ 2,626	\$ -	
Pipeline Alignment	100%	\$ 958,000	\$ 957,314	\$ 686	\$ -	
Discharge System (Baldhill Creek)	80%	\$ 805,988	\$ 641,078	\$ 164,910	\$ -	
Land Services	47%	\$ 469,980	\$ 222,760	\$ 247,220	\$ -	
Needs Assessment	100%	\$ 149,863	\$ 149,863	\$ -	\$ -	
Water Treatment Plant Analysis	99%	\$ 438,731	\$ 435,774	\$ 2,957	\$ -	
Implementation Plan	46%	\$ 190,000	\$ 87,347	\$ 102,653	\$ -	
Sub-Total	87%	\$ 5,191,166	\$ 4,503,013	\$ 688,153	\$ -	
<b>Preliminary Engineering (July 2016 - June 2017)</b>						
Needs Assessment - amendment #1	83%	\$ 249,604	\$ 206,214	\$ 43,390	\$ -	
Missouri River Conventional Intake Design	11%	\$ 999,578	\$ 110,187	\$ 889,391	\$ -	
Pipeline Alignment McClusky to Split & Land Services (ROE)	11%	\$ 2,515,425	\$ 272,788	\$ 842,637	\$ 1,400,000	
Pipeline Alignment Washburn-McClusky & Land Services (ROE)	4%	\$ 593,683	\$ 26,637	\$ 317,046	\$ 250,000	
Pipeline from Split to Baldhill Creek (RRV) Land Services (ROE)	3%	\$ 574,783	\$ 18,756	\$ 381,027	\$ 175,000	
Baldhill Creek Analysis Phase II	Upcoming	\$ 400,000			\$ 400,000	
Land Services (Aerial)	Sept Approval	\$ 259,984		\$ 259,984		
Main Pump Station and Break Tank	Sept Approval	\$ 997,267		\$ 497,267	\$ 500,000	
Pipeline to CND	Upcoming	\$ 310,000			\$ 310,000	
McClusky Canal Intake	Upcoming	\$ 500,000			\$ 500,000	
Discharge Design (Sheyenne/Baldhill)	Upcoming	\$ 100,000			\$ 100,000	
Water Treatment Plant, does not include pilot	Upcoming	\$ 300,000			\$ 300,000	
Sub-Total		\$ 7,800,324	\$ 634,582	\$ 3,230,742	\$ 3,935,000	
<b>Administration, Legal and Financial</b>						
Administration (cost & schedule, communications, LAWA)		\$ 120,000	\$ -	\$ 60,000	\$ 60,000	
Legal	21%	\$ 564,170	\$ 119,693	\$ 224,477	\$ 220,000	
Financial Modeling	22%	\$ 363,800	\$ 78,598	\$ 165,647	\$ 119,555	
Municipal Advisor	0%	\$ 150,000		\$ 100,000	\$ 50,000	
Workflow Manager	51%	\$ 150,000	\$ 76,799	\$ 73,201	\$ -	
Sub-Total		\$ 1,347,970	\$ 275,090	\$ 623,325	\$ 449,555	
Total		\$ 14,339,460	\$ 5,412,685	\$ 4,542,220	\$ 4,384,555	
90% State Cost Share		\$ 12,905,514	\$ 4,871,416	\$ 4,087,998	\$ 3,946,100	
10% LAWA Cost Share		\$ 1,433,946	\$ 541,268	\$ 454,222	\$ 438,456	

\* 2015-/2017 state appropriation \$12,359,000