


UPDATE

ND RURAL WATER SYSTEMS ASSOCIATION LEADERSHIP RETREAT



NORTH DAKOTA
DWR

Reice Haase - Director, Department Of Water Resources
July 2025

**NORTH
Dakota** | Water Resources
Be Legendary.

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MISSION & PURPOSE	
 MISSION OF DWR <p>To Responsibly Manage North Dakota's Water Needs & Risks For The People's Benefit.</p>	 WATER DEVELOPMENT PRIORITIES <p>Protection Of Citizens/Businesses From Flood-Related Impacts, New Water Supply Connections, & Low-Head Dam Mitigation Efforts.</p>
 PURPOSE OF RESOURCES TRUST FUND <p>Fund Construction Of Water-Related Projects, Including Rural Water Systems (Article X, § 22, ND Const.)</p>	 SOURCE OF FUNDING <p>20.5% Of Oil Extraction Tax Collections, Interest Income (NDCC 57-51.1-07)</p>

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NEW LEADERSHIP



ADMINISTRATION PRIORITIES

- Recreation, Public Safety, Tribal Engagement, Government Efficiency, & Workforce/Housing

DEPUTY DIRECTOR

GENERAL COUNSEL

DWR CULTURE: PUBLIC SERVICE MINDSET

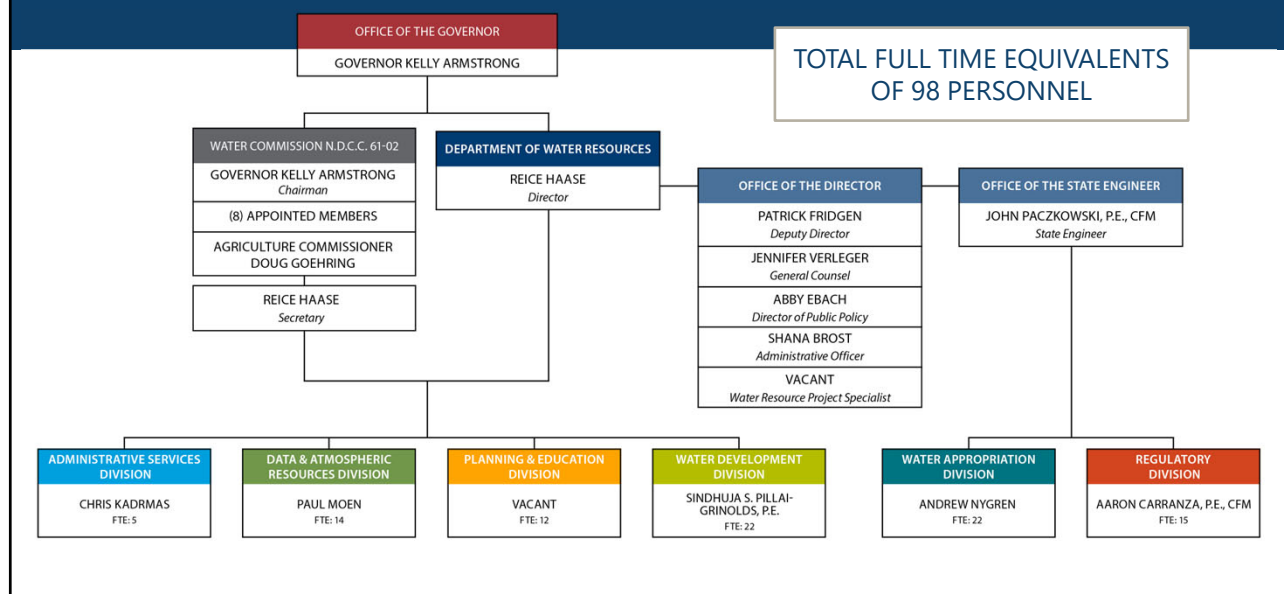
- The DWR Works For All Citizens Of North Dakota, The Citizens Of North Dakota Are Our Boss

WE STRIVE TO BE:

- Responsive To Citizens
- Accessible To Citizens
- A Resource On Their Behalf

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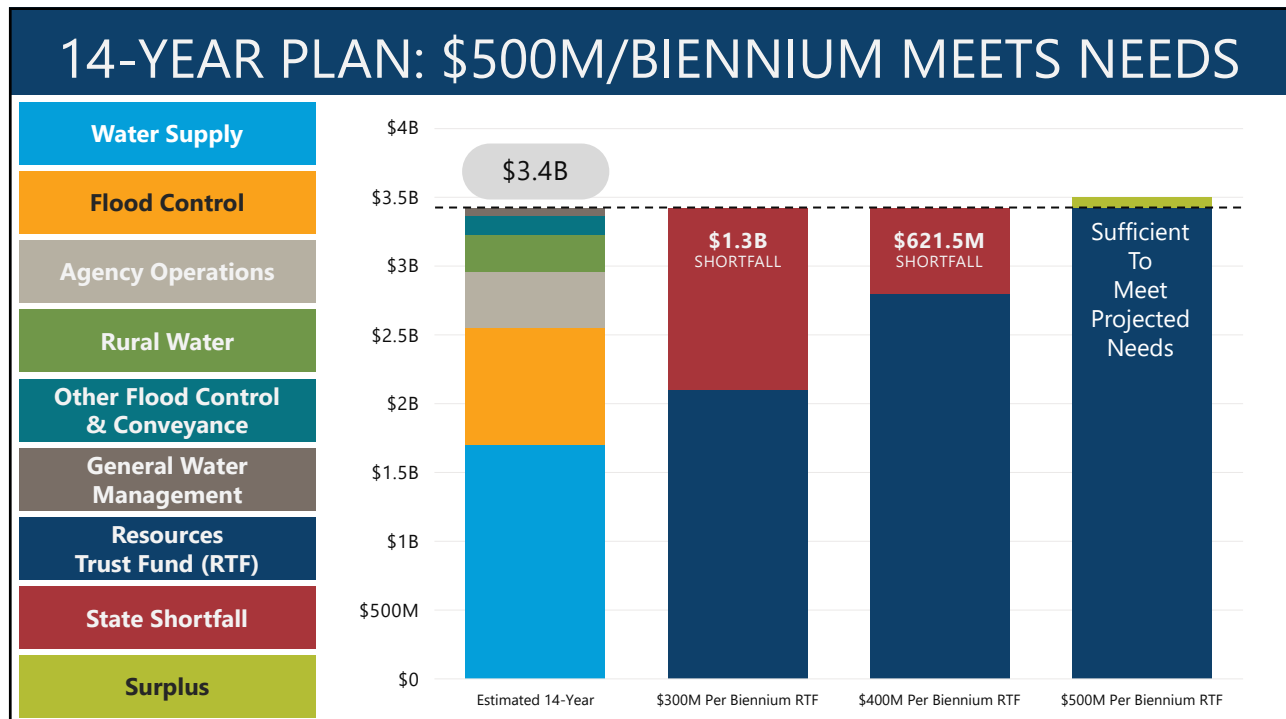
DWR ORGANIZATIONAL CHART



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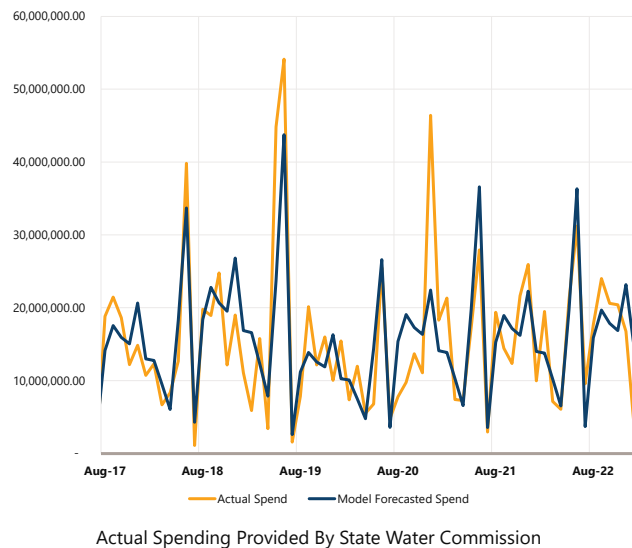
Project	State	Local	Federal	Total
Water Supply	1,703,666,767	615,797,941	33,701,866	2,353,166,574
Red River Valley Water Supply Project (RRVWS)	773,000,000	257,000,000	0	1,030,000,000
Southwest Pipeline Project (SWPP)	313,000,000	0	0	313,000,000
Western Area Water Supply (WAWS)	177,700,000	60,000,000	0	237,700,000
Northwest Area Water Supply (NAWS)	71,700,000	52,100,000	0	123,800,000
Municipal Water	368,266,767	246,697,941	33,701,866	648,666,574
Flood Control	854,000,000	441,000,000	120,000,000	1,415,000,000
Mouse River Enhanced Flood Protection	733,000,000	380,000,000	70,000,000	1,183,000,000
Valley City Permanent Flood Protection	48,000,000	12,000,000	0	60,000,000
Bismarck South Flood Protection	73,000,000	49,000,000	50,000,000	172,000,000
Rural Water	267,866,781	91,904,300	73,395,550	433,166,631
Other Flood Control & Conveyance	144,300,000	167,500,000	93,200,000	405,000,000
General Water	51,728,927	38,483,898	59,412,700	149,625,525
Agency Operations	400,000,000	0	0	400,000,000
Total	3,421,562,475	1,354,686,139	379,710,116	5,155,958,730
14-YEAR WATER PROJECT FUNDING NEEDS				

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RESOURCES TRUST FUND HISTORICAL SPENDING VS APPROPRIATIONS					
	Cash Balance	Oil Tax Transferred	Appropriated	*Spent	(%) Appropriation Spent
2007-09	32,655,609	73,481,417	69,352,698	25,100,000	36%
2009-11	87,378,167	148,886,433	135,806,609	86,000,000	63%
2011-13	148,088,456	390,342,356	332,400,000	261,500,000	79%
2013-15	292,961,846	564,521,002	754,806,094	284,750,000	38%
2015-17	587,754,568	240,564,950	755,817,897	528,482,609	69%
2017-19	314,851,501	357,504,569	584,215,358	359,653,467	62%
2019-21	326,742,618	305,522,369	778,482,206	361,962,182	46%
2021-23	287,678,660	505,222,761	752,548,989	317,315,350	42%
2023-25*	428,790,986	465,695,848	962,577,685	376,500,000	39%
2015-17 Spending Was Primarily Completing WAWSA, Average Spending % Is 53% Biennially					
*Current Biennium Estimate					

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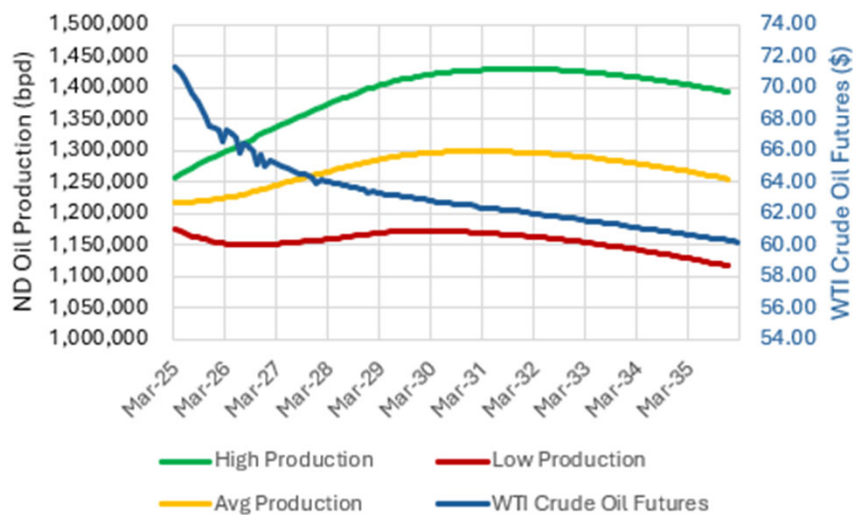
DEVELOPED WATER COMMISSION CASH FLOW MODEL, WAS TESTED VS. KNOWN PAST SPEND



- BND Developed A Model To Project Water's Spending By Analyzing Historical Spending Data
- Model Results Were Back Tested Relative To Actual Spending
- High Correlation Between The Model Prediction Vs Actual Spending Patterns
- Model Output Used To Project Future Water Net Cash Flows & Balances

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MODEL RE-CALIBRATED USING PIPELINE AUTHORITY OIL PRODUCTION CURVE



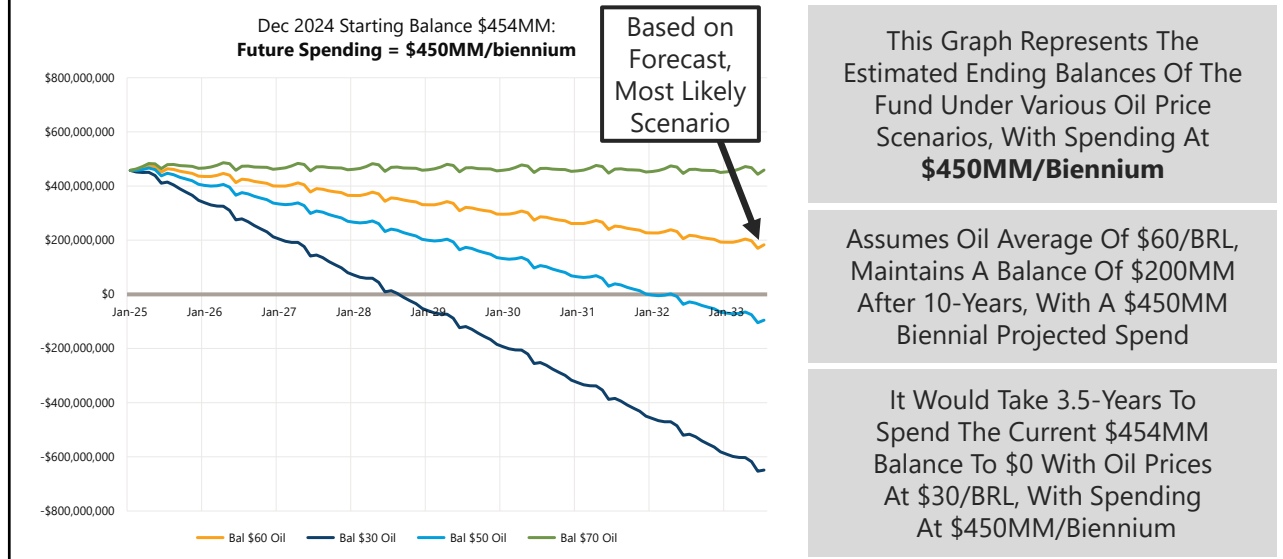
ND Oil Production
Assumption: Uses ND
Pipeline Authority Forecast

Oil Price Assumption:
Current WTI Crude
Futures, -\$5/BRL Bakken
Discount Forecast Range:
\$66-\$55/BRL

RTF Revenues: 20.5% Of
Extraction Tax,
Minus Other Fund
Allocation In Waterfall

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MOST LIKELY OIL PRODUCTION SCENARIO: ALLOWS FOR ACCELERATION OF BIENNIAL SPEND



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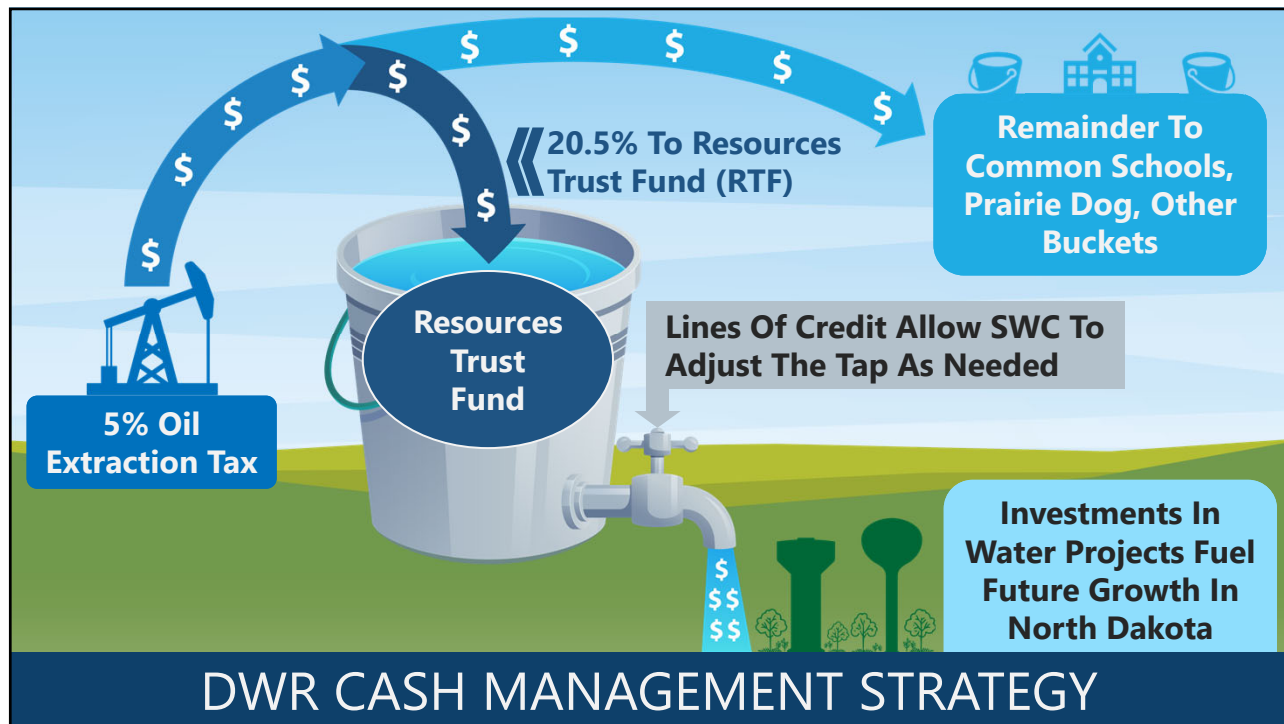
HB 1020: STRATEGIC USE OF LINES-OF-CREDIT (LOC)

Accelerates Projects & Decreases Inflationary Costs

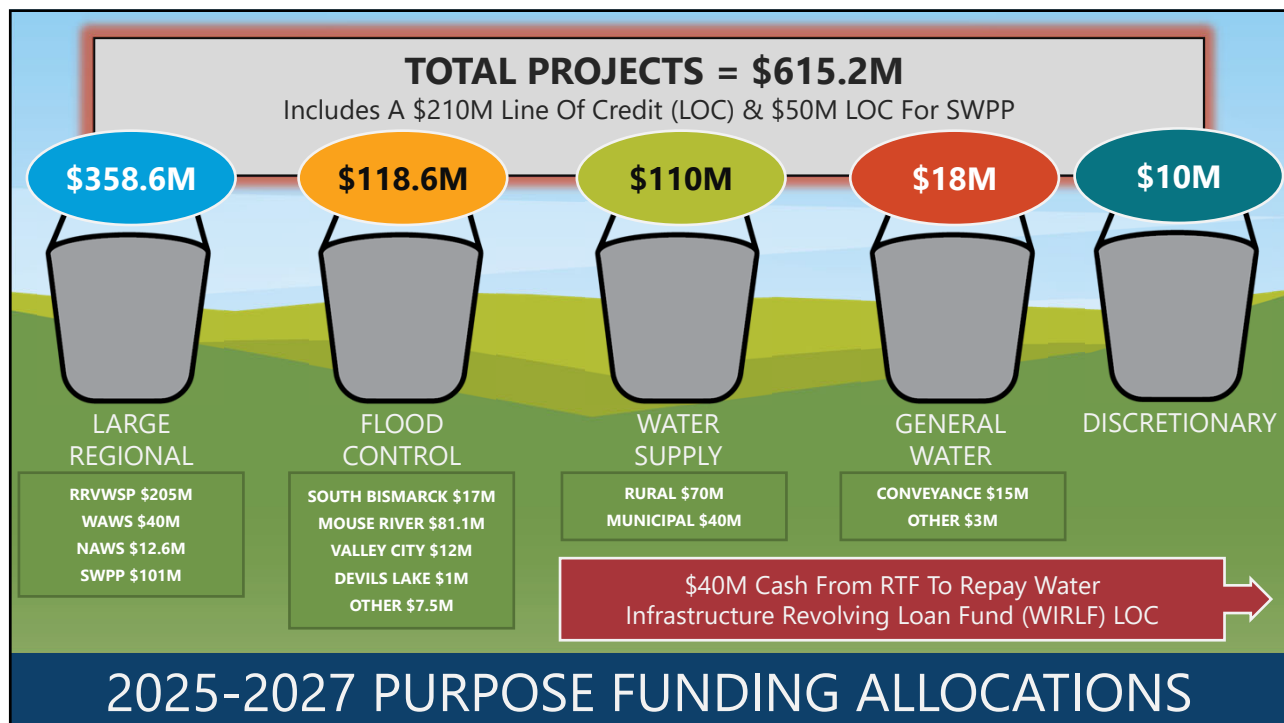
\$210M LOC Provides Authority For SWC To Fund Projects & Provides A Source Of Cash If Balance & Revenues Are Insufficient To Cover Reimbursements

\$50M For Southwest Pipeline

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DWR 2025-2027 BUDGET: OPTIONAL REQUESTS 5/7 Full Time Equivalents (FTE)	OPTIONAL REQUESTS	NAWS Biota Water Treatment Plant Operations	✓	HB 1020	Cont. Approp.
		(One-Time) Emergency Pumps Replacement	✓		\$480,000
		(One Time) Excavator Replacement	✓		\$400,000
		(One Time) Data Logger Replacement	✓		\$60,000
		(One Time) Missouri River Intake Sites Field Investigation	✓		Moved To Discretionary
		Cost To Continue SWC Expenditure, Temp Salary, & Overtime Adjustments	✓		\$305,914
		Board Of Water Well Contractors	✓		\$66,023
		Internship Program	✓		\$100,000
		TOTAL OPTIONAL REQUESTS			\$1,411,937

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SWC COST-SHARE PROGRAM IMPLICATIONS



SWC Cost-Share Policy
With Signing Of HB 1020

Assessment Drains Now Up To 60%

HB 1020 - SWC Shall Study Cost-Share Policy
With Specified Focus On Sustainability

HB 1218

No EA Requirement For Drains
Aug. 1, 2025, Through July 31, 2027

Leg. Management Study To Review EA Inputs
With Respect To Drains & Threshold For EAs

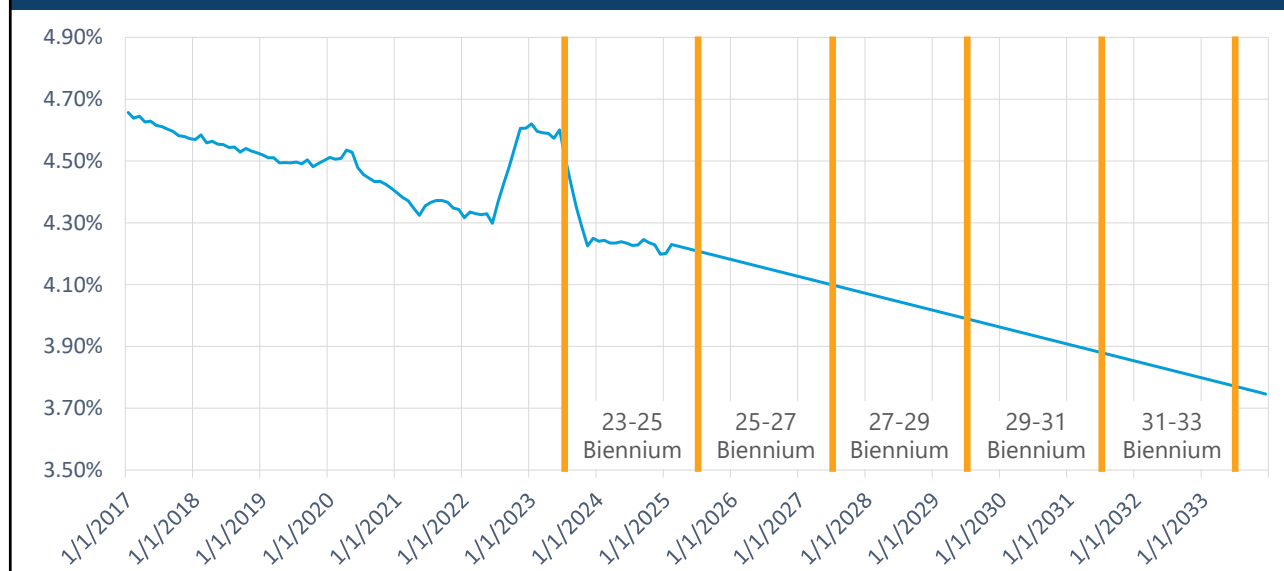
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COST-SHARE PROGRAM: FRIENDLY REMINDERS

PERMITS	MINUTES	CONTACTS
<p>Build Time Into Project Schedules To Acquire Necessary Permits</p> <p>DWR Permits <u>In-Hand</u> To Apply For Construction Cost-Share</p>	<p>Meeting Minutes From Sponsor Required With Cost-Share Applications</p> <p>Summaries Or Notes From Consultants Aren't Meeting Minutes</p>	<p>We Also Need To Contact You</p> <p>Direct Numbers Speed Up The Process</p> <p>Sponsors Or Firms' General Number To Directories Or (000) 000-0000 Aren't Helpful</p>

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EFFECTIVE EXTRACTION TAX RATE ADJUSTED FOR STRIPPER WELL EXEMPTIONS



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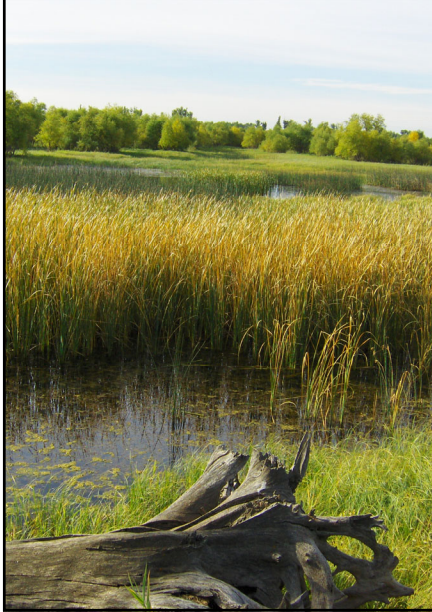
SHALL STUDY	
HB 1020 DWR	Study Or Conduct A Field Investigation As Phase Two Of The Department's Study Of Select Intake Sites Identified In Phase One Of The Missouri River Intake Sites Study.
HB 1020 SWC <i>(RFI Released)</i>	Study The Long-Term Governance & Finance Models Of Select Regional Water Systems (NAWS, SWPP, RRVWSP) In The State. <i>"Only With An Entity That Does Not Receive Direct Or Indirect Benefits From The Cost-Share Program."</i>
HB 1020 SWC <i>(RFI Released)</i>	Study Cost-Share Policy, Including An Evaluation Of Whether Projected Funding For Water Projects, In Conjunction With The Existing Cost-Share Policy, Will Adequately Address Anticipated Funding Needs For Water Projects Through July 1, 2039. Also Evaluate The State's Role In Deferred Maintenance & Replacement Projects Within The Context Of Funding Shortfalls. <i>"Only With An Entity That Does Not Receive Direct Or Indirect Benefits From The Cost-Share Program."</i>

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SHALL STUDY	
HB 1218 Leg. Mgmt	Study The Formula For Conducting EA For Assessment Drain Projects & The Cost Threshold For Conducting Economic Analyses.
HB 1531 Ag Comm	Study The Benefits Of Expanding Irrigation Throughout The State. Includes Additional Irrigation & Improved Water Conveyance.
HB 1577 Leg. Mgmt	Study The Feasibility Of Establishing A Wastewater Project Fund To Provide State Grants For Upgrading, Constructing, Or Replacing Wastewater Infrastructure.
SB 2210 Leg. Mgmt	Study Of Water Management In North Dakota Based On Watershed Boundaries.

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SHALL CONSIDER STUDIES



HB 1020 Legislative Management

Study Of Funding For Stormwater Management Projects, Including Current Funding Sources, Related Statutes, & Related SWC Cost-Share Program Policies.

HCR 3018

Study Regarding Water & Wetland Regulations & The Taxation Of Inundated Lands Of The State.

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WATER TOPICS



Water Projects **\$10M+** Report To Water Topics **Before May 31** Of Even Numbered Years

Prioritized By Water Topics For Next Assembly, **Report Created For Appropriation Committees**

"Surprise" Projects/Increases Of **\$10M Or More** During Session - Water Topics Will Consider & Report To Assembly

Water Topics Will Be Ongoing (Not Just Interim)

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TOP 3 IMMEDIATE ACTION ITEMS



Moving Forward With New FTEs

Advance Required Studies

Implement New Cash Management Strategies

- Future Revenue Challenges (Stripper Wells)
- Federal Funding Uncertainty

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ADMINISTRATIVE CODE UPDATES

2 DISTINCT EFFORTS

GENERAL	REGULATORY PROCESSES
Response To Legislative Changes HB 1040, SB 2044, SB 2141, SB 2308	Implement Construction Permit & Drainage Permit Timelines
Sovereign Lands Updates	Remove WRD Guidance
General Agency Clean-Up	Modify Drainage Complaint & Appeals Processes

HEARINGS: AUGUST 28 (FARGO) & SEPTEMBER 2 (BISMARCK)
COMMENTS CLOSE: SEPTEMBER 12
 TENTATIVE EFFECTIVE DATE: APRIL 2026

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SUBMIT COMMENTS BY SEPT. 12	
FULL LANGUAGE AT DWR.ND.GOV	
IN PERSON Public Hearings Fargo: Aug. 28 Bismarck Sept. 2	IN WRITING Email asebach@nd.gov or 1200 Memorial Highway Bismarck, ND 58501
ONLINE	
GENERAL DEPARTMENT UPDATES 	REGULATORY PROCESSES UPDATES 

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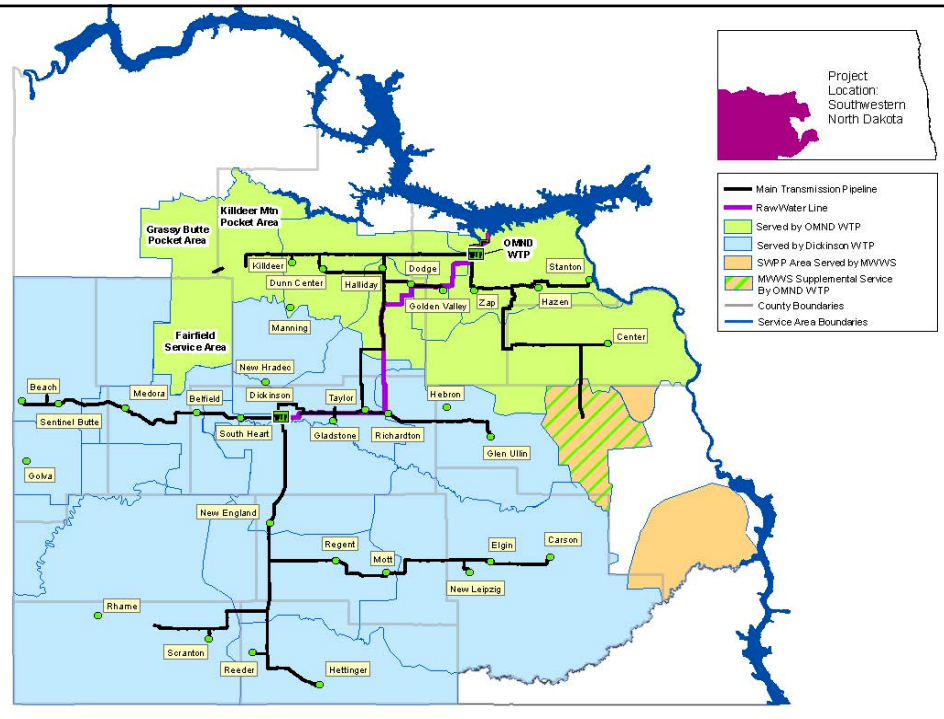
ONGOING PRIORITIES	
	Interstate Water Management, Particularly Missouri River
	Managed Aquifer Recharge
	MOUs With Tribal Nations
	International Water Management
	Permitting Efficiency

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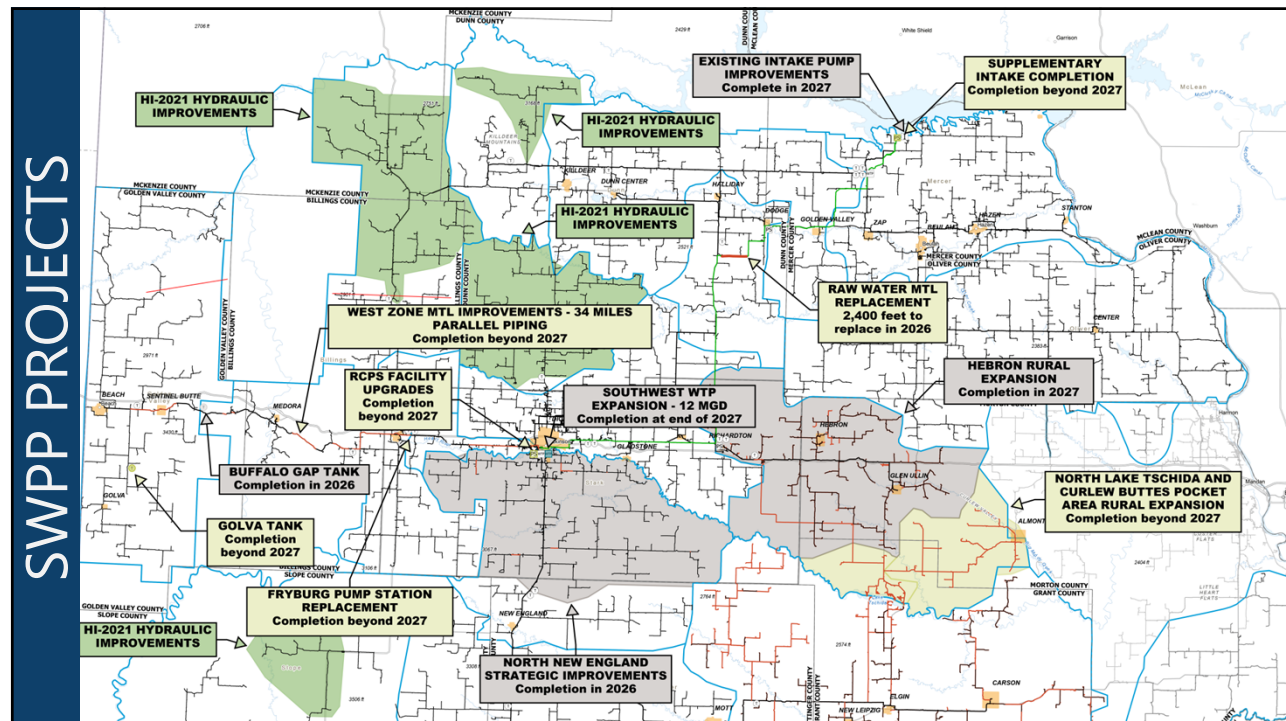
SOUTHWEST PIPELINE PROJECT

Service Area
Covers **More
Than 15,000
Square Miles**
Of Southwest
North Dakota

One Of Two
State-Owned
Regional Water
Supply Projects



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SOUTHWEST PIPELINE PROJECT (SWPP)



Supplementary Raw Water Intake Mediation

- Completed & Settlement Agreement Under Progress

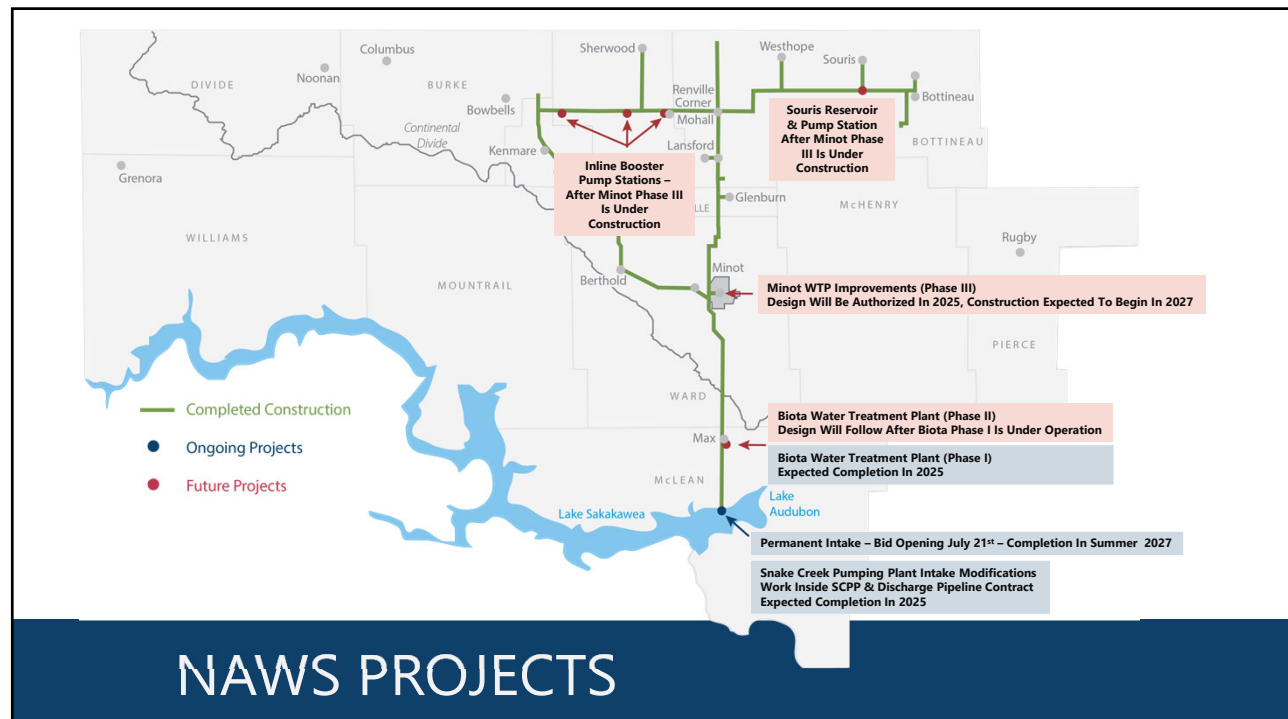
Southwest Water Treatment Plant Expansion

- Expands Capacity Of The SWTP From 6 MGD To 18 MGD
- Estimated Cost Including Engineering \$106M
- Earthwork Ongoing
- Construction Completion Expected - December 2027

Buffalo Gap Reservoir

- Additional Hydraulic Capacity Near Medora
- Completion Expected In December 2025

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NORTHWEST AREA WATER SUPPLY PROJECT (NAWS)



Biota Water Treatment Plant

- Completion Delayed Due To Differing Opinions On Equipment Performance
- Expected Completion In 2025

Snake Creek Pumping Plant Intake Modifications

- Completion Delayed
- Expected Completion In 2025

Permanent Intake & Screen Structure

- Currently Advertised For Bids
- Bid Opening - July 10, 2025

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DEVILS LAKE OUTLETS

SWC Owns & Operates Two Outlets That Discharge Water From Devils Lake To The Sheyenne River
Typical Operating Season May - October

West End Outlet Season Started May 5

250 CFS

**Current
150 CFS**



East End Outlet Season Started May 14

350 CFS

**Current
200 CFS**



2025 Combined Discharge
32,000 AF

Total Discharge Since 2007
1.6 MAF

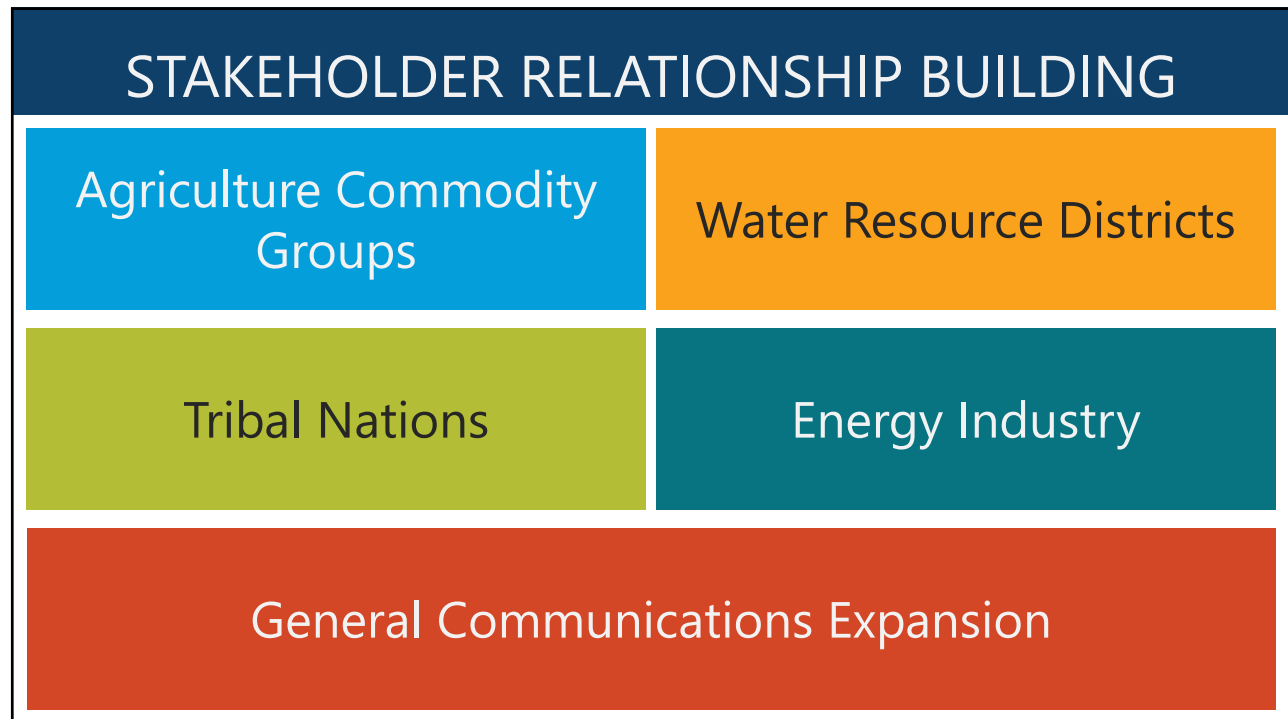
Maintenance Underway
 At Both Outlets

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NEW DRILL RIG
BIG BLUE
FIELD TESTED AT
**MANDAN
BOAT RAMP**

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FROM THE  **HEADWATERS**

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THANK YOU

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