

**State Water Commission (SWC) Meeting
SWC Building (SWC staff only)
900 E. Boulevard Ave.
Bismarck, North Dakota
July 30, 2021 – 12:00 p.m. CT**

Please join meeting from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/661361053>

You can also dial in using your phone:

United States (Toll Free): [1-877-309-2073](tel:1-877-309-2073); Access Code: 661-361-053

AGENDA

- A. Roll Call (no attachment)


- B. Emergency Drought Relief
 - 1. **Additional Funding for Drought Disaster Livestock Water Supply Program** **
 - 2. **Emergency Livestock Water Supply Program** **
 - 3. **Permanent Trust Lands Water Supply Program** **

- C. Confirmation of ND Department of Water Resources Director (no attachment) **

- D. Adjourn (no attachment)

**** BOLD ITEMS REQUIRE SWC ACTION**

MEMORANDUM

TO: Governor Doug Burgum
 Members of the State Water Commission 
FROM: John Paczkowski, P.E., Interim Chief Engineer/Secretary
SUBJECT: Drought Disaster Livestock Water Supply Program
DATE: July 26, 2021

At the April 8, 2021, Water Commission meeting, the Drought Disaster Livestock Water Supply Program (DDLWSP) was reactivated in response to severe drought conditions across North Dakota, and in support of an emergency declaration issued that day by Governor Burgum. Along with the reactivation, the Commission approved the reprogramming of remaining 2017 DDLWSP funds totaling \$557,277.

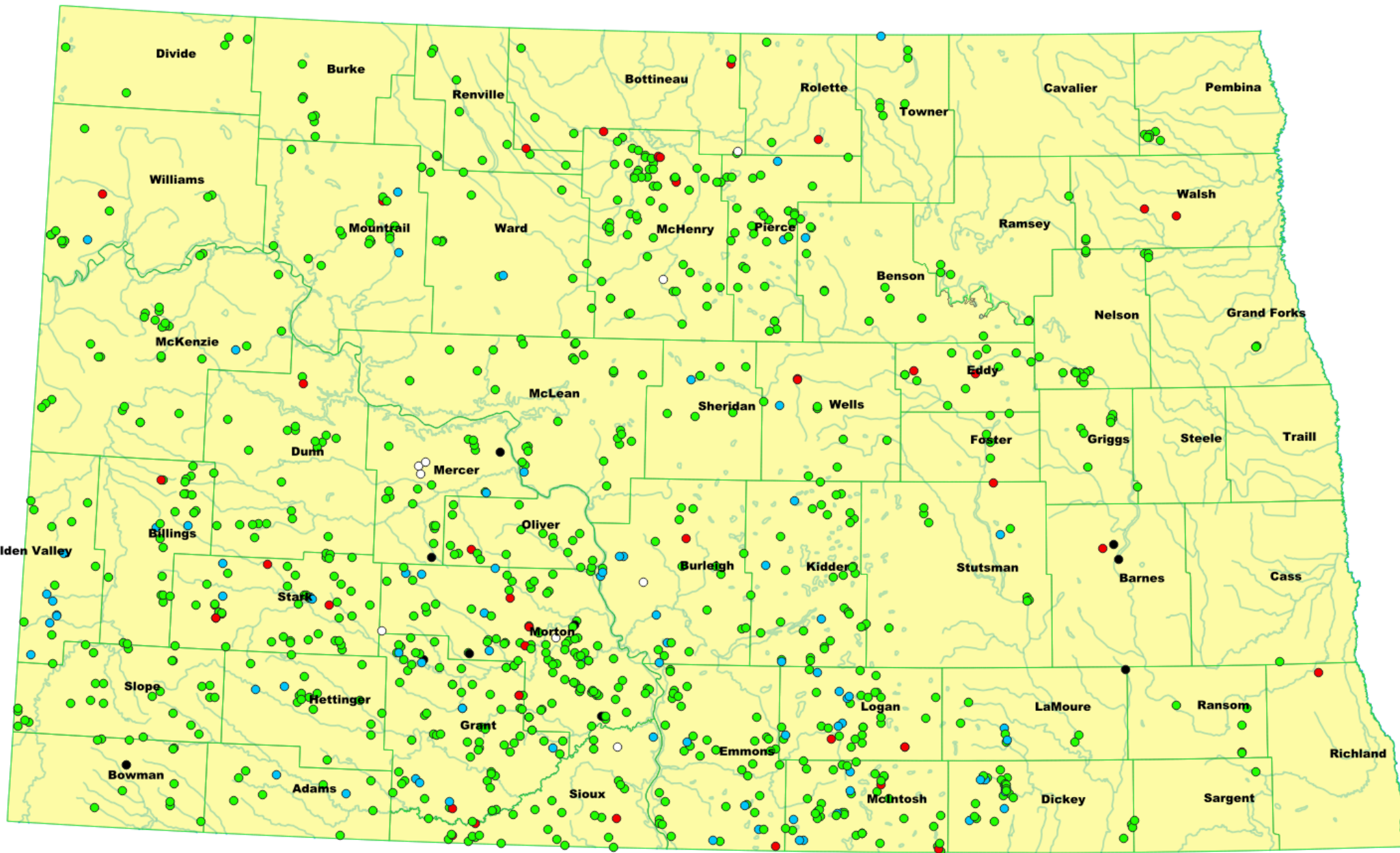
As conditions continued to worsen, an additional \$1.5 million was authorized for the DDLWSP at a special Water Commission meeting April 20, 2021. That brought the total amount available to \$2.07 million. A Chief Engineer approval in the amount of \$75,000 was approved on May 25, 2021. And then on June 8, 2020, the Water Commission approved another \$2 million, bringing total program funding to \$4.14 million.

As of July 26, Water Commission staff had approved \$3.7 million for 940 projects, involving 645 producers. This leaves a balance of approximately \$406,000 for additional projects.

With all of this in mind, and with ongoing interest in the DDLWSP, there continues to be a demonstrated need among North Dakota's livestock producers for support though this program.


Therefore, I recommend the Water Commission approve an additional \$2,000,000 for the DDLWSP from the \$6 million of discretionary funding included in Section 4 of House Bill 1020. This additional funding, along with previous approvals, will provide a total commitment of \$6,146,055 to the 2021 DDLWSP.

JP/pf:1851



- ✓ ● Approved
- ✓ ● Denied
- ✓ ● Cancelled
- ✓ ● Complete
- ✓ ○ Incomplete

MEMORANDUM

TO: Governor Doug Burgum
North Dakota Water Commission Members 
FROM: John Paczkowski, P.E., Interim Chief Engineer-Secretary
SUBJECT: Emergency Water Supply Program
DATE: July 28, 2021

Purpose and Need for Temporary Water Supply Assistance

- As of July 20, 2021, 100% of North Dakota is in drought status, with over 56% of the State being classified as extreme or exceptional drought¹
- 2021 is the driest year on record for North Dakota
- Montana, South Dakota, and Minnesota are also experiencing drought, although to a lesser degree than North Dakota
- This has exacerbated the situation in North Dakota by leading to an extreme shortage of feed for livestock
- Due to lower water levels and extreme heat, harmful algal blooms like blue-green algae are negatively impacting water quality across the state
- During 4 drought roundtables across the state, and calls to the Governor's Office, most relate to concerns with access to water or poor water quality, followed by requests for access to CRP, concerns about hay scarcity and high cost, issues with federal programs, concerns about large volume of cattle sell-offs, and requests for access to state-managed lands
- The Drought Disaster Livestock Water Supply Assistance Program is available through the Water Commission to cover 50% of the costs (up to \$4,500) of addressing water supply shortages, including drilling new water wells, new rural water connections, new pipeline extensions, and new taps
- More than 900 projects have been approved through the Water Commission's Drought Disaster Livestock Water Supply Assistance Program since April 9, 2021, totaling \$3.7 million
- An additional \$2 million was authorized at the June 8, 2021, Water Commission meeting
- Due to rising demand, the wait list for a water well driller often exceeds 6 months
- Assistance is needed to cover the gap until a new water well or other water source is secured

¹ United States Drought Monitor, accessed July 22, 2021

Proposal

After consultation with Legislators, ND Stockmen's Association, ND Department of Agriculture and Water Commission staff:

- Authorize \$2 million from Water Commission discretionary authority for a 50/50 cost-share for temporary water supply, equipment, and hauling
- Purpose of the program is to provide immediate water supply for livestock producers who are currently on a waiting list for a permanent water supply
- Funding is from Water Commission \$6 million discretionary bucket
- ND Department of Agriculture would administer the program and forward approved expenses to the Department of Water Resources for reimbursement
- Department of Water Resources staff would remit payment directly to producers approved by the Department of Agriculture
- Producers would cover the cost of water supply, necessary equipment, and hauling, and would submit invoices to the Department of Agriculture
- Individuals would be re-imbursed for 50% of eligible costs, up to \$4,500 per individual

Proposal Details²


- **WHO is eligible for this program?**
 - Livestock owners who have verifiable water losses from drought and must purchase water and/or transport water to livestock
 - Water losses verifiable through the following:
 - Photos
 - Written descriptions
 - Must own breeding livestock;
 - For the purposes of this program, breeding livestock is defined as; beef and dairy cows, bison, sheep, and goats
 - Must have a minimum of 25 animal unit equivalents. The Animal Unit Equivalents Guide is adopted from the *NRCS National Rangeland and Pasture Handbook*
 - The following will be considered "water"
 - Purchased from rural water system or municipality
 - Water from personal wells or on farm rural water is only eligible for transportation assistance
 - The following will be considered equipment for rental assistance
 - Storage tanks, transportation tanks, and other material to assist in transportation of water

² ND Department of Agriculture

- **WHAT is eligible for assistance?**
 - Transportation costs for water incurred between July 1, 2021, and October 31, 2021
 - Water must be used for the purposes of your own livestock operation
 - Eligibility details
 - Eligible for reimbursement of a portion of expenses based on loaded mile of purchased water delivered. Eligible mileage expenses include the following:
 - Personal mileage – rate will be set at \$2.00 per mile
 - Commercial mileage – rate will be based on total amount charged
 - Expense must be per mile basis for transportation
 - Reimbursement will be on percentage based
 - Receipts received for pick-up and trailer transportation will be prorated accordingly
 - Receipts for rental of equipment will be prorated based on averages of program
 - Receipts for water purchase will be prorated based on averages of program
 - If water receipt not available, please document where water was purchased and number of gallons.
 - Commercial rates higher than program average will be reduced to average or rejected
 - Receipts received at other than per mile will be calculated will be based on program average or rejected
 - Must have receipts for purchased water and or have transportation costs associated due to the loss of water supply
- Reimbursement requests must be submitted to the Department of Agriculture by December 1, 2021
- Completed application must include:
 - A signed IRS W-9 form
 - Third party verification of water loss form completed by Bank, County Extension Agent, or veterinarian
 - All receipts must be included
 - Producer must agree to terms on the application form

Therefore, I recommend the Water Commission approve \$2M from the discretionary purpose funding to cover the cost of emergency water supply. These funds will be used to cover eligible costs for the Department of Agriculture’s Emergency Livestock Water Supply Program.

MEMORANDUM

TO: Governor Doug Burgum
North Dakota Water Commission Members 
FROM: John Paczkowski, P.E., Interim Chief Engineer-Secretary
SUBJECT: Permanent Trust Lands Water Supply Program
DATE: July 28, 2021

Purpose and Need for Permanent Water Supply on Trust Lands

- As of July 20, 2021, 100% of North Dakota is in drought status, with over 56% of the State being classified as extreme or exceptional drought¹
- 2021 is the driest year on record for North Dakota
- Montana, South Dakota, and Minnesota are also experiencing drought, although to a lesser degree than North Dakota
- This has exacerbated the situation in North Dakota by leading to an extreme shortage of feed for livestock
- Due to lower water levels and extreme heat, harmful algal blooms like blue-green algae are negatively impacting water quality across the state
- During 4 drought roundtables across the state, and calls to the Governor's Office, most relate to concerns with access to water or poor water quality, followed by requests for access to CRP, concerns about hay scarcity and high cost, issues with federal programs, concerns about large volume of cattle sell-offs, and requests for access to state-managed lands
- NDCC 15-08-26 allows lessees of trust lands owned by the State of North Dakota acting by and through the Board of University and School Lands (NDDTL) and their managing agent the North Dakota Department of Trust Lands to place permanent improvements on trust lands with the written consent of the Commissioner of University and School Lands (Commissioner)
- Permanent improvements are deemed property of the State
- The Department currently cost shares up to \$11,100 for water wells, \$1,575 for rural water pasture taps and \$5,600 for water pipelines that originate from a water source on trust land
- A permanent water supply is needed to facilitate grazing during the current and future droughts and to mitigate water quality issues such as surface water algae blooms
- Assistance is needed to cover any costs exceeding maximum practice cost share amounts allowed by NDDTL with Commissioner approval for a permanent water supply

¹ United States Drought Monitor, accessed July 22, 2021

Proposal

After consultation with Legislators, ND Stockmen's Association, NDDTL and Water Commission staff:

- Authorize \$1 million from the Water Commission's General Water bucket for covering any costs exceeding the maximum practice cost share amounts for a permanent water supply on trust lands
- For the purposes of this program, "permanent water supply" means water wells, rural water pasture connections, taps, and water pipelines that originate from a water source on trust land.
- For the purposes of this program "non-permanent improvements" are temporary equipment such as water pumps, submersible pumps, solar panels, tanks, and other removable equipment
- The Department of Trust Lands will identify eligible projects based on need and lessee interest and issue a Permanent Improvement Permit for approved projects
- The Department of Trust Lands will continue to cost share up to the maximum practice cost share amount
- Remaining costs will be covered by the Water Commission under the program
- Permanent improvements will be deemed property of the State
- The Department of Water Resources may access and use any water wells for aquifer observation
- Lessees are responsible for non-permanent improvement costs and retain ownership of non-permanent improvements
- Upon expiration of the trust land Surface Land Lease, lessees have 120 days from lease expiration to sell the equipment to the next lessee or remove the improvement. Any non-permanent improvement not sold or removed within 120 days of lease expiration becomes the property of the next lessee.

Therefore, I recommend the Water Commission approve \$1M from the General Water purpose funding to cover the cost of developing a permanent water supply on state trust lands. These funds will be used to cover eligible cost in excess of the maximum amounts allowed under the Department of Trust Lands Program.