

Minnesota Approves \$19 Million Federal Funding Advance

Funding Comes on Heels of Last Year's \$22 Million Advance

During a special legislative session on June 12 and 13, the Legislature approved and Governor Mark Dayton signed a \$373 million bonding bill that included a \$19 million federal funding advance for Lewis & Clark! "This is fantastic news and another huge step forward for the project," said Director Scott Hain of Worthington who coordinated the legislative effort.

Last year the state approved a \$22 million advance that is being used to construct the line from the Iowa/Minnesota border to Luverne and then east to Magnolia where Rock County RWD and Lincoln Pipestone RWS (LPRWS) have a joint connection. Based on the latest estimates, L&C will be about \$2 million short of reaching Magnolia with that funding. The \$19 million, combined with L&C's \$9 million in FY15 federal funding, is estimated to be enough to finish the line to Magnolia and then construct 12 miles of pipe to LPRWS's connection three miles east of Adrian.

Other infrastructure to be constructed with the state and federal funding are a reservoir and booster pump station at different locations south of Luverne. Some of the state funding will also be used to get the line between Adrian and Worthington "shovel ready," which involves design and easement acquisition. The Governor and local legislators have expressed strong support for



Working the halls of the Capitol (left to right): Worthington Mayor Mike Kuhle, Director Scott Hain, Rep. Paul Torkelson, Chairman Red Arndt and Rep. Rod Hamilton

trying to secure a third and final advance during the 2016 session in order to construct the pipeline to Worthington. "A big thank you to Governor Dayton, Senators Bill Weber and LeRoy Stumpf and Representatives Rod Hamilton, Paul Torkelson and Joe Schomacker. They really went above and beyond for the folks in southwest Minnesota. We greatly appreciate their leadership and support," said Hain.

The Minnesota advances, as well as the combined \$8.7 million of advances provided by South Dakota, are zero interest loans that will be paid back proportionally to the states using future federal funding once all 20 members are connected and

Minnesota Approves \$19 Million Federal Funding Advance continued

the system is able to produce 45 million gallons a day of "non-firm capacity." Until the states have been repaid in full, the members have agreed to defer an estimated \$33 million in construction needed after all the members are connected in order to complete the system and make it more dependable and reliable.



Arndt and Hain meeting with Sen. Bill Weber (center)



Governor Mark Dayton

the additional funding needed to complete this critically important project." - Governor Dayton

"I applaud the hard

of communities

work and persistence

across southwestern Minnesota who have fought so diligently to secure this important funding, and I pledge my continued support

as we work to secure

Engineering and Easement Acquisition Progressing

Thanks to the federal funding advances provided by MN and SD, engineering and easement acquisition are progressing in those states. In MN, engineering and easement acquisition are underway on the 37 miles of pipeline between Luverne and Worthington. Almost all of the easements between Luverne and Magnolia have been acquired. The goal is to bid the contract for this segment in late fall. Magnolia is a connection point for both Rock County RWD and Lincoln Pipestone RWS (LPRWS). Appraisals are currently being done for the easements between Magnolia and LPRWS's connection three miles east of Adrian. The goal is to bid the contract for this segment in the spring. Appraisal work is expected to begin this fall for the easements between Adrian and Worthington. A portion of MN's latest advance will be used to get the line to Worthington "shovel ready in terms of easements and engineering," but additional funding is needed for construction.

In SD, engineering and appraisal work are currently underway on the two five mile segments of the Madison service line. These are the northern and southern most segments of the Madison service line that are part of the "wheeling plan" to deliver water to Madison via Minnehaha Community Water Corp and Big Sioux CWS. The goal is to bid the contract this winter. As has been noted, there will not be L&C water molecules being delivered to Madison. L&C's water will free up capacity elsewhere for those two water systems so they can make this wheeling plan work.

Congressional Delegation Working to Secure Additional FY16 Funding

In February the President released his FY16 Budget. It only proposes \$18.5 million for rural water construction, with \$2.774 million designated for L&C. To put this into perspective, the six authorized rural water projects have a combined remaining federal funding cost share of \$1.4 **billion.** In an effort to at least match last year's funding level of \$47.3 million, L&C's tristate congressional delegation is once again working hard to try to secure additional funding for the Bureau of Reclamation's Rural Water Program (RWP). Last year they successfully secured an additional \$31 million, of which the agency allocated \$6.6 million to L&C bringing the project's overall total for FY15 to \$9 million.

Thanks to the efforts of Representatives Kristi Noem, Steve King, Tim Walz and Collin Peterson, the full House on May 1 approved an additional \$28,750,000 for the RWP in the FY16 Budget. The Senate Appropriations Committee then approved another \$29,705,000 (the two numbers need to



Chairman Red Arndt and Madison Mayor Roy Lindsay meeting with Rep. Walz (center) during a March trip to Washington, D.C. Director Scott Wynja of Sheldon and Executive Director Troy Larson also made the trip.

be reconciled in conference) on May 21 thanks to the efforts of Senators John Thune, Amy Klobuchar, Al Franken, Chuck Grassley, Mike Rounds and Joni Ernst. Chairman Red Arndt remarked, "If included in the final FY16 Budget, the additional funding would be a huge improvement over the President's proposal. We greatly appreciate our elected leaders going to bat for us once again. Another example of why we say we would not be where we are today if not for the strong bi-partisan support and leadership of our tristate delegation. That being said, we are incredibly frustrated by the ridiculously low funding levels the administration keeps proposing. With such low starting points, it is all our delegation can to do keep our heads above water with the inflation." According to a 2014 Reclamation report, even if \$50 million a year is appropriated for construction and assuming four percent inflation the remaining federal cost share for the six authorized projects would increase by \$400 million (total of \$1.8 billion) by 2065.



Arndt and Rep. Peterson meeting in March

Meter Buildings Reach Final Completion



After wrapping up work on the punch lists, in late July D.W. Proehl of Sioux Falls reached final completion on the Rock Rapids/ Rock County RWD meter building (see photo left) and Hoogendoorn Construction of Canton reached final completion on the Beresford-South Lincoln RWS dairy meter building.

25th Annual Membership Meeting



L&C's 25th annual membership meeting was held in Tea on the evening of May 28th. It was widely agreed this was the most fun and enjoyable annual meeting ever held.



There was the normal business and updates on construction, funding and operations. However, the focus was a celebration of L&C's Silver Anniversary. Interviews were shown from a 1995 promotional

Left to right: Luverne council members Esther Spease Frakes and Caroline Thorson, Director Scott Hain, Construction Administrator Dan Zulkosky and Arndt.

video talking about the need for L&C. It was video evidence that Red once had bright red hair. A nostalgic slideshow to music of photos from the past 25 years was also shown.

A team trivia game of 25 L&C factoids was then played. Team "Lewis" included former Chairman Gary Hanson, former Executive Director Pam Bonrud, Director Murray Hulstein and Banner's Dave Odens. They bested Team "Clark," which included Chairman Red Arndt, Director Roger Lamp, former director John Buss and Reclamation's Ted Hall. Operations Manager Jim Auen was the game show host and there was even a score board. Good laughs.

Hanson, Bonrud, Odens and Buss then shared some entertaining stories from L&C's early days. Hanson told the remarkable story of being at a Senate hearing where an Assistant Secretary of the Interior was sitting in the

Odens Honored with Trailblazer Award

audience waiting to testify against L&C's authorization. Thanks to last minute intervention by then Majority Leader Tom Daschle, while the Assistant Secretary was still sitting in the audience a staffer came rushing in to replace her remarks with testimony in favor of L&C's authorization. Hanson said it was high drama and a defining moment for L&C.

On behalf of the L&C board and staff, Arndt then presented Odens with the welldeserved Lewis & Clark Trailblazer Award, which is L&C's highest honor. Recognizing

Odens for his 25 years of work on the project, Arndt said to him, "To say you have played an instrumental role in helping bring L&C to where it is today would be a vast understatement. Your finger prints are all over this project in so many ways. L&C is a "legacy of life" for generations

to come, and you and your family can always take great pride in knowing vou were the lead engineer to help make it happen. You've had a great career and we know you've worked on countless other important projects, but it is hard to imagine a project that will have a more lasting impact. L&C is certainly a feather in your hat." Arndt then presented Odens with a hat with a "L&C feather" in it. He then presented Odens with the actual Trailblazer Award.



Arndt presents Odens with a "Lewis & Clark feather" in his cap.



Odens with the Lewis & Clark Trailblazer Award.

Construction Reaches Half-Way Point for Pipeline to Luverne

Carstensen Contracting started work in February and they have reached the half-way point on the Minnesota – Segment 2 (MN-2) contract. MN-2 runs from the Iowa border north to Luverne and includes 5.6 miles of 14" PVC pipe and 12.7 miles of 24" steel pipe. The 14" pipe has been installed and pressure tested. Carstensen has installed three miles of the 24" steel pipe.

Various issues have popped up along the way that at times have caused delays. The main one being a problem with the coating adhesion at the pipe supplier's new plant in Mexico (U.S. steel but is

being manufactured in Mexico). It has been resolved but required five trips to the plant by Banner's corrosion consultants; the cost of which was covered by the pipe supplier. Even so, the contractor feels construction overall is going well and that they are still on schedule to meet the November substantial completion deadline.

> 14" pipe connecting to the Luverne treatment plant



First section of 24" steel pipe





Isolation valve vault



Section of 24" pipe being lowered into the trench



Weld inspection

Operations Update

As the twelve connected members, mainly Sioux Falls, have made adjustments to their infrastructure so they can utilize more L&C water, the System continues to hit new production records each month when compared to 2014. For January through July, L&C delivered an average of 12.7 million gallons a day (MGD). During that same seven month period in 2014 the average was 8.8 MGD, so a 44% increase. On July 24th L&C set a new peak day record of 21 million gallons.

The significantly increased demands have stretched thin the ten member operations team. "More operations staff will need to be added in FY16, but in the meantime we have switched to a "lone operator" approach for the evening and weekend shifts instead of having two operators. This gives us more scheduling flexibility. So far it has worked well and we anticipate continuing this approach long-term, which will reduce the overall number of water operators needed," said Operations Manager Jim Auen.



Directors Brad Preheim (left) and Red Arndt toasting a drink of Lewis & Clark water from the final effluent tap in the treatment plant's laboratory



The left side of this filter has been backwashed and the right side is being backwashed. With the increased demands each of the eight filters are being backwashed about every two weeks.

In the distribution system Layne Christensen performed the annual well testing this spring. This gives L&C staff an indication of how efficiently the systems are operating and identifies any changes that may be taking place with the pumps, motors or the well screen. "Very little has changed with the exception of one angle well. That well has dropped in specific capacity, which indicates a well screen plugging issue. Screen plugging is very common with wells that have high levels of iron and manganese like ours. We will schedule the rehabilitation/cleaning of this well in the winter when demands are lower," said Auen.

Cath

Photo courtesy of Dakota Aerials, Yankton, SD

Interagency Environmental Review Team Reviews Proposed Pipeline Routes

First Meetings Since 2011 Due to the Lack of Construction

Interagency Environmental Review Team (IERT) meetings were held on June 11 and 17 to tour the proposed pipeline routes for upcoming construction, as well as review the results of the biological and cultural resource surveys and what the engineers have planned. The IERT has not met since September 2011 due to the lack of construction activity. Members of the IERT include federal and state environmental officials and the purpose of these meetings is to ensure L&C follows all applicable environmental rules and regulations during construction. The meetings were led by Nell McPhillips from the Bureau of Reclamation's Bismarck office (orange jacket at right).

The meeting on the 11th included representatives from the MN Department of Health and MN Department of Natural Resources and focused on the proposed route between Luverne and Worthington, as well as a review of the construction underway south of Luverne. It rained most of the day. The meeting on the 17th covered the two segments of the Madison service line that are part of the "wheeling plan" and included attendees from US Fish & Wildlife Service, Army Corps of Engineers, SD Game, Fish & Parks and SD Department of Environment & Natural Resources. "In two spots – one in MN and one in SD – we readily agreed to move the pipe to the other side of the road for a short stretch to avoid wetlands. Otherwise, no issues or concerns were raised," said Executive Director Troy Larson.



MN IERT meeting



SD IERT meeting

Contract Awarded for Luverne and Magnolia Meter Buildings



A \$1,036,000 contract was awarded on May 28 to Robert L Carr Company of Marshall, MN for construction of meter buildings in Luverne and Magnolia. Magnolia is a joint connection point for Rock County RWD and Lincoln Pipestone RWS (LPRWS). LPRWS is covering \$179,205 of the amount for changes made to the Magnolia meter building to accommodate their second connection. "The low bid came very close to the engineer's estimate, which was good news, but more importantly was about \$200,000 less than originally budgeted for these meter buildings when the project was authorized in 2000," said Executive Director Troy Larson.

Robert L Carr started digging the foundation for the Luverne meter building on July 27 (see photo at left). The substantial completion deadline is December 2015, which is when Luverne is expected to begin receiving water. Construction of the Magnolia meter building is anticipated to begin in August. The substantial completion deadline for that building is August 2016.



46986 Monty Street Tea, SD 57064

Bureau of Reclamation's Ted Hall to Retire

Ted Hall from the Bureau of Reclamation's Pierre office is retiring on October 3, which also happens to be his birthday, after an over 35 year career with the agency. He has been involved with L&C since its incorporation 25 years ago when he reviewed the first needs assessment. Hall has been the point person for Reclamation since 1997, providing engineering and regulatory oversight. This has involved participating in countless meetings and conference calls, reviewing engineering plans and specs, writing many letters and reports, as well as responding to an endless number of e-mails and telephone calls. "Ted has always been a strong advocate for Lewis & Clark behind the scenes. He is incredibly committed to the project and making sure things are done right and that we don't take any shortcuts. When putting in those evening or weekend hours to get something done for us he refers to being "D or D" - that he is either dedicated or dumb. "There is no doubt his dedication has played an important role in bringing Lewis & Clark to where it is today," said Executive Director Troy Larson. Chairman Red Arndt added, "It has been an honor to work with Ted for all these years. Board meetings won't seem the same without him. Our deepest thanks and appreciation to him for all his hard work and our best wishes to him as he enjoys a well-deserved retirement. Hope he gets a fishing line wet as often as he can."

Among other things, Hall and his wife Sheryl are looking forward to spending more time with and spoiling their two grandchildren and another one due in September. He also hopes to do more volunteering, bicycling, fishing and



Thank you, Ted!

traveling. Hall remarked, "From the start as the Southeastern South Dakota Water Supply System to the Lewis & Clark Regional Water System, I have received great enjoyment working with a great group of dedicated individuals and organizations to bring an adequate supply of high quality water to the tristate area. I consider it a privilege and honor to have had the opportunity to work with the dedicated staff, consultants and directors associated with Lewis & Clark. I have no doubt that Lewis & Clark will eventually be completed. Keep lookin' up! And have a great day!"