



Reclamation Commissioner Tours Construction

Lewis & Clark (L&C) was very honored to host Bureau of Reclamation Commissioner Bob Johnson in Sioux Falls on May 2. This was the first time the head of Reclamation has visited the project. Reclamation's Don Moomaw (Assistant Regional Director in Billings) and Dennis Breitzman (Area Manager in Bismarck) joined Commissioner Johnson. A good crowd was in attendance for the hour long project update, including directors, staff from the SD congressional delegation, Sioux Falls Mayor Dave Munson and other officials from the State and membership.

Johnson greatly appreciates Reclamation's partnership with L&C, and said it is a top priority for them to complete the projects already authorized. However, in terms of funding he said "it will continue to be a struggle." He indicated he will continue to advocate for an overall increase in water program funding, but given the nation's fiscal constraints the best case scenario for Reclamation's budget may be that it remains flat. Johnson said L&C is a "high priority" project, but there are other high priority projects they have to balance. He indicated Reclamation's practice is to try to push projects along faster as they near completion.

Although funding probably won't be at the level that either Reclamation or L&C would like, Johnson said Reclamation is "committed to moving the project ahead" and they are "going to do everything they can."

Reclamation officials were then given a tour of the construction underway south of Lennox. Johnson was impressed and said the pictures do not do it justice. After the tour L&C hosted a dinner with them. L&C officials appreciated the generous amount of time the Commissioner spent with them and his keen interest in the project. Johnson said he really appreciated the warm welcome, and how helpful it was to see the project first hand and meet the people associated with it.



Reclamation Commissioner Johnson sizes up a section of 54" pipe.

\$20.9 Million Pipeline Contract Awarded

With Reclamation Commissioner Johnson looking on, the Board awarded a \$20,917,525 contract for 11 miles of 54" steel pipe on May 2 to SJ Louis of Waite Park, MN. This is the fifth pipeline contract awarded to SJ Louis. There are 22 miles of main trunk line that need to be constructed in Clay County between the northern county line (Highway 46) and Lewis & Clark's treatment plant near Vermillion. This distance originally was divided into three segments, but later was combined into two segments. The contract above is for Treated Water Pipeline - Segments 6 and 7A, which is the northern most 11 miles in Clay County along 467th Avenue. Construction is anticipated to begin in late summer. The deadline for substantial completion is November 1, 2008.

With this contract, 84% of the main trunk line between the Missouri River and Sioux Falls is either completed or under construction/contract. Depending on federal funding levels, the last 11 miles of the main trunk line will be awarded in either FY08 or FY09.

\$21 Million Approved for FY07 Federal Funding

The FY07 Budget, which Congress finalized in March, included \$21 million for Lewis & Clark (L&C). This is the amount the Administration originally proposed and is a \$3.5 million increase over last year's level. Although the House approved \$22 million and the Senate Appropriations Committee approved \$23.5 million, with the Continuing Resolution freezing agency spending at last year's level it was anticipated those gains would be erased and that L&C would slip back to last year's level of

\$17.5 million. Project organizers were very pleased that was not the case as a result of discretion given to the Bureau of Reclamation in prioritizing its funds.

"I'm pleased this year the Administration recognized the importance of funding Lewis & Clark at a higher level than last year."

-John Thune

Senator John Thune urged Department of Interior and Reclamation officials to increase funding for L&C in the FY07 Budget. "I'm pleased this year the Administration recognized the importance of funding Lewis & Clark at a higher level than last year," said Thune. Although the \$21 million is far short of the \$35 million needed each year to keep construction on schedule, the increase was welcome news and puts the project in a much better position for another increase in FY08.

Klobuchar and Walz Voice Strong Support

Minnesota's Senator Amy Klobuchar and Congressman Tim Walz met separately with Lewis & Clark (L&C) officials in Pipestone on February 21. It was the first opportunity for project officials to meet with the newly elected members of Congress. A good crowd of leaders from Worthington, Luverne, Lincoln-Pipestone RWS and Rock County RWS attended the meetings to explain the importance of the project and urge their support for increased funding.

Everyone in attendance was very pleased when Klobuchar and Walz voiced their strong and enthusiastic support for the project. Both were in Pipestone for a Farm Bill hearing. The expansion of value-added agriculture, including ethanol, has been stymied in southwest Minnesota by the lack of water. Tying in the importance of L&C to agriculture, Klobuchar remarked, "If we're going to add even more jobs to rural America with our new energy revolution - ethanol and biodiesel - we've got to have the water to do it." Klobuchar also talked about the importance of the tri-state congressional delegation working together as a team to overcome the funding challenges.

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-Amy Klobuchar

Walz emphatically said L&C is a top priority for him and that he looks forward to taking an active leadership role.

"When it comes to funding Lewis & Clark, it is important for the federal government to not be penny wise and pound foolish."

-Tim Walz

In discussing the Administration's proposed \$15 million for L&C in the FY08 Budget, Walz said, "When it comes to funding Lewis & Clark, it is important for the federal government to not be penny wise and pound foolish." If hypothetically L&C received \$15 million in federal funding each year, and assuming a conservative 4% inflation rate, graphs were provided to Klobuchar and Walz that show the project would not be completed until 2051 at a cost of \$768 million. This compares to completion in 2018 at a cost of \$524 million if the project receives annual federal funding of \$35 million. Walz commended the local members for pre-paying their share of the project (\$86.5 million) and will emphasize this point when urging his colleagues to support increased funding levels.



Congressional Support Grows and Intensifies

Chairman Red Arndt, Director Randy Feenstra, Executive Director Troy Larson and Lewis & Clark's (L&C) new lobbying team at The Bockorny Group had 18 meetings on Capitol Hill on April 23rd through the 25th. They met with Members and staffs from the tri-state delegation, staffs of the House and Senate leadership, and the staffs of various committees and subcommittees. They felt the trip was productive and that the level of project support continues to grow and intensify.

The main message of course was the need for increased funding. They stressed the impacts of inflation and the critical water needs being faced. In addition, they highlighted the \$86.5 million pre-payment this year by the members and the need for the federal government to now step up to the plate. Finally, they emphasized the project's momentum with construction progressing and the treatment plant contract being awarded this year. Looking to raise the level of intensity of support from the Iowans and Minnesotans, they emphasized that there are no competing projects in those states since Reclamation only operates in the 17 most western states (SD being the

eastern edge). They pointed out to the Iowans that construction is now underway between Sioux Center and Hull.

In addition to the tri-state delegation, they met with the Legislative Director for House Majority Leader Steny Hoyer, the Chief of Staff for Senator Byron Dorgan (Chairman of the Energy and Water Appropriations Subcommittee) and the Chief of Staff for Rep. David Hobson (Ranking Member of the Energy and Water Appropriations Subcommittee). They also met with the Senate and House majority staffs of the Energy and Water Appropriations Subcommittees, as well as the staff for Rep. Tom Latham of Iowa, who serves on the Appropriations Committee.

L&C officials were very pleased that Rep. Collin Peterson, the influential Chairman of the Agriculture Committee who represents a good portion of Lincoln-Pipestone RWS's territory, agreed to support project funding by joining Reps. Herseth Sandlin, Walz and King in sending a joint letter of support to appropriators. The six tri-state Senators are also sending

a joint letter of support. Now that he is in the majority party, Senator Harkin, who serves on the Appropriations Committee, voiced his willingness to intensify his efforts.

Each Member and office expressed their support for the project and desire to do whatever they could to help. However, they also downplayed expectations by reiterating the budgetary challenges. Despite those challenges, optimism was expressed of continuing to secure incremental funding increases. L&C expresses its sincere thanks and appreciation to its leaders on Capitol Hill for their continued support and leadership.



Larson, Arndt, Representative Herseth Sandlin and Feenstra



Senator Harkin



Senator Thune



Representative Walz

Water Plant Superintendent Hired; Agencies Reviewing Plans and Specs

Jim Auen joined Lewis & Clark (L&C) in mid-April as its Water Plant Superintendent. He is a Class IV operator and has been the Chief Plant Operator of Minnehaha Community Water Corp's (MCWC) treatment facility the last



Auen in front of a model of L&C's water treatment plant.

10 years. As part of his responsibilities, Jim was the on-site representative during construction of MCWC's new treatment plant in 2004. L&C will use

the same lime softening treatment process as MCWC. During the anticipated three-year plant construction period, Jim will be L&C's on-site representative. Once completed, he will manage the water treatment plant (WTP) and employees. "Jim brings a great deal of treatment plant construction and operation experience to the Lewis & Clark team. We're excited to have a person of Jim's caliber fill this important position," said Executive Director Troy Larson. Jim is a native of Sioux Falls and graduated from SDSU with a B.S. degree in Biological Sciences and minors in Chemistry and

Economics. He and his wife, Brenda, live in Sioux Falls but plan to move closer to Vermillion. Before starting his rural water career Jim worked six years as an

Emergency Room Admissions Clerk at Sioux Valley Hospital. Prior to that Jim served as an infantryman in the Army's 101st Airborne Division for two years. Jim enjoys hunting, fishing, traveling, antiques, history and trivia.

The WTP plans and specs are currently being reviewed by the Bureau of Reclamation and the SD Department of Environment and Natural Resources (DENR), and a request for proposal has been submitted to three suppliers for electricity at the WTP. In early April a team from Banner Associates and HDR Engineering provided a two-day overview of the plans and specs in Pierre for Reclamation and DENR officials. The review and approval process is anticipated to last until early June. The WTP contract is scheduled for bid opening in early September.

Rural Water Officials Meet With Senate Chairman

Lewis & Clark (L&C) Executive Director Troy Larson met on May 9 with Senator Byron Dorgan (D-ND), the new Chairman of the Energy and Water Appropriations Subcommittee. Larson was part of a group of 20 officials from five of the six Bureau of Reclamation water projects in SD, MT and ND. It was the first time project officials from the three states joined together in an effort to urge an overall increase in Reclamation's water program funding for FY08 and beyond. Larson and other officials outlined the great chasm between federal funding and the projects' construction capabilities. L&C's engineers estimate the project could award contracts valuing just over \$100 million in FY08. The combined capability for all six Reclamation projects to obligate funds in FY08 is estimated at \$273 million. Reclamation's entire rural water construction budget in FY07 is only \$67 million.

Project officials stressed federal funding in most cases is not even keeping pace with inflation. Larson told Dorgan, "The way the federal government is funding rural water projects is a disservice to taxpayers because they end up paying far more in the long run because of inflation, while critical water needs go unmet."

Officials also talked about the importance of completing these projects with respect to economic development and improved quality of life.



Dennis Davis of the SD Association of Rural Water Systems, Senator Dorgan and Larson

Dorgan said he wanted to be Chairman to help move rural water projects forward. He appreciated the significance of the projects joining together for the first time.

"The investment in rural water is not a luxury, it's a necessity."

-Byron Dorgan

Dorgan remarked, "Rural water represents a strong investment in our future that will produce significant dividends and returns. The investment in rural water is not a luxury, it's a necessity." Indicating that water projects "take the patience of Job," Dorgan said, "We need decent funding for the commitments we've made to these projects. It's frustrating to see how much the projects have in construction capabilities but so few funds." Project officials shared the same message with the staff of Senate Budget Committee Chairman Kent Conrad (D-ND).

Fourth Construction Season Gets Underway; Work Begins in Iowa

Lewis & Clark (L&C) began its fourth construction season in late April and it promises to be a very busy one. To date, 34 miles of primarily 54" pipe have been installed on the main trunk line between the Missouri River and Sioux Falls, with another 24 miles under construction or contract. The total of 58 miles represents 84% of the main trunk line. Another nine miles of pipe are under construction in Iowa and five wells have been drilled south of Vermillion, SD. Here is a look at the projects underway:

Iowa – Segment 1:

SJ Louis Construction began working April 30 on this nine mile segment of 16" and 10" PVC pipe between Sioux Center and Hull. This is the first construction in Iowa. The contractor is stripping the top soil and placing erosion controls. Pipe installation is expected to begin by early June. The deadline for substantial completion is this September. When this "emergency connection" is completed, L&C will purchase water from Sioux Center and re-sell it to Hull in order to meet critical water needs until the System is operational.

Treated Water Pipeline (TWP) – Segments 2 and 3:

Pipe installation was completed in late January. The joints are being grouted and High Country Pipeline is preparing to pressure test the line this spring. Top soil reclamation also needs to be completed. This seven mile segment of the main trunk line runs along 467th Avenue from south of Tea to south of Lennox.

TWP – Segment 4:

Pipe installation was completed in late December. SJ Louis completed a successful pressure test in late April of this six and half mile segment of 36" pipe northwest of Sioux Falls from 12th Street to Benson Road. Some work remains on the cathodic protection (anti-corrosion) systems. This segment of pipe will ultimately serve water to Sioux Falls and Madison.

TWP – Segment 5:

SJ Louis began work last fall on this 16 mile segment of the main trunk line along 467th Avenue from south of Lennox to the Clay County line. Two crews from SJ Louis resumed construction April 30 on the remaining 14 miles. Although soil conditions continue to be wetter than expected, good progress is being made. The deadline for substantial completion is this September.



"Holiday testing" the coating on a 54" section of pipe on TWP-2/3 last summer.



Workers on TWP-5 use blow torches to heat a "shrink wrap" that seals the joints.



54" pipe laid out along TWP-5.

New Lobbyist and Attorney Hired



The Bockorny Group's Ken Van Pool, Melissa Schulman, Michaela Sims and Dave Bockorny

Lewis & Clark (L&C) hired a new firm to lobby on its behalf in Washington, D.C. and a new firm to address its legal needs. As of March 1, L&C has been represented on Capitol Hill by The Bockorny Group (TBG). As of June 1, L&C's legal counsel will be Davenport, Evans, Hurwitz & Smith in Sioux Falls.

Dave Bockorny and Melissa Shulman are L&C's lead lobbyists, but three others (Michaela Sims, Ken Van Pool and Scott Shearer) also are working hard on the project. TBG has been working the halls of Capitol Hill for over 20 years. Dave lives in Sioux Falls and commutes to the main office in Washington, D.C. Chairman Red Arndt remarked, "We needed to ramp up our efforts in Washington. Our federal funding is too important to not do everything we can to get our message across. The Bockorny Group provides a strong and effective presence for us on Capitol Hill."

Completing what has been a natural evolution as the project's legal issues have become more local, L&C's lead attorney will now be Monte Walz with Davenport Evans, who has been L&C's primary contact at the firm. Through the years L&C has worked closely with a number of attorneys at Davenport Evans on issues such as easement acquisition. L&C will continue to utilize Jay Cook and the attorneys at Dorsey & Whitney in Minneapolis and Des Moines as needed.

The two attorneys have basically swapped their primary and backup roles. L&C extends to Jay its sincere thanks and appreciation for the hard work and passion he has brought to the project through the years. He will continue to play a helpful role. L&C looks forward to expanding its role with Monte and Davenport Evans as the project moves forward.



Monte Walz

Lewis & Clark Rural Water System

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