



Membership Impressed By Construction

Over 100 people toured the Lewis & Clark (L&C) construction on August 24. Two chartered buses drove everyone from L&C's office in Sioux Falls to the area near Lennox where High Country Pipeline was working on a portion of the 54" main transmission line. Attendees included a variety of officials from L&C's members. Special guests included Senator Tim Johnson, as well as staff from Senators Thune, Grassley, Harkin, and Congressmen Gutknecht and King.

With this water project over 16 years in the making, many of these officials have been hearing and reading about L&C for a long time, as well as paying for it, but had not yet seen the construction first hand. They were excited and impressed to see the work underway. "It's just so gratifying to see how far we've come with this project and see that it is going to be completed on time," said Sioux Falls Mayor Dave Munson referring to delivering treated water to Sioux Falls by 2012.

Jeanne Duchscher, Parker Finance Officer, said "To actually come out here and see what they are doing is important for people that are involved in this. We need to see that there is progress on such an important project."

"I think this is the most important public works project since the Interstate Highway System."

-Senator Tim Johnson

Leaders on the tour learned first hand the extensive work a project of this magnitude takes, as well as the sheer size of the 54" pipe. In his remarks to the group, Senator Johnson compared L&C to another construction project that changed the South Dakota landscape decades earlier. "We're pleased to see this concrete sign of progress going on. I think this is the most important public works project since the Interstate Highway System. It is going to have that much consequence to future growth and prosperity of this region."

It started to rain as the tour wrapped up. The short summer shower left the group wet but optimistic about even more water in the future. Upon returning to the L&C office, the group was treated to a "whopper feed" courtesy of Banner Associates.



Members watch 54" pipe being installed on Segment 2 of the treated water pipeline near Lennox.

Chairman's Report - Red Arndt

Senator Paul Wellstone is about to address a Senate subcommittee hearing. In the ornate Capitol hearing room are other Senators, a delegation from Lewis & Clark (L&C) at the table about to testify, and other people like me sitting in the gallery. It is the mid-1990s and our first hearing on project authorization. Wellstone said something like, "If we authorize this project and agree to fund it, what are the assurances that the states and local members will follow through with their part?" Before anyone at the table could respond, Senator Ben Nighthorse Campbell, a Native American and subcommittee member speaks. "Senator, I think history will tell you who has failed to follow through on agreements made with the United States Government, and it certainly isn't the other party."

Pam Bonrud, L&C's executive director at the time, and I talked with Wellstone twice more that day. The first time was in the hall outside the hearing, and later at a restaurant near the Capitol. The Senator signed on to our bill not long after that.



1994. Lewis & Clark officials meet with Senator Wellstone. Left to right: Don Hentges, Dave Odens, Lyle Trautman, Red Arndt, Pam Bonrud, Senator Wellstone, Randy Van Dyke, Gary Hanson, and Don Evers.

Over time, our memories begin to fade. We need to start recording these stories in our history before they are lost forever. This really came to light with the passing of Charlie Kuehl and failing to document any of his L&C memories. Charlie was with L&C from the very beginning and I am sure he would have had many good stories to share. The history of L&C will be lost if we do not make a conscience effort to preserve it.

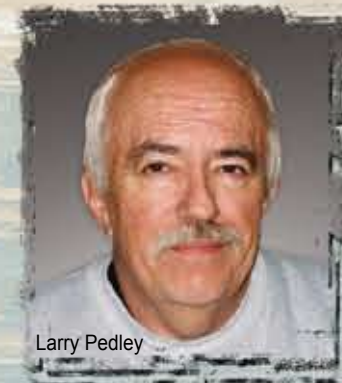
While we are extremely busy with the monumental task of constructing a project of this magnitude, I believe it is important that we take time to record the events along the way. Much in the

way Meriwether Lewis and William Clark, on their trek across the Louisiana Purchase, kept a journal. The first step in capturing the project's history is to interview people who played a role in the project's "authorization phase" (1989 to 2000). I will be brainstorming with the board and staff on how we can accomplish this. In the meantime, please contact the L&C office (605-336-8688) if you are willing to share your stories or if you have any suggestions on how we can capture and preserve L&C's history.

Larry Pedley Joins Board

Larry Pedley, a Sibley businessman and member of the City Council for over 20 years, was appointed to the Lewis & Clark (L&C) Board of Directors in September. He replaces Dan Zulkosky, who was hired as L&C's Construction Administrator. Larry has a passion and love for his hometown, which has driven his extensive community service and involvement in many boards and committees through the years.

Larry and his wife, Aileen, have owned and operated Max Theatre for the past 30 years. They have been married for close to 40 years and have three grown children. His interests include black powder shooting and pre-1840 rendezvous reenactments, kayaking, camping, railfanning and photography. Larry is also a bus driver for the Sibley-Ocheyedan School District.



Larry Pedley

L&C extends a warm welcome to Larry and looks forward to benefiting from the wealth of experience he brings to the table.

Frequently Asked Questions

○ When will Lewis & Clark be completed?

The answer ultimately depends on federal funding levels. Much has been made about 2012, but that is not the completion date of the overall project. Lewis & Clark (L&C) has committed to delivering treated water to Sioux Falls by that year. It is anticipated several other members south of Sioux Falls will also receive treated water by that time. This is made possible by 16 of L&C's 20 members committing to pre-pay their local share of the project -- \$86.5 million. In terms of overall project completion, 2016 was the original target. However, because L&C has not been receiving the \$35 million needed each year to keep construction on schedule, the project is currently two years behind schedule. If L&C were to start receiving \$35 million on an annual basis beginning in FY08, the completion date would be 2018.

○ How much will it cost to build?

L&C was originally planned to be a 23.5 million gallons per day (MGD) system, and is now being built at 45 MGD. The members who requested additional capacity are paying 100 percent of the incremental cost for the two expansions. Including the expansions, the overall price tag is estimated at \$483,852,000 (as of 9/30/05). Each year the Bureau of Reclamation adjusts the cost for inflation. Because of inflation, the project price tag has increased by \$55 million over just the last two years. This does not even include any inflation associated with the incremental cost of Sioux Falls' request last year to expand the system by 17 MGD.

○ How much do the federal, state, and local governments pay?

The original federal appropriation ceiling in 2000 was \$213,887,700. Adjusted for inflation, that number is now \$345,529,000 (as of 9/30/05). Including the incremental cost for the two expansions, the three states and twenty local members are responsible for approximately \$138,323,000, which is divided proportionally by the amount of water reserved by the members in each state. This is not the remaining amount due, but rather the estimated overall state and local share.

○ Who owns and governs Lewis & Clark?

L&C, a non-profit 501(c)4 organization, is owned by the 20 local members and governed by a board of directors. Each of L&C's members has an equal seat on the board. During the construction phase, the project has oversight from the Bureau of Reclamation and various state agencies.

○ When did the project begin?

The idea for a regional water supply system was discussed in 1989. In January 1990, the Southeastern South Dakota Water Supply System was incorporated. The first board meeting was held in April 1990. In June 1991, the name was changed to the Lewis and Clark Rural Water System. The project was authorized by Congress in July 2000.



Pipe along treated water pipeline Segment 2 with the Lennox water tower in the background.

Four Wells Nearing Completion; Another Hits Boulders

Traut Wells of Waite Park, MN, began working in mid-August on the five wells at Sites C and D -- three angle wells and two vertical wells. Four of the wells are proceeding on schedule. The two angle wells at Site C were drilled 25' deeper (60' longer) than originally designed due to the bedrock elevation being lower than anticipated. Although this added some cost, these wells now have a greater screen length, which should produce more capacity. Pump testing is underway.



Angle well being drilled at Mulberry Point south of Vermillion, with the 24" drill bit in the foreground.

The main challenge has been the vertical well at Site C. During the drilling, the contractor ran into a boulder field, which was not detected by the smaller diameter test hole. With the traditional drill method being used, the contractor was not able to break through the obstructions. As a result, a new test hole will be drilled nearby. With the construction restrictions after mid-November due to bald eagles nesting in the area, there will not be time to drill the well yet this year. The contractor will come back next August and use a different type of drill rig better suited for the geology.

Executive Director's Report - Troy Larson

Pre-payment by 16 of the 20 members will allow Lewis & Clark (L&C) to award the contract for the water treatment plant next summer, rather than in late 2009 as originally planned. Banner Associates and HDR Engineering have been working hard on developing the plans and specs, which should be ready for the Bureau of Reclamation's review this spring. A group of us toured Omaha's water treatment plant construction site in mid-October to review site organization, project communications, and observe the level of activity involved with the construction of a

plant this size. HDR is the lead engineer on the roughly half completed Omaha project.

The trip was very valuable in identifying needed site organization plans during construction for the physical arrangements and communications systems, as well as getting feedback

on what has worked well and what they would do differently. It also helped us better understand L&C's future staffing needs. We anticipate having three full-time L&C employees at the construction site, who will work at the plant when completed.

Seeing the construction operation of the Omaha plant was a real eye opener for me on just how massive the scope and magnitude of the construction of our plant will be -- not only physical size, but also operations and logistics. Although L&C's plant will be about half the capacity as Omaha's (45MGD vs. 100MGD), it will be comparable in length (1,000' vs. 870'). The size of many things will be smaller, but the same level of activity will occur. Until you see an operation like this first hand, a person cannot fully appreciate how mammoth an undertaking L&C's plant will be.



HDR's Dan Graber, L&C's Troy Larson, Banner's Dave Odens and L&C's Dan Zulkosky standing in the reservoir for Omaha's new treatment plant.

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Work Progresses on Main Trunk Line

With dry weather this fall, work has been progressing well on the close to 70-mile trunk line between the Missouri River and Sioux Falls. The vast majority of this main transmission line, which forms the “backbone” of the System from where all members eventually receive their water, is 54” pipe. Forty-seven miles of the trunk line have either been completed or are under construction (68%). The following is an update as of November 1 on the various segments.

Segments 2 and 3:

High Country Pipeline got a late start as they finished up another project. Pipe installation on this seven-mile segment of 54” pipe (50’ sections), which runs along 467th Avenue from south of Tea to south of Lennox, began in late July. The soil conditions are wetter than expected, so more rock is being used when needed in the trench to maintain the roundness of the pipe.

High Country has laid 27,450 feet of pipe on this over \$10 million contract, with 10,000 feet remaining (78% completed).

Segment 4:

Due to delays finishing up a project in Albuquerque, S.J. Louis Construction got a late start on this segment. Pipe construction began in mid-September. S.J. Louis has installed 16,000 feet of 36” pipe, with 18,700 feet remaining (46% completed). This six and a half mile segment located northwest of Sioux Falls runs from 12th Street north to Benson Road. The crossing of Skunk Creek along 467th Avenue provided some challenges, but otherwise work has been going very well on the roughly \$7 million contract.

Segment 5:

A second S.J. Louis crew is stripping topsoil from the project easement area. Delivery of the 54” pipe continues, with about 30,000 feet laid out. Underground construction on this roughly \$28 million project started in early October and work has been going very well. Five thousand feet of pipe have been placed, leaving 80,000 feet to go. This 16-mile segment, runs along 467th Avenue from 281st Street south of Lennox to the Clay County line (Highway 46).



Semis delivering pipe from Denver on Segments 2 & 3.



Skunk Creek crossing on Segment 4.



Pipe laid out near Lennox on Segment 5.

Congressional Leaders Press for Funding Increase

Congressional leaders have already contacted or will soon be contacting the Office of Management and Budget (OMB) director to urge the Administration to increase funding for Lewis & Clark (L&C) in the FY08 Budget.

In previous years, L&C's congressional leaders have written joint funding request letters. However, in an effort to ramp up funding levels, last year Senators Tim Johnson and John Thune, and Representatives Gil Gutknecht, Steve King, Stephanie Herseth and Mark Kennedy stepped up their support by personally calling the OMB director to urge increased funding for L&C. These calls, as well as follow-up letters from these and other congressional leaders, resulted in the Administration increasing its budget request for L&C from \$15 million in FY06 to \$21 million in FY07. While this was a greatly appreciated increase, it leaves the project far short of the \$35 million needed each year to keep construction on schedule.

During this past August recess, Senators Chuck Grassley and Norm Coleman eagerly agreed to join their colleagues by personally contacting the OMB director.

Grassley made his call in September, and according to his staff, "he made it clear that he wants an increase for FY08." The other congressional leaders will be making similar calls in November and December. These calls will again be followed up by joint funding request letters.

While looking ahead to FY08, work still remains for FY07. Congress adjourned prior to passing the budget, so the federal government is operating under a

Continuing Resolution, which continues the previous year's funding levels. Last year Congress approved \$17.5 million for L&C. It is hoped that Congress will return soon to pass the FY07 Budget. The House approved \$22 million for L&C and the Senate Appropriations Committee approved \$23.5 million. L&C's congressional leaders will work to try to hold the \$23.5 million level.



Senator Johnson addresses the membership during the August construction tour.

Lewis & Clark Rural Water System

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