



Explorer

Lewis & Clark
REGIONAL WATER SYSTEM

SPRING 2010

Tea Pump Station Contract Awarded

Eleven bids were opened on March 18 for the Tea Pump Station located two miles northwest of Tea, SD (see illustration below). Lewis & Clark officials were pleased that the low bid of \$10,173,800 from Eriksen Construction of Blair, NE, was significantly below the engineer's estimate of \$12,637,000! The base bid included five high service pumps. A bid alternate for \$523,800,

which was accepted and is included in the amount above, included three additional pumps. Accepting the bid alternate took advantage of lower than expected pump prices and ensures all the pumps will be from the same manufacturer. The eight pumps represent the full build out of the pump station needed when the System is completed. Banner Associates and

HDR Engineering both worked on the design. Excavation of the pump station began in early May. The pump station will be situated between two 7.5-million-gallon above-ground storage reservoirs, which already are under construction (also shown in the illustration below). September 2011 is the substantial completion deadline.

10 MGD of Well Capacity to be Added Last Major Infrastructure Needed to Deliver Water by 2012

Welfl Construction of Yankton, SD, submitted the low bid on April 15 for a well contract. Continuing a welcome trend, the low bid of \$5,788,900 was far below the engineer's estimate of \$6,863,761! This is the second well contract awarded to Welfl. The contract involves drilling and equipping five new wells along the banks of the Missouri River southwest of Vermillion, as well as equipping six previously drilled wells with pumps and motors. It also includes two pump houses, three vaults, four standby generators, piping, electrical work and roads.

The five new wells will provide Lewis & Clark (L&C) with an estimated 10 million gallons a day (MGD) of additional well capacity. Including the six previously drilled wells, L&C's overall well capacity will be approximately 28 MGD. L&C will begin delivering water to the first 10 members in 2012 when the treatment plant is completed. These members include: Sioux Falls, Tea, Harrisburg, Parker, Centerville, Beresford, Lennox, Minnehaha Community Water Corp, Lincoln County RWS and South Lincoln RWS. Additional wells will be added in the future as the remaining 10 members are connected. When the entire System is

completed, L&C will have approximately 19 wells with a combined capacity of just over 45 MGD. This capacity represents less than 3/10ths of 1% of the average daily flow of the Missouri River. L&C has the ability to expand to 60 MGD in the future if needed.

This contract is significant in that it is the last major infrastructure project needed in order to begin delivering water in 2012. Meter buildings still need to be constructed, but beyond that future construction contracts will involve providing service to the remaining members.



Larson Testifies Before Congress on the Economic Impact of Rural Water

In testimony before the House of Representatives on March 23, Executive Director Troy Larson called on Congress to recognize the critical importance of improving water resources in rural America. "To help ensure the sustainability of rural America and remain competitive in the industrial market, access to quality, reliable water is job number one," Larson said.



The House Agriculture Committee's Subcommittee on Rural Development invited Larson to speak at a hearing

about the important role rural water plays in economic development. "Water truly is the backbone of economic development," said Larson. "Talking about water may not be flashy, but it is the first factor considered when it comes to attracting new businesses or industries or expanding existing ones."

Larson explained that during this time of economic turmoil, "water truly is the oil that runs the engine of economic development." He gave examples of missed opportunities for economic development in its member communities. Cities and rural water systems have turned away ethanol plants and dairy operations, as well as expansion of existing industries, because they did not have the available water resources to support those operations. "The lost economic value to the farmers and regional economy is immeasurable," Larson said.

"Talking about water may not be flashy, but it is the first factor considered when it comes to attracting new businesses or industries or expanding existing ones."

-Troy Larson

He shared a recent impact of Lewis & Clark (L&C) in Hull, IA. L&C constructed an "emergency connection" to the town of just over 2,000 people, and because of this and the promise of future water, a cheese factory was able to open there. The factory currently employs 90 people and soon plans to expand to 130. It processes over 300,000 gallons of milk a day from area dairies. Larson stated, "The addition of this cheese factory has been like a direct injection of adrenaline" into the regional economy.

Giffin Hired as Maintenance Foreman

Todd Giffin started work on April 19 as Lewis & Clark's (L&C) Maintenance Foreman. L&C officials were pleased to welcome Todd to the team and appreciate the wealth of mechanical experience and treatment knowledge he brings to the project. For the past 20 years Todd has been employed by the City of Dakota City, NE, just west of Sioux City. He was in charge of the water operations the last 10 years for the City, which uses the same lime treatment process that L&C will use.

Todd has the SD equivalent of a Class III treatment license and will be working toward his Class IV.

As Maintenance Foreman, Todd will be responsible for ensuring all the equipment and infrastructure operates smoothly and is maintained in top condition. This includes the water treatment plant, wells, storage facilities and distribution lines. "We are excited to have Todd on board. His strong

Eventually, Todd will supervise a team of four maintenance mechanics and a controls specialist.



Todd is originally from Hawarden, IA. He lived in Homer, NE, many years before moving near Elk Point, SD, five years ago. He lives 25 minutes from the plant. Todd has been married for 30 years and has two grown children and three grandchildren. Rock collecting and chainsaw wood carving are his main hobbies. He also likes to fish and do some boating. In the past, he served as a volunteer firefighter and EMT. Welcome, Todd!

Water Plant Superintendent
Jim Auen.



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Lewis & Clark Presses for Increased Funding – No More “Stimulus Funding Offset”

On March 24 and 25, Chairman Red Arndt of Luverne, Mayor Andy Steensma of Luverne, Director Jim Hoye of Rock Rapids, Harold Schiebout of Sioux Center, Director Chad Comes of Madison and Executive Director Troy Larson met in Washington, D.C. with Lewis & Clark’s (L&C) tri-state Congressional delegation and Appropriations staff. They were joined by Dave Bockorny and Michaela Sims from L&C’s lobbying firm, The Bockorny Group.



Harkin, Hoye and Schiebout

The group met with Senators Tom Harkin, John Thune and Amy Klobuchar, as well as Representatives Steve King, Stephanie Herseth Sandlin and Tim Walz. They also met with the staffs of Senators Tim Johnson, Al Franken, Chuck Grassley and the Senate Energy & Water Appropriations Subcommittee. In addition to expressing their thanks and appreciation for the continued support, their main message was the importance of at least getting back to the \$27M L&C received in FY09, as compared to the \$10M received in FY10 as a result of the “stimulus funding offset.” The consistent feedback from the elected leaders and Appropriations staff was that they do not believe there will be another stimulus funding offset. Rather, the final number will depend on the overall budget. Despite the tight budget, some Congressional leaders expressed cautious optimism of getting a number “in the 20s.”

Walz remarked, “We need to make the case to fund Lewis & Clark fully and get it done. This is a smart project that will be an economic driver for the region.” Herseth Sandlin said she has spoken extensively about L&C funding with Congressman Pastor, Acting Chairman of the Energy & Water Appropriations Subcommittee.



Steensma, Walz and Arndt

“We need to make the case to fund Lewis & Clark fully and get it done. This is a smart project that will be an economic driver for the region.”

-Tim Walz

To make the case for increased funding, the group emphasized to the IA and MN delegation that:

- 1.) Beginning with the FY11 Budget, L&C will be entirely dependent upon Federal funding for construction, since L&C plans to exhaust all its State and local pre-payment funds in 2010,



Thune and Comes

“The longer it takes to complete the project, the more expensive it becomes due to inflation and the longer the economic benefits go unrealized, which is a disservice to the taxpayers and the members.”

-Red Arndt

- 2.) The majority of funding in the FY11 Budget and beyond will go toward connecting the IA and MN members, and
- 3.) If L&C hypothetically did not receive another dime of Federal funding, 10 of the 11 SD members would receive water, but none in IA and MN. For the SD delegation, they emphasized that continued funding is needed to connect Madison and for Sioux Falls to receive its full reserved capacity. In addition, the first 10 SD members receiving water will pay much higher water rates until all the members are connected.



Steensma, Klobuchar and Arndt

“The longer it takes to complete the project, the more expensive it becomes due to inflation and the longer the economic benefits go unrealized, which is a disservice to the taxpayers and the members,” remarked Chairman Red Arndt. The delegation expressed their continued support for the project and their willingness to do whatever they can to help.

South Dakota Makes Final Payment

At the request of Lewis & Clark (L&C) officials, three years ago Governor Mike Rounds pledged his support to work with the Legislature to pre-pay the State's remaining cost share by 2010. The goal was accomplished with the passage of the 2010 Omnibus Water Bill, which included the State's final payment of \$6.3M! These funds will be used to build lines to connect Beresford, Lennox, South Lincoln RWS and Minnehaha Community Water Corp sooner than originally scheduled.

SD's payments through the years totaled \$31.9M. The States of IA and MN previously pre-paid their share of the project. Combined, the three states paid

\$44.3M. In addition, 19 of the 20 local members have pre-paid their cost share – \$109M (99.5% of the local cost share). The Federal government has paid \$195.7M to date, with an outstanding balance of \$193.1M (50.3% paid), which is indexed each year for inflation.

Executive Director Troy Larson shared, "Everyone working on L&C extends their sincere thanks and appreciation to Governor Rounds for his strong support of the project through the years, including his leadership on the accelerated payment schedule of the State's remaining cost share. We also thank the State Legislature, SD Department of Environment & Natural

Resources and the SD Board of Water & Natural Resources. We would not be where we are today without their support."



Governor Rounds signs the Omnibus Water Bill. He is joined by Executive Director Troy Larson (left) and Director Dan Cotton of Beresford.

Construction Update

In addition to the construction of the water treatment plant, Tea pump station and wells, which are detailed elsewhere in this newsletter, there are four other projects underway. These include the Parker and Centerville service lines, Treated Water Pipeline – Segment 10, 85th Street water tower and the Tea reservoirs. "This will be by far our busiest construction season yet," remarked Chairman Red Arndt. "We should make some serious progress." Below is an update on these four projects.

Parker and Centerville Service Lines

Nitteberg Construction of Estelline, SD, completed the eight highway borings for these service lines last fall. Pipe installation will begin in June, with the contractor focusing first on the close to 14 miles of 10" PVC pipe for the Parker service line. The 6" pipe for Centerville's

five mile service line will follow. The substantial completion deadline for both lines is November 2010.

Treated Water Pipeline – Segment 10

Morgan Contracting of Albertville, MN, completed the two highway borings last fall. Pipe installation is expected to begin in July. This five mile segment of mainly 30" steel pipe southeast of Sioux Falls is the first section of the "Minnesota Transmission Line." The substantial completion deadline is November 2010.

85th Street Water Tower

Landmark Structures of Ft. Worth, TX, completed much of the foundation work last fall. The contractor resumed work in May on the foundation and anticipates beginning work on the structure itself in June. November 2011 is the substantial

completion deadline. This 3-million-gallon composite water tower is located along 85th Street in southern Sioux Falls. The tower will be owned and operated by Lewis & Clark, but partnering with Sioux Falls, which needed a 1.5-million-gallon tower in the same area, half the capacity will be for the City's use.

Tea Reservoirs

After excavating the 12 1/2 foot foundations, the 169' diameter holes for the two 7.5-million-gallon above-ground reservoirs were filled with compacted engineered fill to ground level. Both pads are now ready for the concrete foundations to be poured in June. (see photo below) NATGUN plans to start construction by mid-summer on the reservoir structures. October 2011 is the substantial completion deadline.



Favorable Weather Allows for Improved Progress on the Treatment Plant

Heavy rains last fall and higher than normal snowfall this past winter really put a damper on the pace of construction for Phase 1 and Phase 2 of the treatment plant. However, better than expected spring weather has helped Foley Construction and its subcontractors to accelerate the construction progress on both phases. Foley Construction, the general contractor, feels that the main treatment plant building (Phase 2) is on schedule and Phase 1, the underground reservoir and other infrastructure, is roughly one week behind, which is a big improvement from a few months ago. With recent change orders, the substantial completion deadline for Phase 1 is December 9, 2010 and March 21, 2012 for Phase 2.

Phase 1:

This project includes a 3-million-gallon underground reservoir, pump station, electrical switchgear building and standby generators. The roof has been completed over the maze of baffle walls in the clearwell portion of the reservoir (see aerial photo). Work is progressing on the pump station portion of the reservoir, including the installation of two backwash pumps, two low service pumps and two of the four high service pumps.



The top right photo shows two 1,250 h.p. motors being installed on the high service pumps. Backfilling operations continue around the reservoir. Two of the three standby generators have been installed (two megawatts each). Electrical work continues inside the switchgear building. A total of approximately 9,700 yards of structural concrete (roughly 1,215 trucks) has been poured.



Phase 2:

The concrete floor of the solids contact basin pipe gallery area has been completed. Work is underway on the individual concrete walls (see bottom photo) and bottom slabs of the four solids contact basins, as well as the exterior walls of the overall basin area.



This area represents roughly one-third of the total footprint for the treatment plant. Two other work areas have been opened up – the recarbonation basin and filters (see photo above). These new areas have allowed Foley to bring additional workers on site. Excavation and finish grading work is nearing completion on the three lime sludge lagoons. So far 8,104 yards of structural concrete (roughly 1,013 trucks) have been poured. Including both phases, there are approximately 75 workers currently on site, and that number will increase substantially as activity ramps up this summer.



Iowa Members Press Case for Increased Funding with Senator Grassley



Hulstein, Walstra, Grassley, Gene Metzger of Rock Rapids and Hoye

Officials from Lewis & Clark's (L&C) five Iowa members pressed the case for increased funding for the project at two meetings Senator Chuck Grassley held in northwestern Iowa on April 6. At the public meeting in Ocheyedan, five representatives from Sheldon and Sibley, including Sheldon Mayor Tricia Rider and Director Larry Pedley from Sibley, thanked Grassley for his past support and explained the importance of increased funding and why the FY11 Budget and beyond directly impacts when the IA members receive water. Grassley said he requested \$35M for L&C this year and will continue to do whatever he can to help.

Prior to the public meeting in Rock Rapids, Executive Director Troy Larson

had the opportunity to meet one-on-one with Grassley and his staff. He provided them with more detail regarding the construction schedule for connecting the IA members, which is entirely dependent upon Federal funding levels in FY11 and beyond. They also discussed last year's stimulus funding offset. Grassley agreed that last year's stimulus funding, which has been fully obligated, should not impact the project's appropriation in the FY11 Budget.

Eleven officials from Rock Rapids, Hull and Sioux Center attended the public meeting in Rock Rapids, including Sioux Center Mayor Dennis Walstra, Hull Mayor John Kooima and Directors Jim Hoye, Murray Hulstein and Randy Feenstra,

who are from Rock Rapids, Sioux Center and Hull respectively. Their comments to Grassley focused on the importance of L&C to the member communities from an economic development standpoint. Mayor Walstra shared, "Access to quality water is the most important tool in the economic development tool box."

"Access to quality water is the most important tool in the economic development tool box."

-Dennis Walstra

Tim Czmowski, General Manager of Green Meadows Foods, talked about the important role L&C water played in opening the cheese factory in Hull. The plant currently has 90 employees (after opening in 2008 with 60) and plans to expand within the next two years to 130. The plant processes 300,000 gallons of milk a day from area dairies. Of the 600 cheese plants in the U.S., Green Meadows is in the top 50 of cheese production and after the expansion will be in the top 20. Grassley said he appreciated hearing examples of L&C's economic impact and reiterated his strong support for the project.