



Explorer

Lewis & Clark
REGIONAL WATER SYSTEM

SPRING 2013

Rock Rapids to Begin Receiving Water in April

First 427 Feet of Pipe Installed in Minnesota



Isolation valve vault

Merryman Excavation is currently pressure testing and disinfecting Minnesota – Segment 1A, which is a six mile stretch of 30 inch PVC pipe on the Iowa side of the Iowa-Minnesota border. The contractor expects to have the work done by mid-April, at which time Rock Rapids will begin receiving Lewis & Clark (L&C) water for the community! Rock Rapids recently completed three miles of pipe to connect with L&C. The

substantial completion deadline on the project was November 2013, so Merryman did a great job getting the work done quickly. This earlier than expected completion allows Rock Rapids to utilize L&C water this summer, which is a great benefit to the community given the reduced water availability due to the on-going drought. L&C staff and engineers were impressed with the high quality of Merryman’s work. A number of

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Rock Rapids to Begin Receiving Water in April *continued*



Using a trench box to install 30" PVC pipe



First pipe being constructed in Minnesota!

landowners complimented Merryman on the good job they did restoring the top soil. They still have more soil restoration and clean up to do before reaching final completion.

Although not for use by the community, Rock Rapids also has a connection at the Grand Falls Casino that started off as an “emergency connection” in October 2011. This new second connection will benefit the community itself. Rock Rapids will also sell some of the water to the neighboring Lyon Sioux Rural Water System (LSRWS). Because of the delay with L&C constructing its meter building (see page 6), LSRWS has kindly given L&C permission to use their recently completed meter building a half mile away on a temporary basis to monitor the flow

meter and chlorine residual analyzer in order to verify the quality and quantity of the L&C water going to Rock Rapids. Long-term L&C will need its own meter building to house the pumps that will be required when a ground storage reservoir is built in Rock County in Minnesota.

Due to an oversight involving the length of fused pipe inserted through casings for railroad and highway crossings, Merryman included more 30 inch PVC pipe in its bid than was needed. L&C already paid for the pipe and installation so it had Merryman install the 427 feet of pipe heading north into Minnesota. This is part of the future Minnesota – Segment 2 project. Although it is not much, L&C can now say it has pipe installed in Minnesota!

Lewis & Clark Meeting Critical Water Needs During Drought

Treatment Plant Operating at Higher than Expected Capacity



Chemical feed

When the water treatment plant began operating on July 30 last year, it was anticipated the plant would operate five days a week and deliver an average of 4.4 million gallons a day (MGD) to the eleven connected members. With the severe drought, and in some cases the members simply deciding to utilize more Lewis & Clark (L&C) water than originally planned, the water demands have been much higher. After only operating the plant for a few weeks at five days a week, the operations schedule was expanded to seven days a week. The monthly delivery average for August was 8.3 MGD and this increased to 11.2 MGD for September with a peak day of 14.2 MGD on September 24. Sioux Falls Water Superintendent Greg Anderson said, “With the drought quickly depleting the water resources of the Big Sioux River this past summer, receiving Lewis & Clark water could not have come at a better time.”



Lime slaker

Lewis & Clark Meeting Critical Water Needs During Drought *continued*

Beginning in December the plant started operating six days a week as the winter water demands tapered off to an average of close to 5 MGD. However, as the drought persists and the members work out kinks in their distribution systems to maximize their use of L&C water, there is every expectation the water demands will be even higher this year and the plant will soon be back to operating seven days a week.

Not unexpected with a project of this large magnitude, during the first five months or so of operation there were countless operational challenges to get all the equipment, systems, processes and software to operate as designed. This included putting out many “fires” at the water treatment plant, wells, meter houses, pump station and storage reservoirs. “It was not an easy task, but the eight operations staff did an exceptional job putting in the extra time and effort to resolve these issues,” said Executive Director Troy Larson.

Putting out these fires and operating the plant seven days a week instead of five pushed scheduled maintenance activities to the back burner. Ignoring scheduled maintenance for too long can cause expensive and length repairs, as well as potentially void warranties. This necessitated implementing mandatory overtime in early January, which is expected to continue well into 2013. To meet the increased water demands, as well as tackle a quickly growing scheduled maintenance backlog, the operations staff was recently increased from eight to ten. More information on the new team members will be included in the summer newsletter. To help with the work load, Construction Administrator Dan Zulkosky out of the Tea office has also been handling distribution operation activities two days a week.

Operations Manager Jim Auen said, “Despite the many start-up challenges and late nights, I have been very pleased with the first eight months of operations and the high quality of water being produced. Lewis & Clark passed with flying colors its first Drinking Water Report issued by the State of South Dakota. We have stayed in close communication with the eleven members to ensure the incorporation of Lewis & Clark water into their distribution systems has been as smooth as possible.” The Drinking Water Report can be found under the Technical Information link on L&C’s website at www.lcrws.org.



Four 1,250 h.p. motors and pumps in the high-service pump station. There is room to add four more pumps in the future as demand warrants.



Pipe gallery for the solids contact basins

Treatment Plant Construction Nearing Final Completion

Even though Phase 2 (main water treatment plant building) reached substantial completion when the plant began delivering water on July 30, the work was far from complete. Many “punch list” items still need to be completed, including electrical work such as installing lighting and switches, as well as things like installing doors, cabinetry, security systems and painting. These items are needed, but do not impact the delivery of water. Foley Company and their subcontractors are steadily working to finish up and expect to have most of the punch list items completed by mid-April. Some exterior site related items cannot be completed until the weather cooperates.



Chain link perimeter fence

The plant started operating 63 days later than expected. An agreement was reached whereby Foley is installing 6,250 feet of perimeter fence around the treatment plant site at no cost and in turn Lewis & Clark (L&C) waived all claims to liquidated damages. This is mainly seven foot high chain link fence, but also includes an almost quarter-mile stretch of seven foot ornamental style fence on the west side of the plant that faces the highway, as well as a small amount of three foot high wire fence. The lack of federal funding forced L&C to postpone construction of the perimeter fence, so L&C officials were pleased the agreement met an important need. The estimated cost of the fence and installation is in the \$180,000 range.

“We appreciate the efforts of Foley and their subcontractors and thank them for their hard work these past four years. Our staff and engineers enjoyed a really good working relationship with them,” said Executive Director Troy Larson. Foley was the general contractor on both Phase 1 and Phase 2 of the treatment plant. Construction started on Phase 1, which included the three million gallon underground reservoir, high service pump station and electrical switch gear building, back in September 2008.

Senator Johnson Tours Treatment Plant

Lewis & Clark (L&C) officials were honored to host Senator Tim Johnson for a tour of the water treatment plant on October 22. He was not able to attend the ribbon cutting, so this was an opportunity for him to see the facility. Johnson was impressed and said it was rewarding for him to see the plant first hand after the many years he has championed the project. Executive Director Troy Larson thanked Johnson for his help bringing the project to where it is today.

To the media covering his tour, Johnson noted the importance of L&C and how it is a model in terms of solving common water problems in a more cost efficient way than each city and rural water system could do alone. Johnson also said it is good eleven members are receiving water but it is important the project be completed so all members receive water. Answering a reporter’s question about the prospect of future federal funding, Johnson said, “They (Lewis & Clark) need more money quickly, but without earmarks that is a hard goal.” However, he pledged to continue to do what he can to help and mentioned the Authorized Rural Water Projects Completion Act (S. 3385)

he is co-sponsoring. With the chaotic end to the 112th Congress, this bill ultimately did not pass but there are plans to re-introduce the bill in the 113th Congress. If approved the legislation would provide \$80 million a year in mandatory funding until the six remaining Bureau of Reclamation water projects are complete.



Senator Johnson touring the water treatment plant with Operations Manager Jim Auen

Tri-State Delegation Makes Final Push for FY14 Funding

Johnson & Franken Urge Secretary Nominee to Make Finishing the Project a Higher Priority

Much to the dismay of Lewis & Clark's (L&C) members, Congress in November extended for another two years the terribly misguided earmark ban that includes authorized projects. There had been strong support voiced for excluding authorized projects from the ban, including from prominent earmark opponent Senator McCain and the entire tri-state congressional delegation. The extension caused Chairman Red Arndt to deplore "Congress just went from dumb to dumber." As a result, L&C's annual funding will again be determined by the Administration's budget, which the last three years has not included enough to even cover inflation. Release of the FY14 Budget has been delayed and is now expected sometime in April. During the delay, the tri-state congressional delegation has been making a final push for increased funding.

In February a joint letter from the six tri-state Senators and a joint letter from the four tri-state Representatives were sent to the Office of Management & Budget (OMB) to express concerns with recent funding levels and urge that L&C be recognized as a priority in the FY14 Budget. Senators Thune, Johnson and Klobuchar also made telephone calls to BoR Commissioner Mike Connor to urge that he request the highest possible funding for the Rural Water Program, which Connor acknowledged in congressional testimony last year received the largest percentage cut in the agency's budget.

At pre-confirmation hearing meetings in their respective offices in early March, Senators Johnson and Franken explained to Secretary of the Interior Nominee Sally Jewell the critical importance of finishing L&C and how the federal government needs to honor its commitment to the project. They outlined to her the quality of life and economic impacts of the project to the tri-state region, as well as how the members and states have pre-paid 100 percent of the non-federal cost share.

During Jewell's confirmation hearing on March 7, Johnson and Franken both used their first question to ask her about L&C funding and what she is planning to do to make the critically needed tri-state water project a higher priority than it has been. Jewell responded that she has heard about L&C from a number of their colleagues and that she understands and appreciates how important rural water projects are, saying "drinking water is a life or death issue

that needs to be a high priority." Franken noted that Secretary Salazar also indicated L&C was a high priority and asked what she is planning to do differently. She said she would review what has been done in the past and then looks forward to working with appropriators and the OMB to see what more can be done in terms of funding. Jewell is expected to be confirmed as Secretary by the Senate in April.

"As our congressional leaders continue pressing for funding so we can continue construction, we hope starting with the FY14 Budget the Administration will wake up and use some common sense" - Chairman Arndt

Arndt commented, "There is no way Lewis & Clark would be where it is today if it weren't for the strong bi-partisan support and leadership through the years from the tri-state congressional delegation. We greatly appreciate their continued efforts. Unfortunately, nobody seems to be listening to them. As our congressional leaders press for funding so we can continue construction, we hope starting with the FY14 Budget the Administration will wake up and use some common sense. Congressional leaders also need to wake up and change the earmark ban so it doesn't include authorized projects."



Senator Al Franken



Senator Tim Johnson



Sally Jewell



Chairman's Report – Red Arndt

Construction Halted – No New Contracts to be Awarded in 2013

“This is a perfect time to get a lot of construction done at a good price, but instead of backhoes roaring we’ll be hearing the sound of crickets chirping.”

With the backhoe’s engine revved up, the final sections of pipe for Minnesota – Segment 1A (MN-1A) were installed on March 5, marking the end of pipe installation for this contract. The sound of silence that followed may regrettably continue for quite some time. Much to the increasing anger of the members, the lack of federal funding is expected to prevent Lewis & Clark (L&C) from awarding any new construction contracts in 2013. Contractors are hungry for work as the economy continues to recover. This is a perfect time to get a lot of construction done at a good price, but instead of backhoes roaring we’ll be hearing the sound of crickets chirping.

Despite being halfway through the budget year, we still do not know how much funding L&C will receive for FY13. The project received \$5.5 million for FY12 and the President proposed \$4.5 million for FY13. With the annual inflation increase on the remaining federal cost share at roughly \$8 million, L&C is currently on a path to infinity. As of 2012, the remaining federal cost share was \$200.6 million and that number will increase in 2013. By comparison in 2011 the remaining federal cost share was \$194.3 million and in 2010 it was \$188.6 million. These numbers show how the project will never be completed based on recent federal funding levels, not to mention being a terrible disservice to the taxpayers, as well as the three states and 20 local members who pre-paid 100 percent of their non-federal cost share – a combined \$154 million.

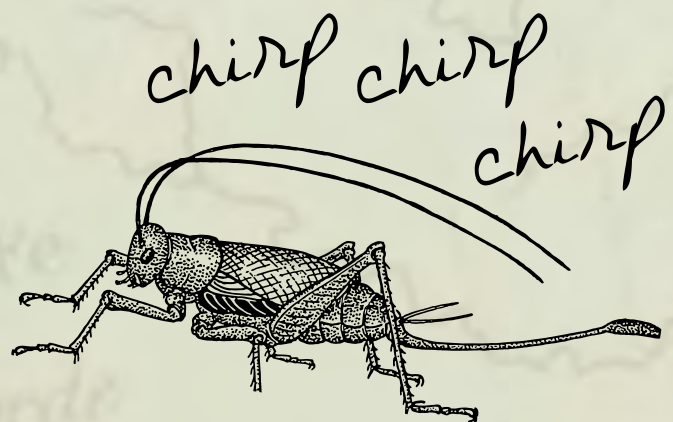
As part of the Continuing Resolution, L&C received \$2.1 million of its proposed FY13 funding in December, which was used toward construction of MN-1A. L&C also spent \$1.4 million in 2012 making repairs to the bank stabilization that protects our primary well field and we are awaiting reimbursement by FEMA. The one mile of bank stabilization was severely damaged, and in some areas completely destroyed, during the record Missouri River flooding in 2011. FEMA approved \$413,770 in repair work

but because of technicalities unexpectedly rejected another \$1,012,982 in repairs.

The State of South Dakota filed an appeal on L&C’s behalf, which included a joint letter of support from the tri-state congressional delegation. A decision on the appeal was supposed to be handed down in mid-March, but because of a backlog of claims due in part to Superstorm Sandy there likely will be a lengthy delay. We anticipated at least awarding a small contract for the Rock Rapids meter house this spring, but the FEMA delay forced us to pull the plug. Fortunately, this will not impact the ability of Rock Rapids to receive water from L&C (see page 1).

“As of 2012, the remaining federal cost share was \$200.6 million and that number will increase in 2013. By comparison in 2011 the remaining federal cost share was \$194.3 million and in 2010 it was \$188.6 million.”

Bottom line is that unless we get increased federal funding we are dead in the water. We hear stories about wasteful government spending almost every day. Don’t tell me the U.S. can’t afford something as essential as drinking water that will not only improve people’s quality of life but expand economic development. That is ridiculous! This project is a no brainer. As Congressman Walz once exclaimed, “Lewis & Clark meets every single criteria on the checklist. Why is this so damn hard?!” That is a very good question with no good answer. All I know is that we need our congressional leaders to make finding a solution a top priority.



Delay in Receiving Water Costing Members Dearly

After starting construction in earnest in 2004, Lewis & Clark (L&C) has awarded \$294.2 million worth of contracts over the last nine years. Total expenditures on the project, which include engineering, legal, administration and easement acquisition, have reached \$362.5 million as of the end of last year. L&C is 65 percent complete. The remaining construction schedule is entirely dependent upon federal funding, so project officials have no idea when the remaining nine members will receive water.

The on-going delay and uncertainty when they will receive water have forced the members to spend a combined \$9.3 million on a variety of short-term fixes to address their water needs. These expenditures were not planned and are on top of what they already have paid for their share of L&C. The total will continue to grow. Hull was compelled to enter into an agreement with nearby Lyon Sioux Rural Water System to construct a connection this summer that will cost the City an estimated \$1.5 million. It will buy the City some time but does not address Hull's long-term water needs, so they still need L&C water. Sheldon is also in the process of buying time by digging another deep well this summer at an estimated cost of \$350,000. This is a well that will not be needed when L&C water arrives.

In addition to these added costs, the members are losing out on a variety of economic development opportunities, which only adds salt to the wound. "The JBS pork processing plant in Worthington is one of the largest in the nation. They have wanted to expand their operation for more than a decade, but cannot because we simply do not have the extra water they need," said Worthington Utilities Manager and L&C Director Scott Hain. Other members have turned away dairies and ethanol plants because of the lack of water, not to mention the untold number of businesses and industries that have not bothered to inquire because of the lack of water.



Lamp and Larson Receive Honors

At the South Dakota Association of Rural Water Systems' annual conference in Pierre in January, Director Roger Lamp from the Lincoln County Rural Water System (LCRWS) received the Spirit of Rural Water Award. Roger is the long-time chairman of LCRWS and has been involved with that system for 25 years. He has been on the Lewis & Clark (L&C) board since 1992 and serves on the Executive Committee (Treasurer), Construction-Operations Committee and Budget Committee. "This is a very well deserved honor for Roger's dedicated work through the years on behalf of both water systems," said Chairman Red Arndt.

Executive Director Troy Larson was honored at the conference with the Rural Water Manager of the Year Award. Larson has been with L&C for ten years. "Troy

has played an integral role in all aspects of the project and has done a great job keeping everyone headed in the right direction, which is no easy task. It was a pleasure for me to nominate him for this well deserved award," said Arndt.



Roger Lamp and Troy Larson

Lewis & Clark Receives Engineering Awards

Lewis & Clark (L&C) received the top honor at the American Council of Engineering Companies (ACEC) of South Dakota's annual banquet on November 3. The "Grand Award" honors the outstanding work by the engineers at Banner Associates and HDR Engineering. L&C will now compete against projects from throughout the nation at ACEC's 2013 Engineering Excellence Awards in Washington, DC on April 23. L&C also received the top engineering award at the American Society of Civil Engineers of South Dakota's annual banquet on February 23.

Executive Director Troy Larson remarked, "Engineering is not just design work. It involves a lot of problem solving and 'calling audibles' during construction, especially with a project of the magnitude and complexity like Lewis & Clark. We have been very blessed to work with so many highly skilled, knowledgeable and helpful engineers at Banner and HDR. These awards are well deserved recognition for their exceptional engineering efforts to turn the dream of Lewis & Clark into a reality."



ACEC Banquet – Left to right: Banner's Daryl Englund and Tim Conner, L&C's Troy Larson, Banner's Dave Odens and HDR's Dan Graber