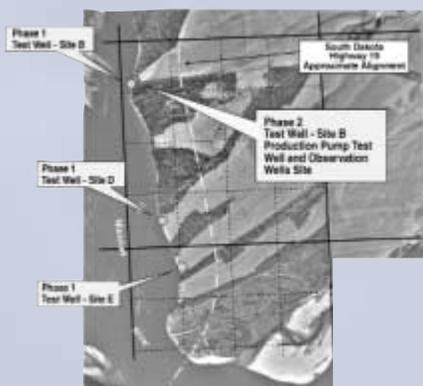


EXPLORER

VOL.2 SUMMER 2002

MULBERRY POINT WELL SITES INVESTIGATION CONTINUES

Lewis and Clark will continue its investigation of the hydrogeologic conditions of Mulberry Point during this summer and fall. Information gathered during these investigations will help the project with its final design criteria for the location of its wells, the number of wells, and what type of well will be constructed at each site.



During August, Lewis and Clark will be taking additional soil samples from sites along Mulberry Point that were not tested during our initial screenings last summer. The soil analysis will tell us what type of formation is available for well development. This information will also be used to determine what type of well should be constructed to best utilize the capacity available at each site.

Continued on page 3

LEWIS & CLARK RURAL WATER SYSTEM ANNUAL MEETING UPDATE

During the evening of May 25, 2002, over 90 Lewis and Clark RWS supporters gathered together for the twelfth annual membership meeting. This was the most attended annual meeting for the project.

The evening opened with Chairman Kuehl thanking everyone for attending. Executive Director Pam Bonrud recognized special guests who were present. Dave Halse, from Wells Heard and Halse gave a review of the project's annual audit. Following the audit review, Chairman Kuehl gave his report recapping the past year's accomplishments.

Some of the highlights noted by Chairman Kuehl included the introduction of two new staff members for Lewis and Clark – Lori Seten, our new Office Manager, and Terry Pellman our new Land Acquisition Specialist. Chairman Kuehl also outlined changes to the system's capacity and membership since authorization. Specifically, Lewis and Clark's peak capacity has increased from 23.5 million gallons per day (MGD) to 27.2 MGD. This is a result of existing members requesting additional capacity and the addition of a new member - Rock Rapids, IA. He also talked about the Value Engineering (VE) review of our Final Engineering Report. As a result of the VE, the board accepted a number of their suggested design

changes related to the well system design that resulted in approximately \$9.8 million savings to the project. Chairman Kuehl also discussed the project's progress relating to completion of the Final Engineering Report and Environmental Assessment.

Special messages from a number of the tri-state's congressional delegations were read to the membership. Messages were received from Senator Tom Daschle (SD), Senator Tim Johnson (SD), Senator Charles Grassley (IA), Representative John Thune (SD) and Representative Mark Kennedy (MN).

Lewis and Clark also recognized Bill Dempsey for his years of service to the organization. Bill served in the capacity of Project Coordinator until February of this year. He has a long history of service to rural water development in South Dakota and nationwide. A flag was flown over the U.S. Capitol in honor of Bill's accomplishments that day through a request from Senator Daschle's office. Each member of the SD congressional delegation sent a letter of recognition to Bill for his involvement in SD water development. The project board and staff gave him a Jon Crane print to thank him for all that he has done on their behalf.



ROCK RAPIDS, IOWA JOINS LEWIS & CLARK RURAL WATER SYSTEM

Rock Rapids is located in extreme northwest Iowa, at the junction of Iowa Highway 9 and U.S. Highway 75—32 miles southeast of Sioux Falls S.D. Our 2600 residents enjoy the benefits of small town living and within easy driving distance the availability of all that a large city can provide.

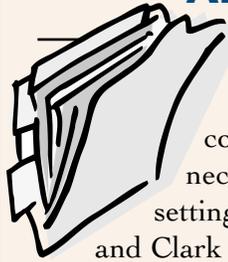


Jim Hoyer
Director-Rock Rapids
Municipal Utilities

Rock Rapids Utilities has decided to become part of the Lewis Clark Project for a couple of important reasons. Water availability in the nearby area can become scarce at certain times. RRMU plans to use the water from this project to supplement those demands. Economic development in the future will depend on the basic utilities being in place. Being part of this project will provide for us the water we will need to grow.

Rock Rapids:
**“Building Today
for Tomorrow”**

PROJECT UPDATE: FINAL ENGINEERING REPORT, ENVIRONMENTAL ASSESSMENT AND BIOLOGICAL ASSESSMENT



All is well in completing the necessary reports in setting the stage for Lewis and Clark to move into the realm of project construction. The Final Engineering Report (FER) has been completed and was delivered to Congress in early June. As required by the project's federal authorization, the FER will lay before Congress for 90 days before construction can begin. This 90-day look back period is an opportunity for the authorizing committees to look over the engineering plans for LCRWS and determine if those plans hold true to the original project concept as it was presented to Congress. The 90-day clock will end on September 8, 2002.

A second clock that is running concurrently with the FER timeline is the public comment period for the draft Environmental Assessment (EA). The EA was formally released in mid-June to the public and affected state, tribal and federal agencies for their review and comment. The EA is a review of possible impacts to the environment that may occur while the project is under construction, if the project is not constructed or long-term impacts after construction is completed. Discussion points include potential impacts to land use, vegetation, and animal-life in the affected project construction areas. It describes what actions LCRWS will undertake to mitigate for possible environmental impacts or how particular situations will be handled during construction, i.e., the unexpected discovery of archeological artifacts.

As the lead federal agency, the Bureau of Reclamation (BoR) is in

charge of receiving and reviewing any public comments regarding the EA. It is the BoR that will make the final determination as to whether the project will receive a FONSI (Finding of Non-Significant Impact) or not. If the BoR determines that the project's construction will not result in any significant, long-term impacts to the environment, a FONSI will be issued and project construction can begin. However, if the BoR believes that significant environmental issues have been raised during the public comment period that were not adequately addressed by the EA, the BoR can require that LCRWS conduct an Environmental Impact Statement (EIS). If an EIS is required, project construction can be held up for another two to three years. The EA public comment period ends on July 18th, with an expected ruling from the BoR to come in August.

The Biological Assessment report has been completed and accepted by the BoR and U.S. Fish and Wildlife Service. As a result, a formal consultation will not need to occur between the USFWS, BoR and project sponsors. Because the Biological Assessment was accepted by the USFWS, one more hurdle has been cleared in readying the project for construction.

LCRWS has begun the process of looking for a groundbreaking date in September 2002. The project is hopeful that the BoR will issue a FONSI in August, clearing the final hurdle for LCRWS to use its federal funding for project construction. If all goes well, you can look forward to joining LCRWS in celebrating its September groundbreaking.

CLAY COUNTY OPEN HOUSE IS A SUCCESS

Approximately 30-35 landowners in the Clay County area attended an Open House event hosted by the Lewis and Clark Rural Water System (LCRWS). The Open House was held in the Vermillion Middle School gym during the evening of May 14th. It lasted from 7:00 – 9:00 pm.

“We were very pleased with the turnout of landowners who were interested in finding out more about LCRWS and our plans for getting the project built”, said Pam Bonrud, Executive Director for the project. “Because this event went so well, we will hold more meetings in the future to continue keeping area residents updated.”

The project’s engineers put together a number of wall charts that demonstrated the project’s plans for the next few years. Included in the charts were a two-mile corridor map of the proposed pipeline route and a timeline for project construction. Also available were handouts that described the project’s purpose, need, membership, and background. Landowners were encouraged to fill out comment cards and sign-up to receive periodic updates from the project.

LCRWS expects to host a project groundbreaking during September of 2002. Another 10-12 years will be needed to complete the project.



Terry Pellman and Pam Bonrud visiting with a landowner.



Tim Conner, Banner Associates, visits with an interested landowner.



Very interested landowners examining the 2-mile corridor map through Clay County.

MULBERRY POINT WELL SITES INVESTIGATION CONTINUES

(Continued)

In addition to taking soil samples, a series of monitoring wells will be put in place this summer. These wells will be used to gather information about aquifer levels before Lewis and Clark puts its production wells to use. Lewis and Clark will begin taking quarterly samples from the monitoring wells to give the project a better idea of how the aquifer interacts with the seasons and river flows. The monitoring wells will continue to be used as production wells are put in use so that the project can determine what, if any, effect it may have to the aquifer.

As a result of the Value Engineering Study conducted earlier this year, one suggestion was for Lewis and Clark to consider the use of angled vertical wells. Because we need to know if this type of well construction will work for the project, it was decided to construct a 24-inch test production angled vertical well this fall. The test production well will be pumped over a 72-hour time period and a series of water samples will be taken. This is done to give the project a better idea of how much capacity it can expect to get from this kind of well construction and what type of water quality that site will provide. Once the test pump has concluded, we expect to leave the test well in place and develop it into an actual production well for the project at a later date.

Lewis & Clark Rural Water System

401 East 8th Street
Suite 306
Sioux Falls, SD 57103
605.336.8688

*** Please Recycle This Newsletter!
Pass it on to a Colleague.**

LCRWS Welcomes Two New Directors

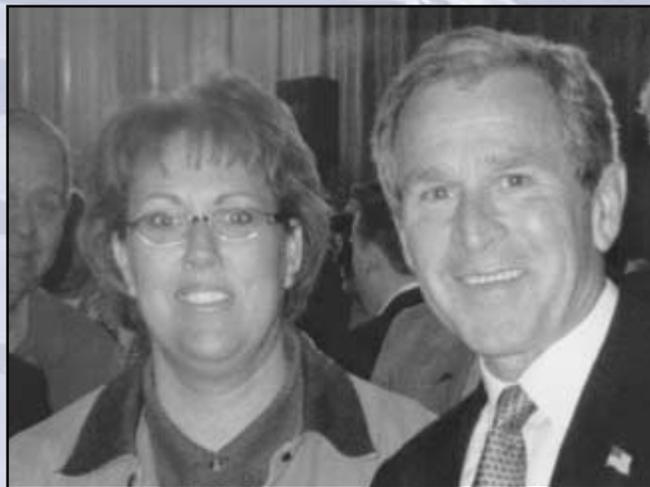
Meet Eric Dooyema and Scott Wynja, new board members from Rural Water No. 1 and Sheldon, IA



Eric Dooyema
Director-Rural Water #1



Scott Wynja
Director-City of Sheldon



Pam Bonrud, Executive Director,
Lewis and Clark Rural Water System and
President George W. Bush

Meeting The President

Pam meets President Bush during his South Dakota ethanol plant visit in April, 2002.