

Presentation On Behalf of  
Southwest Water Authority  
and the Southwest Pipeline Project  
to the  
Water Topics Overview Committee  
Dickinson, ND  
November 18, 2013  
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I. History of Project

- A. West River Diversion-1971-1973
- B. West River Joint Board-1979-1980
- C. Southwest Area Water Supply Study-1978
- D. Creation of Resources Trust Fund-1981
- E. Authorization of Southwest Pipeline Project-1981
- F. Change from wholesale to wholesale/retail
  - 1. Project Integration-1989
- G. Creation of Southwest Water Authority-1991

# Southwest Pipeline Project Information

## II. Service

### A. Cities:

1. Beach
2. Belfield
3. Carson
4. Center
5. Dickinson
6. Dodge
7. Dunn Center
8. Elgin
9. Gladstone
10. Glen Ullin
11. Golden Valley
12. Golva
13. Halliday
14. Hazen
15. Hebron
16. Hettinger
17. Manning
18. Medora
19. Mott
20. New England
21. New Hradec
22. New Leipzig
23. Reeder
24. Regent
25. Richardton
26. Scranton
27. Sentinel Butte
28. South Heart
29. Stanton
30. Taylor
31. Zap

# Southwest Pipeline Project Information

## B. Bulk Contracts

1. Raw Water Customers-23 Total
  - a) Dodge Water Depot
  - b) SWA Water Depot
  - c) Red Trail Energy (Ethanol Plant)
  - d) Pasture Taps Customers
  
2. Other Contract Customers
  - a) 26 Contracts
    - (1) Crew Camps
      - (a) Target Logistics
      - (b) Northern Improvement
      - (c) Aries Land, LLC.
  - b) Two Rural Water Systems
    - (1) Perkins County Rural Water System
    - (2) Missouri West Water System

## C. Rural Customers- 5,234 as of November 12, 2013

1. 4,259.77 miles of pipeline

## D. Water Use

1. 2010-1.6 Billion Gallons (1,600,642,180)
2. 2011-1.7 Billion Gallons (1,775,558,700)
3. 2012-2.3 Billion Gallons (2,373,063,380)
4. 2013-Annualized at 2.1 Billion Gallons (2,140,138,293)
5. 2014-Projected at 2.5 Billion Gallons (2,595,950,000)

## Southwest Pipeline Project Information

### III. Costs and Funding

#### A. Total Construction Funding Through September 30, 2013

1. Cost-\$229,850,000 Million

#### B. Remaining Construction

1. Cost-\$75,410,000

#### C. Funding Sources

##### 1. State Funding (in Millions of Dollars)

a)	Resources Trust Fund	\$ 80.62
b)	Water Development Trust Fund	<u>\$ 8.47</u>
	Subtotal	<u>\$ 89.09</u>

##### 2. Grants

a)	Garrison Diversion Conservancy District	
(1)	Municipal Rural & Industrial Fund	\$ 88.60
(2)	ARRA Funding	\$ 11.90
b)	United States Department of Agriculture-Rural Development	\$ 15.09
c)	Natural Resources Conservation Service PL566	<u>\$ 0.93</u>
	Subtotal	<u>\$116.52</u>

##### 3. State Bonds Repaid by Users

a)	Public Revenue Bonds	\$ 7.04
b)	United States Department of Agriculture-Rural Development	\$ 15.70
c)	ND Drinking Water Revolving Loan Fund	<u>\$ 1.50</u>
	Subtotal	<u>\$ 24.24</u>

Total Funding \$ 229.85

## Southwest Pipeline Project Information

### IV. Capital Repayment

A. Repayment Concept-Portion of the water rate charged by SWA not to pay back the cost of construction of the pipeline, but rather based on the ability to pay. This was determined by a regional economic study. The portion of the rate designated for capital repayment is indexed to the Consumer Price Index (CPI) and adjusted annually. For contract customers, capital repayment is based upon their per thousand gallons charge. For rural customers, the capital repayment rate is a portion of the monthly minimum payment. This money is paid monthly to the SWC or to the bond bank.

B. Repayment to Date-\$36,725,378.54 through October 31, 2013

C. Budgeted Capital Repayment for 2014-\$5,244,000

D. Projected Future Capital Repayment-Estimated at \$7 million per year, but could exceed \$7 million depending on population growth and oil development.

1. 10 years: \$70 million
2. 20 years: \$140 million
3. 30 years: \$210 million
4. 40 years: \$280 million

#### AMOUNT PAID BACK IN THE FORM OF CAPITAL REPAYMENT

YEAR	AMOUNT	YEAR	AMOUNT
1991	\$ 11,166.00		
1992	\$ 212,899.00	2004	\$ 1,621,239.25
1993	\$ 195,973.00	2005	\$ 1,706,958.33
1994	\$ 300,472.00	2006	\$ 1,948,480.26
1995	\$ 504,179.00	2007	\$ 2,308,065.86
1996	\$ 734,994.15	2008	\$ 2,455,506.86
1997	\$ 857,913.00	2009	\$ 2,618,988.11
1998	\$ 915,791.37	2010	\$ 2,776,546.59
1999	\$ 1,025,997.24	2011	\$ 3,076,416.44
2000	\$ 1,146,779.77	2012	\$ 4,287,275.86
2001	\$ 1,308,267.93	2013*	<u>\$ 3,697,959.61</u>
2002	\$ 1,432,224.68	Total	<u>\$ 36,725,378.54</u>
2003	\$ 1,581,284.21		*Through October 31, 2013

# Southwest Pipeline Project Information

## V. Oil Development

### A. Municipal/Rural Growth

#### 1. Dickinson

- a) 2010 Census Population- 17,787
- b) Current Population-25,000-30,000 (23,900 in 2012)
- c) Projected Population by 2035-41,609

2. Other Communities:	<u>2000</u>	<u>2010</u>	<u>2012</u>
a) Beach	1,116	1,019	1,300
b) Belfield	860	866	1,200
c) Carson	319	293	284
d) Elgin	659	549	642
e) Gladstone	248	239	250
f) Glen Ullin	865	807	807
g) Hebron	803	747	747
h) Hettinger	1,307	1,226	1,226
i) Medora	101	112	112
j) Mott	808	739	800
k) New England	555	600	600
l) New Leipzig	274	221	215
m) Reeder	181	162	175
n) Regent	211	160	200
o) Richardton	619	529	630
p) Scranton	304	281	284
q) Sentinel Butte	62	52	61
r) South Heart	307	301	350
s) Taylor	150	148	158

#### 3. Rural Areas

### B. Oil Development Demand

- 1. Water Depots
- 2. Other Demands

## VI. Benefits

- A. Economic Development
- B. Quality of Life
- C. Essential for the Future of Our Region