

Testimony by Jenifer Murray, Acting Manager/CEO
Southwest Water Authority
On behalf of the
Southwest Pipeline Project
to the
House Appropriations Committee
Education and Environment Subcommittee
Hearing on House Bill 1020
Monday, January 11, 2021

Mr. Chairman and members of the committee, my name is Jenifer Murray, and I am the acting Manager/CEO of Southwest Water Authority (SWA). My background and education focused on Environmental Health. If there is one thing I know for certain, it is access to a clean, reliable source of drinking water is essential to public health. Water infrastructure is critical to meet those needs. The Southwest Pipeline Project (SWPP) has connected over 7,300 customers to the project in the past 30 years. Since 1996, SWA has been tasked with the management, operations, and maintenance of the state-owned SWPP. I am here today in support of House Bill 1020 and the State Water Commissions continued funding of water infrastructure projects, such as the SWPP.

The 2019-2021 State Water Commission appropriations bill (Senate Bill 2020) included \$180 million to for Capital Assets. The SWPP, as a Capital Asset for the state of North Dakota was allocated \$25.5 million through legislative intent. In the current biennium, the SWPP used \$2.3 million to construct the Second Davis Buttes Reservoir and the Second Belfield Reservoir providing 1.75 million gallons in additional potable water storage to serve the region. The SWPP has \$3.3 million in strategic hydraulic improvements under design with bid ready documents expected before the biennium is over. These improvements will provide service to 107 committed customers who were previously unable to connect due to no capacity or low pressures.

In June of 2020 each water supply project was asked to delay or defer funding for projects due to the downturn in the Resources Trust Fund revenues. SWA voluntarily reduced its funding needs by \$12 million to help with the advancement of other water development projects. Construction of main transmission lines from the Ray Christensen Pump Station to the Davis Buttes, Belfield and New England Reservoirs with an estimated project cost of \$8.3 million has been delayed until the 2021-2023 biennium when this funding becomes available.

The funding request for the 2021-2023 biennium is \$32.5 million in new funding and includes an intake pump station, rural distribution expansion, hydraulic improvements, and treatment plant equipment procurement.

The approach SWA has taken to building for the future is three-pronged. The first prong includes increasing the main transmission line capacity to ensure transmission capacity does not become a limiting factor to connecting future customers. The second prong includes strategic hydraulic improvements which will allow users on SWA's waiting lists to be added as subsequent customers. The third prong is the expansion of the system into under-served areas. The expansion would be conducted on a service area basis just like the original construction phases of the SWPP.

The SWPP is an incredible investment in southwest North Dakota which is making substantial returns for the state. From the beginning, funding for the construction of the SWPP was unique. It is funded with the requirement that all of its water customers would repay the state for the SWPP's construction costs. To that effort, the SWPP is approaching \$11 million per biennium returned to the Resources Trust Fund and will continue to do so into perpetuity. Over \$78 million has been returned to date.

The promise of water to southwest North Dakota has been a monumental undertaking. The success of which is mirrored in the successes of the region. The economic growth and quality of life that many residents, from all 12 counties of southwest North Dakota, now enjoy is a direct benefit of quality water.

It is my belief that the commitment the state has made in the SWPP should continue to be honored. There are water needs yet to be met and hundreds of people waiting for their chance to receive quality water. On behalf of SWA, I am here to express my support of House Bill 1020, and respectfully request your serious consideration of \$32.5 million in funding for the SWPP. It is only with your support we can continue our mission of quality water for southwest North Dakota.

Thank you.
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