



Our Vision: People and Business Succeeding with Quality Water **Our Mission:** Quality Water for Southwest North Dakota

MEMORANDUM

To: Southwest Water Authority Board of Directors
From: Jen Murray, Manager/CEO, SWA
Subject: October 6, 2025, SWA Board of Directors Meeting
Date: October 1, 2025

The next Southwest Water Authority (SWA) Board of Directors meeting will be on Monday, October 6, 2025, at 9:00 a.m. MDT at the Stark County Family & Ag Resources Campus, 2680 Empire Road, Dickinson. Please park on the south side of the building, use DOOR C, and proceed to the Dakota Room. The SWA Board Retreat will take place at the same location on Monday afternoon and Tuesday morning.

On Monday evening, a social and dinner will be held at the Astoria Hotel and Event Center located at 363 15th Street West in Dickinson. The venue is located just north of 1-94 off exit 61. Hotel accommodations have been arranged for those staying at the Astoria Hotel and Event Center.

A photographer will be on-site at the October 6, 2025, Board of Directors meeting to take a group photo.

We are honored to have several guests from the Department of Water Resources joining us for the October Board of Directors Meeting. Welcome all!

There is one policy for the Board to review and monitor this month, Policy III. A. Board Governance Process-Governing Style. This policy is included in the Board packet for your review.

Decision-making includes two policies and their related reports to the Board. They are Policy II. C. Executive Limitations – Financial Condition and Policy II. E. Executive Limitations – Asset Protection. The policies and their reports are included in the Board packet for your review. If you have any questions, please don't hesitate to contact me.

Contract Amendment No. 8 for the City of Elgin is requested to extend the term of its water service agreement by 40 years, as required by a USDA Rural Development Loan.

Included under decision-making is a Resolution of Appreciation for Jim Lennington, who is retiring in December. Jim has worked on the Southwest Pipeline Project (SWPP) for over 30 years, first in his role as SWPP Project Manager at the State Water Commission and then as Project Engineer at Bartlett & West. His expertise and dedication have proven vital, shaping outcomes that would not have been possible without his leadership. Thank you, Jim, for your contributions to the SWPP. We wish you the best in all your future endeavors!

As part of the 2023 Strategic Plan, a priority area identified was Education and Communication. An identified action item was to develop a communications video to educate and inform various audiences about the scope,

scale, and significance of the Southwest Water Authority. For Board consideration this month is the outline and cost of a communications video. This item is covered under a separate memo.

Board Member reports are included for the National Rural Water Association WaterPro Conference and the Little Missouri Scenic River Commission Meeting.

The Budget Subcommittee met on September 22, 2025, to provide guidance and feedback on options for the 2026 Budget. Director Jonathon Eaton was nominated to Chair this committee. Draft minutes are included in the Board Packet.

Ledeanna O'Shields will be presenting the preliminary 2026 Budget. There are three options for consideration. Decision-making on the Budget will occur in November. Please review and contact her with any questions you may have.

The pre-SWC meeting was held on September 18, 2025. The Commission was informed that the North New England Strategic Improvement contract has been awarded to Wagner Construction.

The Regional Water System Governance and Finance Study was awarded to Deloitte for \$428k. The first phase of the study is data collection and discovery, stakeholder engagement and analysis. Deloitte will be conducting interviews with SWA in the near future. Their performance metrics are designed to evaluate the efficiency of state funding resource use, the effectiveness of governance structures, the timeliness and accountability in project delivery, and transparency in decision-making and budgeting. The final study will provide recommendations and alternatives, along with alternative implementation roadmaps and an assessment of institutional hurdles. The final report is due to the Water Topics Overview Committee in June of 2026.

Justin Froseth will update the Board on the status of SWPP construction and various projects and contracts. Justin's memo is included for your review.

Tyson Decker will provide an SWA construction update. The SWA Management team will provide an operations and maintenance (O&M) update for September. Items in this report include Distribution, Treatment and Staff activities.

Misti Conzemius will provide an update on the Signup and Easement Department. The waiting list currently has 753 service requests system-wide. In addition to the waiting list, 884 sign-ups have been collected in the Burt, Hebron Service Area. The Signup and Easement department will soon shift focus to obtaining easements for the Hebron Rural Service Area.

Remember to visit Ledeanna if you are interested in enrolling in one of the NDPERS insurance options. The NDPERS Annual Open Enrollment period will be from October 20 through November 7, 2025, and all changes to coverage will take effect January 1, 2026.

A tentative Board meeting schedule for 2026 is included for discussion. This item will be brought back in November for decision-making.

The North Dakota Department of Environmental Quality has completed drinking water surveys for the SWA Public Water System and the OMND Water Treatment Plant. All facilities have been satisfactorily inspected with no defects or corrective actions required. Thank you, Water Treatment and Distribution team, for all the work you do to keep our facilities in compliance and ensure the drinking water remains safe and reliable for the residents of southwest North Dakota.

The Water Topics Overview Committee met on Thursday, September 19, 2025, in the Roughrider Room at the ND State Capitol. The agenda and links to the presentations are included in the Board packet.

The draft Multi-County Multi-Hazard Mitigation Plan is available for review. The final version will be available once the State of ND has had an opportunity to review, and then it will be sent on to FEMA. Perry Grammond and I have been closely involved in this report, working to identify risks and mitigation strategies to strengthen Stark County's resilience to future disasters. https://swwater.com/wp-content/uploads/Four-County-MHMP_250916_DRAFT.pdf

Imagine a Day Without Water is a national education campaign and day of action that brings together diverse stakeholders to highlight the essential, invaluable, and under-invested nature of water. The day of action will take place on October 16, 2025. SWA will participate online through social media.

October is Cybersecurity Awareness Month. This year, the theme is “**Building a Cyber Strong America**”, highlighting the need to strengthen the country's infrastructure against cyber threats, ensuring resilience and security. Keeping our systems secure from cyber threats is a top priority for SWA. Our IT Specialist is diligent in several key practices to keep our operations secure. We also monitor updates from the Cyber and Information Security Association, in collaboration with Homeland Security, to stay current with the latest threats and security concerns.

The SWA Board Retreat will be held after the Board meeting on Monday and continue on Tuesday morning. Jared Huibregtse of Bartlett & West will be the facilitator. The agenda is included in the Board packet.

I look forward to seeing you Monday, October 6, 2025, at 9:00 a.m. MDT in the Dakota Room at the Stark County Family & Ag Resources Campus, 2680 Empire Road, Dickinson, ND.

**THIS
BUSINESS
RUNS ON
WATER**

Colorado River negotiations teeter over future water use

“They’re asking me to give up the future we were promised and to make promises that I can’t keep,” a Wyoming official said.



BY:

JENNIFER YACHNIN

| 09/18/2025 01:37 PM EDT



Boats move along Lake Powell on the Upper Colorado River Basin on June 9, 2021, in Wahweap, Arizona. Ross D. Franklin/AP

GREENWIRE | Disagreements over whether states in the Colorado River Basin should agree to restrict future water development are threatening to derail the arduous negotiations over the waterway’s operations.

A top Wyoming water official on Wednesday said that demands from the Colorado River's Lower Basin states — California, Arizona and Nevada — would force it to sharply cut back on its water use and also prohibit future development in his state. That means essentially blocking Wyoming from tapping the drought-stricken river's flows with new dams or diversions.

"They're asking me to give up the future we were promised and to make promises that I can't keep," said Wyoming State Engineer Brandon Gebhardt, who serves as his state's lead negotiator, at a meeting with other leaders from the Upper Basin states of Wyoming, Colorado, Utah and New Mexico.

The fight centers on a key issue in the negotiations over a new long-term operating plan for the Colorado River, which will determine how states share water and the pain of cuts in supply. The focus is on exactly how much the Upper Basin states must forgo to find parity with the Lower Basin. As the states struggle to reach a deal, the Upper Colorado River Commission met Wednesday to discuss ongoing conservation efforts and discuss the state of negotiations.

Officials from the Lower Basin, who weren't present at the commission meeting, defended their approach.

"We need to live with the river we have, not the one we wish for. Suggesting new development in the Upper Basin while the system is in crisis is tone deaf," said JB Hamby chair of the Colorado River Board of California and his state's lead negotiator.

While the two basins each share the river equally under a 1922 compact, the Upper Basin has [long used less than its full allocation](#), while the Lower Basin has tapped its full share.

More than two decades of persistent drought have shrunk the available water by as much as 20 percent, leading to a series of agreements about how to dole out cuts — largely taken by Arizona, Nevada and the nation of Mexico. California has also accepted emergency agreements to reduce flows in exchange for federal payments.

Those current agreements and the operating plan, however, will expire next year. A new long-term operating plan must be in place by Oct. 1, 2026, which marks the start of the 2027 water year.

States have been locked in negotiations for more than a year without success. The Interior Department set a November deadline for the states to reach consensus, using the threat of federal action if they fail to do so.

Although the Upper and Lower Basins appeared this summer to coalesce around the idea of [a supply-driven proposal](#), or "natural flow" plan, debate over how much water each region would receive has complicated that effort.

That proposal would divide the water supplies based on how much water the river actually contains — using an average of recent years — rather than historical figures about what states were promised in the past that require significantly more water than now exists in the river.

But that approach would still require cuts.

"From Colorado's perspective, we hear a lot about the need for the Upper Division states to feel pain or take real cuts," said Colorado River Commissioner Becky Mitchell, who is serving as the interim chair of the Upper Colorado River Commission.

But Mitchell argued that the Upper Basin already takes significant cuts, averaging about 1.3 million acre feet annually from decreased precipitation or snowpack as drought conditions have lingered in the West.

"We're taking deeper and more significant cuts than the 1922 Compact would require us to take," she said, pointing to examples of reduced water use across southwestern Colorado.

During Wednesday's meeting of the commission, representatives of all four Upper Basin states said that they remain engaged in negotiations even as they expressed frustration with demands from their counterparts in the Lower Basin.

Gebhardt accused the Lower Basin states of seeking reductions to Upper Basin supplies so aggressive that they would not only bar future water infrastructure, but also roll back his state's current use — which is already less than the full share allotted by historical agreements.

"The Lower Basin is demanding that in dry conditions, Wyoming must effectively give up the 30 percent it has developed, which means giving up everything Wyoming was promised under the Compact," Gebhardt said.

Under the Colorado Compact, the Colorado River is divided evenly between the two basins, with each designated 7.5 million acre-feet annually.

Wyoming is allocated 14 percent of the Upper Basin's supply of the river, or a little more than 1 million acre-feet per year.

But the state consumed only 421,000 acre-feet on average between 2016 and 2020, according to the [Bureau of Reclamation](#).

In an interview with E&E News, Gebhardt said that plans being pushed by the Lower Basin states would not only freeze new development in the Upper Basin states, but go beyond that to roll back previously developed water rights.

"What they have proposed results in a magnitude of reduction in the Upper Basin that would essentially require Wyoming to shut off enough water that would be equal to what we have developed since the Compact," he said.

Gebhardt said Wyoming has only developed an additional 150,000 acre-feet of water in a more than 100-year period since the Compact was signed.

An acre-foot of water is equal to about 326,000 gallons, or enough to support two to three families a year. The Colorado River supports 40 million individuals along with 5.5 million acres of irrigated farmland.

But Lower Basin state officials pushed back against those characterizations, arguing that they are asking the Upper Basin states not to increase demands on the water supply — but aren't requiring them to halt all future development.

"The Lower Basin has already made painful reductions to stabilize the river," said California's Hamby, pointing to an aggressive effort to conserve and reuse water in his state, Arizona and Nevada. "If Wyoming or any Upper Basin state believes the solution is to simply take more water, they are ignoring reality and shifting the burden onto their neighbors."

He added: "The path forward isn't demanding more, it's doing more with less."

According to data compiled by Reclamation, the Upper Basin consumed 4.7 million acre-feet in 2023, the most recent data available. The Lower Basin used 5.8 million-acre feet that year amid aggressive conservation efforts to address short-term drought that threatened hydropower production at the Glen Canyon Dam.

"Arizona does not assert the Upper Basin must stop growing. To the contrary, the Lower Basin states have continued to grow while reducing water use across sectors," said Doug MacEachern, a spokesperson for the Arizona Department of Water Resources.

He added: "There is enormous room for efficiency improvement in the Upper Basin and the Lower Basin merely is asserting that the Upper Basin should not increase its overall water demand while also demanding deep reductions in the Lower Basin. Volumes are negotiable. Mandatory, certain, and verifiable water-use reductions by all seven Colorado River states should not be."



North Dakota Legislative Council

Prepared by the Legislative Council staff
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September 2025

OIL AND GAS TAX REVENUES MONTHLY UPDATE

This memorandum provides an update on oil production and prices, oil and gas tax revenue collections, and oil and gas tax revenue allocations for September 2025 and for the biennium to date. The forecasted amounts reflect the 2025 legislative revenue forecast ("original forecast") prepared at the close of the 2025 regular legislative session.

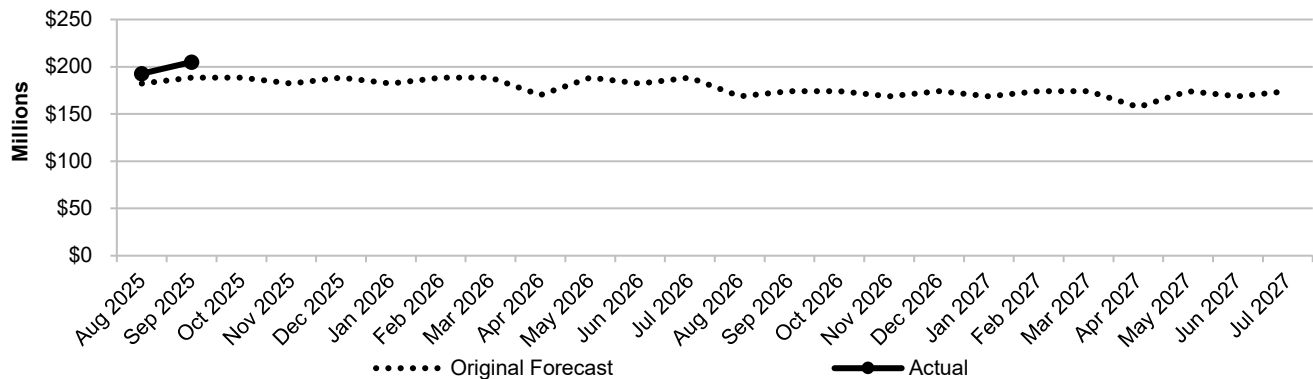
OIL PRODUCTION AND PRICES

The schedule below provides information on oil production and prices for July 2025 and for the biennium to date. Oil and gas tax revenue allocations reflect production and price from 2 months prior. The actual oil prices reflect the North Dakota oil prices reported by the Tax Department.

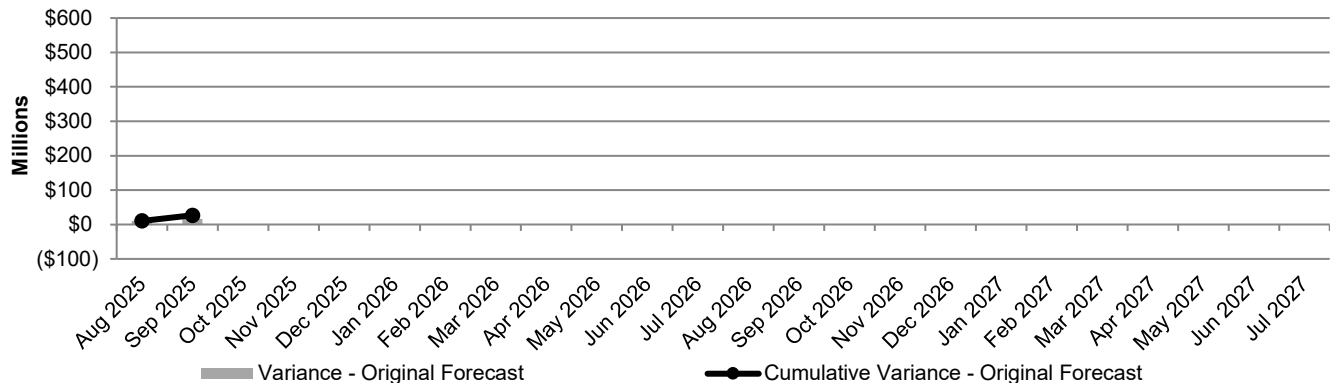
	Original Forecast							
	July 2025				Biennium to Date			
	Actual	Forecast	Variance		Actual	Forecast	Variance	
			Amount	Percent			Amount	Percent
Average daily oil production	1,160,878	1,150,000	10,878	1%	1,159,802	1,150,000	9,802	1%
Average oil price per barrel	\$61.75	\$59.00	\$2.75	5%	\$61.08	\$59.00	\$2.08	4%

OIL AND GAS TAX REVENUE COLLECTIONS

The chart below provides information on total oil and gas tax revenue collections based on the original forecast and actual allocations through September 2025.



VARIANCE TO FORECAST



OIL AND GAS TAX REVENUE ALLOCATIONS

The schedule below provides information on oil and gas tax revenue allocations to the Three Affiliated Tribes of the Fort Berthold Reservation, state funds, and political subdivisions for September 2025 and for the biennium to date.

	Original Forecast							
	September 2025				Biennium to Date			
	Actual	Forecast	Variance		Actual	Forecast	Variance	
			Amount	Percent			Amount	Percent
Three Affiliated Tribes	\$14.66	\$16.79	(\$2.13)	(13%)	\$28.53	\$33.06	(\$4.53)	(14%)
Legacy fund	57.19	51.59	5.60	11%	110.94	101.51	9.43	9%
North Dakota outdoor heritage fund	1.64	1.40	0.24	17%	1.64	1.40	0.24	17%
Abandoned well reclamation fund	0.82	0.70	0.12	17%	0.82	0.70	0.12	17%
Political subdivisions	46.92	42.35	4.57	11%	73.81	67.29	6.52	10%
Common schools trust fund	8.22	7.63	0.59	8%	16.10	15.02	1.08	7%
Foundation aid stabilization fund	8.22	7.63	0.59	8%	16.10	15.02	1.08	7%
Resources trust fund	16.86	15.65	1.21	8%	33.01	30.79	2.22	7%
Oil and gas research fund	1.01	0.90	0.11	12%	2.35	2.13	0.22	10%
State energy research center fund	0.51	0.45	0.06	13%	1.17	1.07	0.10	9%
General fund	48.90	43.36	5.54	13%	113.17	102.85	10.32	10%
Social service fund	0.00	0.00	0.00	N/A	0.00	0.00	0.00	N/A
Budget stabilization fund	0.00	0.00	0.00	N/A	0.00	0.00	0.00	N/A
Lignite research fund	0.00	0.00	0.00	N/A	0.00	0.00	0.00	N/A
State disaster relief fund	0.00	0.00	0.00	N/A	0.00	0.00	0.00	N/A
Municipal infrastructure fund	0.00	0.00	0.00	N/A	0.00	0.00	0.00	N/A
County and township infrastructure fund	0.00	0.00	0.00	N/A	0.00	0.00	0.00	N/A
PERS main system plan	0.00	0.00	0.00	N/A	0.00	0.00	0.00	N/A
Airport infrastructure fund	0.00	0.00	0.00	N/A	0.00	0.00	0.00	N/A
Strategic investment and improvements fund	0.00	0.00	0.00	N/A	0.00	0.00	0.00	N/A
Total oil and gas tax revenue allocations	\$204.95	\$188.45	\$16.50	9%	\$397.64	\$370.84	\$26.80	7%

SOUTHWEST WATER AUTHORITY
Board of Directors Meeting Agenda
Monday, October 6, 2025, 9:00 a.m. MDT
Stark County Family & Ag Resource Campus, Dickinson, ND
Meeting can be accessed via Teams or by calling: 1-321-558-6608 ID: 190145978#

	Flip Chart Recorder: Director Eaton	Process Observer: Director Engelhardt	Minutes: Wendy Serhienko
9:00 a.m.	1. Call to Order – Pledge of Allegiance - Introductions		Chairperson Odermann
9:05 a.m.	2. A. Review Agenda B. Consent Agenda* <i>Official Minutes of September 2, 2025, Board of Directors Meeting, Official Minutes of September 20, 2024, Budget Subcommittee Meeting, Accounts Payable & Financial Reports and Return on Investment*</i>		Chairperson Odermann Board of Directors
9:10 a.m.	3. Board Policy Review and Monitoring A. Policy III.A. Board Governance Process-Governing Style		Board of Directors
9:15 a.m.	4. Decision Making A. Policy II.C. Executive Limitations – Financial Condition and Manager/CEO Internal Report* B. Policy II.E. Executive Limitations – Asset Protection and Manager/CEO Internal Report* C. City of Elgin Contract Amendment #8* D. Resolution of Appreciation for Jim Lennington* E. Strategic Plan Communications Video*		Board of Directors Board of Directors Board of Directors Board of Directors Board of Directors
9:30 a.m.	5. Board Member Reports A. Little Missouri River Scenic Commission Meeting B. National Rural Water Association Water Pro Conference C. Budget Subcommittee D. Preliminary 2026 Budget		Director Glasoe Director Gaugler/Director Seifert Subcommittee Ledeanna O'Shields
10:10 a.m.	Break		
10:25 a.m.	6. Incidental Information A. SWC Meeting 1. Strategic Finance and Governance Study B. SWPP Update and Funding		Justin Froseth/Reice Haase S.Pillai-Grinolds/Haase Froseth/Decker/Murray
11:00 a.m.	C. Update from Manager/CEO/SWA Staff 1. SWA Construction and O&M Update 2. Easement/Signup Update 3. NDPERS Open Enrollment 4. Proposed Board of Directors' Meeting Schedule for 2026 5. NDDEQ Sanitary Survey 6. Water Topics Overview Committee 7. Multi-Hazard Mitigation Plan 8. Imagine A Day Without Water 9. Cybersecurity Month		Decker/Murray/Rixen/Erickson Misti Conzemius Ledeanna O'Shields Wendy Serhienko Jen Murray Jen Murray Perry Grammond/Jen Murray Jen Murray Jen Murray
11:40 a.m.	D. Perkins County Rural Water System Update		Ledeanna O'Shields
11:45 a.m.	7. Review issues pending/Parking lot/Plan next agenda		
11:50 a.m.	Adjourn for Lunch		
1:00 p.m.	8. Board of Directors' Retreat through Tuesday, October 7, 2025		Board of Directors

***Items require Board action.**

**Minutes of Meeting
Southwest Water Authority
Board of Directors
September 2, 2025
Southwest Water Authority O&M Center Office in Dickinson**

1. Call to Order – Pledge of Allegiance - Introductions

The Southwest Water Authority Board of Directors met on Tuesday, September 2, 2025, at Southwest Water Authority O&M Center Office, in Dickinson, ND. Chairperson Odermann called the meeting to order at 9:01 a.m. MDT, followed by the Pledge of Allegiance and roll call.

Present at the meeting were: Directors James Odermann, Ryan Baumgartner, Jonathon Eaton, Bruce Engelhardt, Curtis Glasoe, Bob Ingold, Bob Leingang, Rick Seifert, Mike Tietz and Scott Tschetter. Also present were: Justin Froseth, DWR, Tyson Decker, Bartlett & West, Jack Dwyer, Dwyer Law Office, Eric Volk, North Dakota Rural Water Systems Association, Chelsey Jacobson, Odney, Inc., Jen Murray, SWA Manager/CEO, Andy Erickson, SWA Water Distribution Manager, Grace Rixen, SWA Water Treatment Manager, Misti Conzemius, SWA Marketing Manager, Ledeanne O'Shields, SWA CFO/Office Administrator, Perry Grammond, SWA Assistant Water Treatment Manager, and Wendy Serhienko, SWA Executive Assistant.

Directors Burke and Gaugler were excused.

Directors Begger, Berg, and Schaible were absent.

2. Agenda

2.A. Review Agenda

Chairperson Odermann asked if there were any changes or additions to the agenda. There were none.

2.B. Consent Agenda*

Motion by Director Leingang, seconded by Director Seifert, to approve item 2.B. Minutes August 4, 2025, Meeting, Accounts Payable, and Financial Reports and Return on Investment. Motion carried by voice vote without dissent.

3. Board Policy Review and Monitoring

3.A. Policy III. General Governance Commitment

Ingold reviewed the policy. Chairperson Odermann asked if there were any comments, questions or changes to Policy III. General Governance Commitment. There were none.

3.B. Policy III.F. Annual Board Planning Cycle

Engelhardt presented the policy and the agenda item schedules. Murray asked the Board if there are any agenda items that need to be added to the Policy III.F. Annual Board Planning Cycle schedule. There were none.

4. Decision Making

4.A. Policy II.G. Executive Limitations-Communication and Counsel to the Board and Manager/CEO Internal Report*

Director Glasoe reviewed the policy. Murray noted trends being monitored include inflation, tariffs, and ongoing supply chain issues resulting in long lead times for materials. Chairperson Odermann asked if there were any comments, questions or changes to Policy II.G Executive Limitations-Communication and Counsel to the Board and Manager/CEO Internal Report. There were none.

Motion by Director Tietz, seconded by Director Glasoe, to approve Policy II.G. Executive Limitations-Communication and Counsel to the Board and Manager/CEO Internal Report. Motion carried unanimously by a roll call vote.

4.B. Resolution of Appreciation for Gary Nordstrom*

Murray read the Resolution of Appreciation for Gary Nordstrom. Nordstrom is a SWA Distribution Operator based at the Hazen satellite office and will be retiring at the end of September.

Motion by Director Leingang, seconded by Director Seifert, to approve the Resolution of Appreciation for Gary Nordstrom. Motion carried unanimously by a roll call vote.

5. Board Member Reports

5.A. Strategic Plan

Murray reported the Strategic Plan was developed in 2023 and all action items are nearly complete.

5.B. Board Retreat

Murray stated the SWA Board Retreat will take place on October 6-7, 2025. The Retreat will focus on four topics: Intake & Raw Water Infrastructure, Non-Public Funding Sources, Three Prong Approach – Overview & Revisit, and Ownership Discussion.

Murray noted a questionnaire was sent to Board members along with the Board packet and requested all Board members complete the survey prior to leaving the meeting.

5.C. Budget Subcommittee

Chairperson Odermann asked if the Board would like the Budget Subcommittee to reconvene in September to provide guidance and feedback on options for the 2026 Operations Budget. The Board gave a unanimous ‘thumbs up’.

Current members of the Budget Subcommittee are Director Engelhardt and Director Eaton. It was noted that Director George Nodland was the Chairperson for this Subcommittee, and a new Chairperson would need to be elected. Chairperson Odermann stated that Director Scott Tschetter has volunteered to be on the Subcommittee.

Murray noted that this Subcommittee has existed each year as an ad hoc committee and asked if the Board would like to make it a standing committee. Chairperson Odermann pointed out that guidance received at national conferences, such as the National Rural Water Association, has been to have active Board participation through an Executive Committee and a Budget Committee.

Motion by Director Ingold, seconded by Director Seifert, to make the Budget Subcommittee a standing committee. Motion carried unanimously by a roll call vote.

5.D. Summer Water Tours – Up for the Challenge

Chairperson Odermann attended and provided a written report on the final summer tour hosted by the North Dakota Water Education Foundation. The tour was held on August 7, 2025, in Williston. The tour focused on the Western Area Water Supply Project.

6. Incidental Information

6.A. SWC Meeting

Froseth stated the SWC meeting was held August 14, 2025, in Bismarck, ND. SWPP had one action item on the agenda, the recommendation to award the contract for the North New England Strategic Hydraulic Improvements. Bartlett & West recommends awarding the contract to Wagner Construction along with Bid Alternate 1. However, it does not consider the litigation between Wagner Construction and the State Water Commission (SWC) on the Northwest Area Water Supply (NAWS) project. The District Court dismissed the case in favor of the SWC on July 10, 2025. Wagner Construction has until September 9, 2025 to appeal the District Court's decision and continue the litigation. The bid documents allow award within 60 days of bid opening which would be September 20, 2025. DWR staff believes it is prudent to wait until the appeal deadline before deciding award of this project. Funding authorization for this contract will be presented at the October SWC meeting.

Froseth will provide visual slide presentations from the SWC meeting at future Board meetings.

The next SWC pre-commission meeting will be on September 17, 2025, in Bismarck, ND.

6.B. SWPP Update

Froseth provided an SWPP update on open contracts and current construction status. The memo is on file with the official minutes.

Froseth stated the DWR staff has been working with outside legal counsel to finalize the settlement documents for the Supplementary Intake.

Tietz inquired about the Missouri River Potential Intake Sites feedback survey from the DWR. Murray stated a response was submitted on behalf of SWA. Froseth stated the form was sent out in order to narrow down a list of potential intake sites in order to investigate those locations further.

6.C. Update from Manager/CEO/SWA Staff

6.C.1. SWA Construction Update and O&M Update

Decker stated the relocations of the SWPP along US Highway 85 from the Junction of Highway 200 to Long X Bridge is on schedule and should be finished by the substantial completion date of November 1, 2025.

Murray stated SWA continues to work with the city of Medora and the Theodore Roosevelt Medora Foundation to provide for their water needs on the west side of Medora. Medora and TRMF have reached an agreement that the new hotel will be served by the city of Medora for water and sewer services. The infrastructure for these services has yet to be constructed. SWA is working with these entities to provide an interim solution.

Murray noted SWA met with OMNI Environmental in August to discuss the use of raw water near Richardton. This location is being examined for a rail tie recycling facility. OMNI Environmental utilizes integrated solutions to provide efficient, responsible processing, recovery, and disposal of customers' waste, while minimizing unnecessary environmental impacts.

Distribution, Treatment and Staff updates were provided.

6.C.2. Easement/Signup Update

Conzemius reviewed the sign-up and easement report. Subsequent cost quotes, customer complaints and waiting list numbers were reported. There are 744 requests for service system-wide plus 867 Burt Hebron Service Area Signups for a total of 1,611 requests system wide. Of the 744 waiting list requests, 111 have committed for service via intent forms once the North New England Strategic Improvements have been completed. 21 subsequent customers signed up in August. The department is focused on signups and feasibility for the Hebron Rural Service Area.

6.C.3. NRWA WaterPro Conference

Murray stated the National Rural Water Association (NRWA) WaterPro Conference will be held in at the Ernest N. Morial Convention Center in New Orleans, LA, on September 15-17, 2025. Director Gaugler, Seifert, and Murray will be in attendance.

6.C.4. Water Topics Overview Committee

Murray stated the Water Topics Overview Committee has scheduled a meeting for Thursday, September 18, 2025. Murray will be in attendance at the meeting.

Murray noted the newly formed Agriculture and Water Management Committee has scheduled a meeting for Thursday, September 11, 2025. Dwyer noted that ND Water Users are monitoring the information on Economic Analysis that is required to be reviewed by this Committee.

6.D. Perkins County Rural Water System Update

O'Shields reported the Perkins County Rural Water System (PCRWS) provided minutes from their July 10, 2025, meeting, along with a copy of the agenda for the August 14, 2025, meeting. The next meeting will be held September 11, 2025.

7. Review issues pending/Parking lot/Plan next agenda

Murray stated Director Glasoe will be attending the Little Missouri Scenic River Commission Meeting on Tuesday, September 9, 2025. A written report will be provided at the October meeting.

8. Flowing Forward: Innovations in Water System Regionalization

Volk has been selected to present at the NRWA WaterPro Conference in New Orleans, LA. The Board was the first to hear his presentation '55 years of Regionalization' which focuses on North Dakota's water journey for the past 55 years.

There being no further business, Chairperson Odermann adjourned the meeting at 11:48 a.m. MDT.

Jim Odermann, Chairperson

Mike Tietz, Secretary/Treasurer

**Southwest Water Authority
Budget Subcommittee Meeting Minutes
Friday, September 20, 2024
SWA O&M Center Office, Dickinson, ND**

A. Call to Order

The Southwest Water Authority Budget Subcommittee met on Friday, September 20, 2024, at the SWA O&M Center Office Dickinson, ND. Murray called the meeting to order at 9:33 a.m. MDT.

Present at the meeting were: Directors Jonathon Eaton, Bruce Engelhardt, and George Nodland. Also present were: Jen Murray, SWA Manager/CEO; Justin Froseth, DWR; Ledeanne O'Shields, SWA CFO/Office Administrator, Katie Tormaschy, Senior Accountant and Wendy Serhienko, Executive Assistant.

Absent: Director Mark Begger

B. Elect a Chairperson*

Director Engelhardt nominated Director Nodland to serve as Chairperson for the Budget Subcommittee. There were no other nominations from the floor.

Motion by Director Engelhardt, seconded by Director Eaton, to cease nominations and cast a unanimous ballot for Director Nodland as Chairperson.

C. Review Agenda

Director Nodland asked for any changes or additions to the meeting agenda. There were none.

D. Approve Minutes of Budget Subcommittee Meeting September 23, 2023*

Director Nodland asked for approval of the minutes for the September 23, 2023, meeting.

***Motion by Director Engelhardt, seconded by Director Eaton, to approve the minutes of the September 23, 2023, meeting.
Motion carried by voice vote without dissent.***

E. Review 2025 Preliminary O&M Budget and Rates

O'Shields presented a summary with current rates and three options for proposed 2025 rates.

All three options would increase the rate for the Replacement and Extraordinary Maintenance (REM) Fund by 8.5% and the Capital Repayment by 2.53%. The first option is a \$0.07 increase for REM and \$0.03 increase for Capital Repayment for contract customers. For rural customers, there would be an \$0.08 increase for REM, and \$1.14 increase to the rural minimum. The increases for the first option would be passed on to the customer. The second option would not pass on the rate increases to the customer. The REM and Capital Repayment increases would be absorbed by SWA by reducing the Transmission and Distribution Reserves and O&M portion of the rates. The third option would increase rural minimums by \$1.14, \$0.08 for REM, and \$0.17 for treatment for rural customers. The contract rate would increase by \$0.03 for Capital Repayment, \$0.07 REM, and \$0.17 for treatment. All the increases for the third option would be passed on to the customer. The third option is offered as a balanced budget.

The 2024 Budget ends the year with 7.45 months in reserve, the annualized July actuals show 10.42 months in reserve. The SWA Board policy requires a minimum of 2.5 months in operating reserves. Reserves have increased due to large rate increases in preparation of the sunset of the mill levy in 2020, reduction in salaries due to turnover of senior staff, increased customer base, conservative spending, SFRF reimbursement, and high yielding investments.

The Subcommittee supported the items presented in the REM schedule including the potential to purchase a new generator for the intake pump station. Director Eaton stated the REM analysis should be revisited periodically to ensure the rate

increases and future REM needs align. The Subcommittee discussed options for REM and reserve accounts. More discussion is needed on development of a restricted account.

The Subcommittee discussed the North Dakota Water magazine subscriptions and whether SWA should subsidize any subscriptions for customers. Director Engelhardt stated customers should pay for their own subscription, but SWA should send out a press release informing customers how to subscribe. Murray stated a billing message will be sent with statements and SWA's magazine story for the December issue will include information on how to subscribe.

Motion by Director Eaton, seconded by Director Engelhardt, to recommend Option Two to the full Board. Motion carried unanimously by a roll call vote.

G. Adjourn

Director Nodland adjourned the meeting at 11:12 a.m. MDT.

Chairperson



Our Vision: People and Business Succeeding with Quality Water **Our Mission:** Quality Water for Southwest North Dakota

MEMORANDUM

To: Jen Murray, Manager/CEO

From: Ledeanne O'Shields, CFO/Office Administrator

Subject: Financial, Administration and Customer Service – Incidental Information

Date: September 30, 2025

The financial statements included for your review are for August 2025. These include a summary income and expense statement that compares to budget, a detailed income statement of actual income and expenses for the year and the balance sheet. The balance sheet is a comparison of August 2024 to August 2025. Also included is a detailed statement of board expenses for the month of August.

The accounts receivable listing for rural customers is for August 2025 and the transmission accounts receivable listing is for August 2025. The checks written for the month are from August 20, 2025 to September 26, 2025.

Total rural usage for August 2025 was 35,247,100 gallons. By comparison, in August 2024 rural water sales were 47,334,800 gallons. This is a decrease of 25.54%. During the month of August, there was 10 hookups with, two hookups in 7-8G, 7-9B, 7-9E one each in Contract 7-4, 7-1B, 7-9D, and 7-9F.

There are 2,296 customers using our Automatic Payment Plan, 201 paid online with a credit option and 399 paid online with a checking account. We had 37 spot checks (two months without a reading or the same reading). Currently there are 457 customers who are using the Customer Service Center to view their accounts.

Included with this memo are spreadsheets for power costs, residual mill levy income and signup income for the month of August. SWA sold a total of 251,735,550 gallons of water in the month of August. The projection for the year 2025 is 2,324,607,000 gallons. A comparison of total usage through August is listed at the top of the next page. The difference shown in the first column is the difference between year-to-date for the year (2024) and 2025. This shows a historical year-to-date comparison. Also listed are the usage and the difference for the last two months. Sales through August were less than last year's sales through August by 15.10%. SWA had 7,816 active accounts with 3,030 subsequent users in August. As of August 31, 2025, SWA has 300 tenants.

Also listed below is O&M Income minus Capital Repayment and REM, along with percentages, through August 31, 2025.

Comparisons Through August	Listed in thousand gallons		
		July 2025	237,879,910
2016	279,033,200	August 2025	<u>251,735,550</u>
2017	267,064,030	Difference	13,855,640
2018	279,158,850		
2019	271,559,990		
2020	328,865,500		
2021	327,875,760		
2022	287,575,490		
2023	245,218,720		
2024	296,509,060		
2025	<u>251,735,550</u>		
Difference	(44,773,510)		

As of August 31, 2025	Amount	Percent
O&M Income	\$12,307,340	
Return on Investment Expense	(4,175,832)	34%
REM Expense	<u>(1,441,259)</u>	12%
Balance	<u>\$4,559,480</u>	54%

Water depot usage information is included with this memo.

A listing of Accounts Payables (aged trial balance) is included. In addition to the regular accounts payable, included in the listing are: Atlas Copco Compressors, LLC for \$2,024.84 for the annual parts contract for the RHF; Bartlett & West for \$91,974.45 which includes \$73,423.78 for Hwy 85, \$2,907.81 for CP-2024, \$2,100.65 for the drones for the Halliday tank, and \$1,366.26 for Chateau Road; Border States for \$6,828.92 which includes \$5,524.48 for a module for the VFD drive at Rhame; Fenix for \$5,282.20 for 4802 hosting minutes; Glasser Excavating, Inc for \$1,809.15 for the water leak in Zap; Informational Data Technologies for \$3,945.00 for 789 air minutes; JK Excavation for \$134,800.00 which includes \$96,000.00 for Dunn County and \$22,400.00 for Adams County which is all reimbursable; and \$10,500.00 for a leak in 2-8E and \$5,500.00 for a leak in 2-8F; Kurita America, Inc for \$17,250.00 for the software upgrade at SWTP; Micro-Comm for \$7,402.00 for the new SCADA tablet at the SWTP; Ferguson Waterworks for \$6,400.00 for 40 registers for inventory; Pinnacle Ozone Solutions, LLC for \$1,908.69 for the SWTP PLC replacement for the Ozone generator; Sletten Excavating, Inc for \$16,295.00 which includes \$13,900.00 to lower pipe to accommodate road improvements at Minnesota Paver HVDC terminal which is reimbursable and \$2,395.00 for repairs north of Center in 7-9F; Temp Right for \$1,755.00 to check the HVAC at the RCPS and the office A/C; and Vessco, Inc for \$7,488.00 to replace defective valves at RCPS.

Southwest Water Authority
Statement of Income & Expenses
For 1/1/2025 To 8/31/2025

	Current Period	Current YTD	YTD 2025 Budget	YTD % of Budget	Budget total 2025
Sales					
Sales of Water	\$1,854,752	\$12,106,207	\$12,248,543	64.93%	\$18,645,300
Sales of Equipment	\$46,279	\$180,365	\$168,733	71.26%	\$253,100
Sales of Services	\$5,633	\$20,768	\$17,267	80.19%	\$25,900
Gross Sales	\$1,906,664	\$12,307,340	\$12,434,543	65.04%	\$18,924,300
O&M Expense --Transmission	\$787,010	\$5,260,566	\$5,589,165	63.03%	\$8,345,800
O&M Expense --Distribution	\$506,530	\$3,709,337	\$3,621,431	63.71%	\$5,822,300
O&M Expense -- Treatment	\$274,303	\$1,866,722	\$2,319,599	53.65%	\$3,479,400
Customer Service Expense	\$21,803	\$149,368	\$161,800	61.54%	\$242,700
Total Expenses	\$1,589,646	\$10,985,993	\$11,691,995	61.41%	\$17,890,200
Gross Profit On Sales	\$317,018	\$1,321,347	\$742,548	127.78%	\$1,034,100
Other Income					
Mill Levy Income	\$1,574	\$16,399	\$0	0.00%	\$0
Other Income	\$54,187	\$669,868	\$400,600	111.44%	\$601,100
Grant Income	\$0	\$5,139	\$2,000	256.95%	\$2,000
Total Other Income	\$55,761	\$691,406	\$402,600	114.64%	\$603,100
Board of Directors Expense	\$34,861	\$163,770	\$184,600	59.14%	\$276,900
Administrative Expense	\$86,266	\$755,028	\$819,667	61.08%	\$1,236,100
Signup & Easement Expense	\$46,853	\$353,555	\$412,533	57.14%	\$618,800
Depreciation Expense	\$40,525	\$328,760	\$354,667	61.80%	\$532,000
Gain/Loss on Asset Disposal	(\$4,289)	(\$25,471)	\$0	0.00%	\$0
Net Income/Expenses	\$159,987	\$386,170	(\$626,319)	(37.62)%	(\$1,026,600)
Replacement & EM Fund Expense	\$995,040	\$2,200,369	\$3,742,283	39.27%	\$5,603,600
Net Income w/ Replacement & EM	(\$835,053)	(\$1,814,199)	(\$4,368,602)	27.36%	(\$6,630,200)

Board of Directors Expenses

For 1/1/2025 to 8/31/2025

	Current Period	Current YTD	2025 BUDGET YTD	2025 BUDGET Budget
Board of Directors Expenses				
Per Diem -- Board of Directors	\$5,391	\$34,466	\$46,667	\$70,000
Group Life Insurance -- Board of Directors	1	8	0	0
Workers Compensation Expense -- Board of Directors	3	29	133	200
FICA - Social Security -- Board of Directors	395	2,552	4,067	6,100
FICA - Medicare -- Board of Directors	92	597	1,000	1,500
Professional Services -- Board of Directors	5,299	36,949	23,333	35,000
Office Supplies -- Board of Directors	0	17	133	200
Copies & Duplication -- Board of Directors	0	0	67	100
Public Relations & Development -- Board of Directors	1,528	14,086	22,667	34,000
Development & Education -- Board of Directors	(380)	4,440	7,067	10,600
Mileage Reimbursement -- Board of Directors	1,795	10,550	13,333	20,000
Lodging & Meals -- Board of Directors	1,160	4,299	17,067	25,600
Travel Expenses -- Board of Directors	1,435	1,435	5,333	8,000
Telephone/Internet -- Board of Directors	454	3,304	3,333	5,000
Postage -- Board of Directors	91	1,650	400	600
Dues & Subscriptions -- Board of Directors	15,742	34,541	22,667	34,000
Insurance - Liability -- Board of Directors	1,856	14,846	17,333	26,000
Total Board of Director Expense	\$34,862	\$163,769	\$184,600	\$276,900
Total Expenses	\$34,862	\$163,769	\$184,600	\$276,900
	\$34,862	\$163,769	\$184,600	\$276,900

Comparative Balance Sheet

8/31/2025

	Through 8/31/2025	Through 8/31/2024
Assets		
Current Assets		
Cash		
Cash in Checking - O&M - Bravera	\$175,504	\$967,101
Cash in Checking - Payroll - Bravera	454,515	413,330
DDM - Reserve - O&M - Bravera	1,540,730	1,165,104
Cash in Checking - BMO Bank	78,481	54,570
Petty Cash	198	195
Total Cash	\$2,249,428	\$2,600,300
Short-Term Investments		
Short-Term Investment - O&M Fund	\$704,717	\$75,355
Short-Term Investment - General Fund	79,780	15,514
Short-Term Investment - Reserve Fund	1,082,157	5,998
Short-Term Investment - Escrow Fund	39,930	13,959
Short-Term Investment - Replacement	6,871,321	2,375,026
Cash Management Account - General Fund	23,401	22,202
Cash Management Account - O&M	1,251,710	1,192,951
Certificate of Deposit #18112	4,412,352	4,201,040
Certificate of Deposit #24548	0	1,025,871
Certificate of Deposit #24552	0	1,000,000
Certificate of Deposit #24572	1,074,577	1,000,000
Total Short-Term Investments	\$15,539,945	\$10,927,916
Accounts Receivable		
Accounts Receivable -- Distribution Prepayments	(\$45,809)	(\$54,422)
Accounts Receivable -- Transmission	1,219,805	1,475,546
Accounts Receivable -- Distribution	650,139	826,464
Accounts Receivable -- MWWS	18,301	12,656
Accounts Receivable -- Other	1,900	25,983
Grant Receivable	0	453,976
Allowance For Doubtful Accounts	(11,358)	(8,870)
Allowance For Doubtful Accounts -- MWWS	(2,168)	(1,477)
Total Accounts Receivable	\$1,830,810	\$2,729,856
Interest Receivable		
Total Interest Receivables	\$0	\$0

Inventory

Comparative Balance Sheet

	Through 8/31/2025	Through 8/31/2024
Inventory Contributed Capital	\$99,797	\$99,797
Inventory -- User Spare Parts	759,130	817,911
Inventory -- WTP	156,560	119,912
Inventory -- SWTP	161,101	219,936
Inventory -- OMND WTP	148,925	104,083
Total Inventory	\$1,325,513	\$1,361,639
Prepaid Expenses		
Prepaid Expenses	\$52,176	\$48,523
Prepaid Deposit -- MISO	24,845	14,845
Prepaid Insurance	126,442	119,836
Prepaid Workers Compensation	6,037	9,910
Total Prepaid Expenses	\$209,500	\$193,114
Total Current Assets	\$21,155,196	\$17,812,825
Long-Term Investments		
Long-Term Investment - O&M Fund	\$3,228,924	\$2,737,486
Long-Term Investment - General Fund	1,148,197	1,189,308
Long-Term Investment - Reserve Fund	367,024	363,069
Long-Term Investment - Escrow Fund	736,412	751,321
Long-Term Investment - Replacement	21,491,793	24,025,139
Total Long-Term Investments	\$26,972,350	\$29,066,323
Property, Plant and Equipment		
Land	\$112,817	\$112,307
Buildings & Improvements	3,959,597	3,959,597
Office Furniture & Fixtures	290,706	290,706
Vehicles	1,190,022	1,066,499
Contributed Vehicles	46,093	46,093
Other Fixed Assets	4,011	4,011
Computer Equipment	99,565	92,163
Machinery & Equipment	3,010,227	3,010,227
Contributed Equipment	60,530	60,530
Computer Software	178,590	178,590
Total Property, Plant and Equipment	\$8,952,158	\$8,820,723
Accumulated Depreciation		
Accum Depr -- Buildings & Improvements	\$1,334,765	\$1,238,605
Accum Depr -- Office Furn & Fixt	279,708	274,941
Accum Depr -- Vehicle	621,257	517,621

Comparative Balance Sheet

	Through 8/31/2025	Through 8/31/2024
Accum Depr -- Contributed Vehicles	46,093	46,093
Accum Depr -- Other Fixed Assets	4,011	4,011
Accum Depr -- Computer Equipment	91,404	74,126
Accum Depr -- Machinery & Equipment	2,138,057	1,936,217
Accum Depr -- Contributed Equipment	60,530	60,530
Accumulated Amortization	178,590	177,342
Total Accumulated Depreciation	\$4,754,415	\$4,329,486
Other Assets		
Deferred Pension Outflows	\$1,628,277	\$3,537,993
Deferred OPEB Outflows	43,485	88,263
Total Other Assets	\$1,671,762	\$3,626,256
Total Assets	\$53,997,051	\$54,996,641

Comparative Balance Sheet

	Through 8/31/2025	Through 8/31/2024
Liabilities and Equity		
Current Liabilities		
Accounts Payable		
Accounts Payable	\$1,620,125	\$1,640,074
Employee Benefits Payable	140,135	123,529
Deductions Payable	(1,667)	0
Total Accounts Payable	\$1,758,593	\$1,763,603
Taxes Payable		
ND State Withholding Payable	\$2,901	\$2,911
Employer Matching FICA - Social Security	18,917	17,996
Employer Matching FICA - Medicare	4,424	4,209
Total Taxes Payable	\$26,242	\$25,116
Other Current Liabilities		
Accrued Annual Leave Payable	\$200,247	\$199,976
Accrued Sick Leave Payable	183,067	169,066
Flex -- Life Insurance Payable	0	(3)
Accrued Salaries Payable	308,272	293,849
Interfund Transfer	(451)	0
Total Other Current Liabilities	\$691,135	\$662,888
Total Current Liabilities	\$2,475,970	\$2,451,607
Long-Term Liabilities		
Deferred Revenue	\$955,025	\$835,750
Tenant Rental Deposits	22,125	21,600
Tenant Rental Deposits -- MWWS	375	375
Customer Escrow Deposit	40,000	40,000
Deferred Pension Inflows	2,630,067	4,051,851
Deferred OPEB Inflows	50,389	40,187
Net Pension Liability	4,131,317	4,898,532
Net OPEB Liability	152,208	214,765
Total Long-Term Liabilities	\$7,981,506	\$10,103,060
Total Liabilities	\$10,457,476	\$12,554,667

Equity

Reserve Funds

Comparative Balance Sheet

	Through 8/31/2025	Through 8/31/2024
Reserve Account -- O&M Transmission	\$3,557,605	\$3,605,322
Reserve Account -- O&M Distribution	2,115,551	2,130,241
Reserve Account -- O&M Treatment	(2,177,681)	(2,174,397)
Reserve Account -- General Operating Fund	391,030	384,956
Reserve Account-Replace & EM -- Transmission	18,495,365	17,194,164
Reserve Account-Replace & EM -- Distribution	921,493	820,310
Interest Income -- Replace & EM	8,631,087	8,040,389
Dividend Income -- Replace & EM	456,984	403,109
Total Reserve Funds	\$32,391,434	\$30,404,094
Unappropriated Funds	\$12,395,677	\$11,572,546
Contributed Capital	566,665	566,665
Net Profit/(loss)	(1,814,203)	(101,331)
Total Equity	\$11,148,139	\$12,037,880
Total Liabilities and Equity	\$53,997,049	\$54,996,641

AGED TRIAL BALANCE
Southwest Water Authority
Payables Management

Ranges:

Vendor ID: First - Last
Class ID: First - Last
Payment Priority: First - Last
Vendor Name: First - Last

Accts Payable: First - Last
Posting Date: First - Last
Document Number: First - Last

Print Option: SUMMARY
Age By: Document Date
Aging Date: 12/31/2024

Exclude: Credit Balance, Zero Balance, No Activity, Unposted Applied Credit Documents, Multicurrency Info
Sorted By: Vendor ID
Document Date

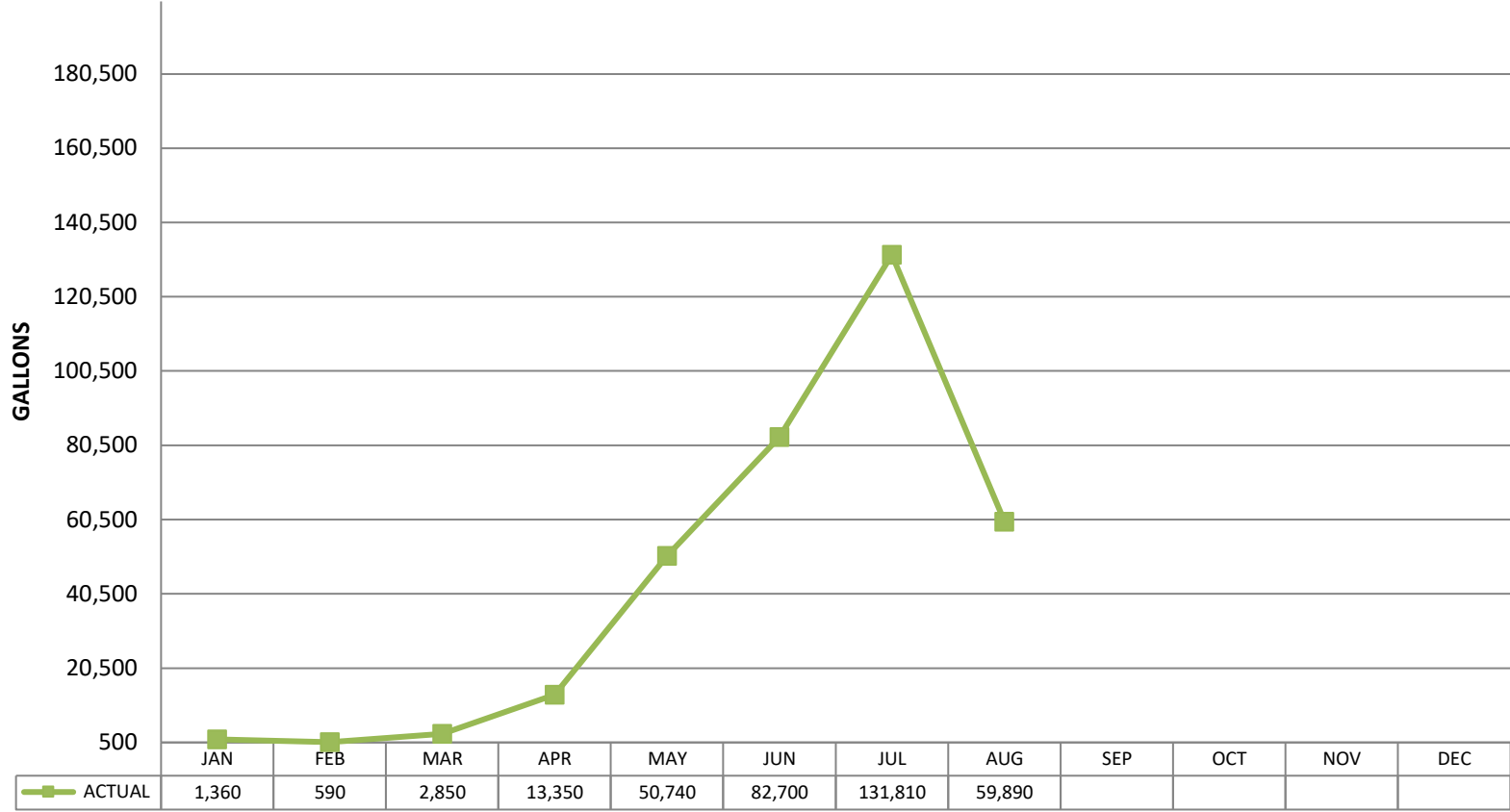
Vendor ID: AM1956		Name: AMAZON CAPITAL SERVICES	
Voucher(s): 10		Aged Totals:	Due \$1,641.89
Vendor ID: AM2682		Name: AMERICAN WELDING & GAS INC	
Voucher(s): 2		Aged Totals:	Due \$8,442.73
Vendor ID: AQ7167		Name: AQUA-PURE, INC	
Voucher(s): 1		Aged Totals:	Due \$8,505.00
Vendor ID: AT4171		Name: ATLAS COPCO COMPRESSORS, LLC	
Voucher(s): 1		Aged Totals:	Due \$2,024.84
Vendor ID: BA1154		Name: BANKERS EQUIPMENT SERVICE	
Voucher(s): 1		Aged Totals:	Due \$164.00
Vendor ID: BA1491		Name: BACKYARD MECHANICS	
Voucher(s): 2		Aged Totals:	Due \$128.00
Vendor ID: BA6742		Name: BARTLETT & WEST ENGINEERS, INC.	
Voucher(s): 8		Aged Totals:	Due \$91,974.45
Vendor ID: BA7351		Name: BASIN AUTO PARTS	
Voucher(s): 2		Aged Totals:	Due \$91.78
Vendor ID: BO6225		Name: BORDER STATES ELECTRIC SUPPLY	
Voucher(s): 10		Aged Totals:	Due \$6,828.92
Vendor ID: BR2557		Name: BRENNTAG PACIFIC	
Voucher(s): 1		Aged Totals:	Due \$7,070.00
Vendor ID: DA4963		Name: DAKOTA SUPPLY GROUP	
Voucher(s): 4		Aged Totals:	Due \$406.47
Vendor ID: DI1435		Name: CITY OF DICKINSON	
Voucher(s): 2		Aged Totals:	Due \$166.20
Vendor ID: DI7763		Name: DNOW L.P.	
Voucher(s): 2		Aged Totals:	Due \$176.65
Vendor ID: FA3192		Name: FARMERS UNION HAZEN	
Voucher(s): 2		Aged Totals:	Due \$1,461.23
Vendor ID: FE2200		Name: FEDERAL EXPRESS	
Voucher(s): 2		Aged Totals:	Due \$79.57
Vendor ID: FE5387		Name: FENIX USA LLC	

Voucher(s): 1		Aged Totals:	Due \$5,282.20
Vendor ID: FE6377	Name: FERGUSON ENTERPRISES INC		
Voucher(s): 3		Aged Totals:	Due \$187.91
Vendor ID: FI7330	Name: FISHER SAND & GRAVEL		
Voucher(s): 1		Aged Totals:	Due \$228.76
Vendor ID: FO7672	Name: FOUR SEASONS TROPHIES		
Voucher(s): 1		Aged Totals:	Due \$408.52
Vendor ID: GI3449	Name: GILLY'S AUTO & TIRE CENTER		
Voucher(s): 2		Aged Totals:	Due \$160.96
Vendor ID: GL1772	Name: GLASSER EXCAVATING INC		
Voucher(s): 1		Aged Totals:	Due \$1,809.15
Vendor ID: GR1955	Name: GRAYMONT (WI) LLC		
Voucher(s): 5		Aged Totals:	Due \$23,815.63
Vendor ID: HA8435	Name: HAWKINS INC		
Voucher(s): 12		Aged Totals:	Due \$20,631.51
Vendor ID: IN2566	Name: INFORMATIONAL DATA TECHNOLOGIES L		
Voucher(s): 1		Aged Totals:	Due \$3,945.00
Vendor ID: JE6552	Name: JEROME DISTRIBUTING, INC.		
Voucher(s): 2		Aged Totals:	Due \$95.80
Vendor ID: JK2811	Name: JK EXCAVATION & CONSTRUCTION, INC.		
Voucher(s): 2		Aged Totals:	Due \$134,800.00
Vendor ID: JM3162	Name: J&M HARDWARE, INC.		
Voucher(s): 1		Aged Totals:	Due \$85.51
Vendor ID: KB6261	Name: K B REPAIR		
Voucher(s): 1		Aged Totals:	Due \$183.25
Vendor ID: KU6371	Name: KURITA AMERICA, INC		
Voucher(s): 2		Aged Totals:	Due \$17,250.00
Vendor ID: LE7268	Name: LEE SERVICES, LLC dba NAKOTA CLEAN		
Voucher(s): 1		Aged Totals:	Due \$1,624.00
Vendor ID: LO2243	Name: LOFFLER COMPANIES, INC		
Voucher(s): 1		Aged Totals:	Due \$1,034.81
Vendor ID: LO3551	Name: LOGO MAGIC, INC		
Voucher(s): 1		Aged Totals:	Due \$100.00
Vendor ID: ME2125	Name: SANFORD HEALTH OCCUPATIONAL MEDI		
Voucher(s): 1		Aged Totals:	Due \$35.00
Vendor ID: ME4152	Name: MERCER COUNTY TREASURER		

Voucher(s): 1		Aged Totals:	Due \$10.00
Vendor ID: MI1651	Name: MICRO-COMM INC.		
Voucher(s): 1		Aged Totals:	Due \$7,402.00
Vendor ID: MI2827	Name: MIDWEST DOORS OF DICKINSON, INC.		
Voucher(s): 1		Aged Totals:	Due \$572.99
Vendor ID: MI7137	Name: MITCH'S RADIO		
Voucher(s): 1		Aged Totals:	Due \$59.95
Vendor ID: MI8724	Name: MIX TELEMATICS NORTH AMERICAN, INC		
Voucher(s): 2		Aged Totals:	Due \$949.62
Vendor ID: NE8197	Name: NEWBY'S ACE HARDWARE		
Voucher(s): 2		Aged Totals:	Due \$71.97
Vendor ID: NO6275	Name: ND DIVISION OF MICROBIOLOGY		
Voucher(s): 4		Aged Totals:	Due \$162.00
Vendor ID: NO6739	Name: NORTHWESTERN POWER EQUIP CO INC		
Voucher(s): 1		Aged Totals:	Due \$1,348.95
Vendor ID: NO8172	Name: FERGUSON WATERWORKS		
Voucher(s): 1		Aged Totals:	Due \$6,400.00
Vendor ID: OD5299	Name: ODNEY		
Voucher(s): 1		Aged Totals:	Due \$3,820.00
Vendor ID: OL7558	Name: OLSON'S SERVICE		
Voucher(s): 6		Aged Totals:	Due \$460.00
Vendor ID: ON2114	Name: ONE CALL CONCEPTS		
Voucher(s): 1		Aged Totals:	Due \$1,004.45
Vendor ID: PI5511	Name: PINNACLE OZONE SOLUTIONS, LLC		
Voucher(s): 1		Aged Totals:	Due \$1,908.69
Vendor ID: PL7542	Name: PLUNKETT'S PEST CONTROL		
Voucher(s): 1		Aged Totals:	Due \$94.00
Vendor ID: PR1351	Name: PRAIRIE AUTO PARTS INC		
Voucher(s): 1		Aged Totals:	Due \$25.96
Vendor ID: PR2756	Name: PRESORT PLUS, LLC		
Voucher(s): 2		Aged Totals:	Due \$5,418.27
Vendor ID: PU5679	Name: PUMP SYSTEMS, LLC		
Voucher(s): 2		Aged Totals:	Due \$445.80
Vendor ID: QU1437	Name: QUALITY QUICK PRINT, INC.		
Voucher(s): 1		Aged Totals:	Due \$1,465.00
Vendor ID: QU1438	Name: QUALITY XTERMINATORS		

Voucher(s): 3		Aged Totals:	Due \$240.00
Vendor ID: RO5750	Name: RON'S RURAL BACKHOE SERVICE		
Voucher(s): 1		Aged Totals:	Due \$300.00
Vendor ID: RR1775	Name: R & R AUTO, FARM & ELECTRIC, INC.		
Voucher(s): 2		Aged Totals:	Due \$173.18
Vendor ID: RU5535	Name: RUNNINGS SUPPLY, INC		
Voucher(s): 18		Aged Totals:	Due \$1,264.64
Vendor ID: SA4141	Name: SAKAKAWEA MEDICAL CENTER		
Voucher(s): 1		Aged Totals:	Due \$25.00
Vendor ID: SH2683	Name: SHERWIN-WILLIAMS/DICKINSON		
Voucher(s): 1		Aged Totals:	Due \$195.64
Vendor ID: SL2772	Name: SLETTEN EXCAVATING, INC		
Voucher(s): 2		Aged Totals:	Due \$16,295.00
Vendor ID: SM1671	Name: SMART COMPUTERS AND CONSULTING		
Voucher(s): 1		Aged Totals:	Due \$45.00
Vendor ID: SO7739	Name: SOUTHWEST LIME, LLC		
Voucher(s): 1		Aged Totals:	Due \$7,500.00
Vendor ID: ST5526	Name: STONERIDGE SOFTWARE, LLC		
Voucher(s): 1		Aged Totals:	Due \$763.75
Vendor ID: TE5663	Name: TEMP RIGHT SERVICE, INC.		
Voucher(s): 2		Aged Totals:	Due \$1,755.00
Vendor ID: TH2227	Name: THE DETAIL AGENCY, LLC		
Voucher(s): 1		Aged Totals:	Due \$159.99
Vendor ID: TO7143	Name: TOTAL SAFETY US, INC		
Voucher(s): 1		Aged Totals:	Due \$94.50
Vendor ID: US1147	Name: USA BLUE BOOK		
Voucher(s): 2		Aged Totals:	Due \$464.65
Vendor ID: VE7715	Name: VESSCO, INC.		
Voucher(s): 1		Aged Totals:	Due \$7,488.00
Vendor ID: VI7111	Name: VISA		
Voucher(s): 21		Aged Totals:	Due \$2,723.40
Vendor ID: VI7355	Name: VISION WEST ND		
Voucher(s): 1		Aged Totals:	Due \$200.00
Vendor Totals:			Due \$412,147.14

2025 SWA DEPOT USAGE
TOTAL 343,290



2025 INDUSTRIAL SALES

CITY	*COMMENTS	*RATE/KGAL FOR INDUSTRIAL	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	TOTAL GALLONS	TOTAL ACRE FEET
BEACH	SELLS WATER TO FARMERS FROM CITY WELLS ONLY. DOES NOT SELL SWPP WATER											
BELFIELD	\$32.00/1,000 GALLONS, AS OF MAY 2021	\$32.00	0	5,300	9,500	48,500	51,300	90,600	39,500	45,300	290,000	0.89
CARSON	DO NOT SELL											0.00
DICKINSON	\$19.00/1,000 GALLONS, AS OF MAY 2021	\$19.00	34,750	25,380	101,380	152,500	171,090	196,200	162,130	107,630	951,060	2.92
DODGE	DO NOT SELL											0.00
DUNN CENTER	DO NOT SELL											0.00
ELGIN	DO NOT SELL											0.00
GLADSTONE	DO NOT SELL											0.00
GLEN ULLIN	DOES NOT SELL ON REGULAR BASIS ONLY TO FARMERS & CONSTRUCTION,	\$15.00 per 1k	800	3,900	2,800	6,900	6,200	73,400	42,300	21,500	157,800	0.48
GOLDEN VALLEY	SPRAYING & DUST CONTROL USE ONLY											0.00
GOLVA	DO NOT SELL SWPP WATER - USES CITY WELLS											0.00
HALLIDAY	SELLS WATER TO FARMERS FROM CITY WELLS ONLY. DOES NOT SELL SWPP WATER											0.00
HEBRON	USUALLY SELLS TO FARMERS, ROAD CONSTRUCTION AND BRICK YARD. CHARGES THE SAME FOR ALL USERS	\$10.50	136,000	122,000	184,000	129,000	150,000	145,000	158,000	121,000	1,145,000	3.51
HETTINGER	CHARGES THE SAME FOR ALL USERS	\$10.00	16,000	0	0	0	9,700	30,500	18,600	0	74,800	0.23
KILLDEER	CHARGES THE SAME FOR ALL USERS	\$35.71	168,270	229,480	112,910	118,260	78,690	81,530	58,760	24,913	872,813	2.68
MEDORA	DO NOT SELL											0.00
MOTT	SPRAYING/DOES NOT SELL TO OIL INDUSTRY	\$10.00	0	0	0	22,686	55,129	53,359	19,429	16,800	167,403	0.51
NEW ENGLAND	CHARGES THE SAME FOR ALL USERS	\$20.00	0	0	0	0	0	0	0	0	0	0.00
NEW HRADEC	DO NOT SELL											0.00
NEW LEIPZIG	DO NOT SELL											0.00
REEDER	DO NOT SELL SWPP WATER - USES CITY WELLS											0.00
REGENT	DO NOT SELL											0.00
RICHARDTON	ONLY SELL TO FARMERS											0.00
SCRANTON	SPRAYING USE ONLY/DOES NOT SELL TO OIL INDUSTRY	\$8.00	0	0	0	0	0	0	0	0	0	0.00
SENTINEL BUTTE	INDUSTRIAL SALES ONLY	\$22.47	0	0	0	0	0	0	0	0	0	0.00
SOUTH HEART												0.00
TAYLOR	DO NOT SELL											0.00
ZAP	DO NOT SELL											0.00
TOTAL GALLONS			355,820	386,060	410,590	477,846	522,109	670,589	498,719	337,143	3,658,876	11.23
TOTAL ACRE FEET			1.09	1.18	1.26	1.47	1.60	2.06	1.53	1.03	11.23	
CONTRACT												
BAKER BOY			444,600	518,300	549,700	733,100	771,300	932,500	853,000	893,800	5,696,300	17.48
BILLINGS COUNTY DIST 3			0	0	56,100	41,600	100,200	90,300	86,300	66,000	440,500	1.35
SWA WATER DEPOT - RAW			1,360	590	2,850	13,350	32,800	82,700	131,810	59,890	325,350	1.00
DAKOTA PRAIRIE REFINING			906,900	1,033,900	885,500	1,858,400	1,376,600	573,000	1,269,000	1,722,700	9,626,000	29.54
ND ENERGY SERVICES			112,900	44,300	23,400	0	0	0	0	39,200	219,800	0.67
NET-ZERO RICHARDTON, LLC			14,237,000	16,288,000	16,335,000	17,813,000	15,685,000	22,836,000	20,896,900	226,601	124,317,501	381.52
STEFFES CORPORATION			161,300	218,800	268,300	220,700	213,000	302,800	186,600	181,100	1,752,600	5.38
TOTAL GALLONS			15,864,060	18,103,890	18,120,850	20,680,150	18,178,900	24,817,300	23,423,610	3,189,291	142,378,051	436.94
TOTAL ACRE FEET			48.68	55.56	55.61	63.46	55.79	76.16	71.88	9.79	436.94	
TOTAL GALLONS COMBINED			16,219,880	18,489,950	18,531,440	21,157,996	18,701,009	25,487,889	23,922,329	3,526,434	146,036,927	
TOTAL ACRE FEET COMBINED			49.78	56.74	56.87	64.93	57.39	78.22	73.41	10.82	448.17	448.17

Southwest Pipeline Project

Return on Investment

YEAR	RESOURCES TRUST FUND	BOND PAYMENTS	TOTAL
1991	\$ 11,166.00		\$ 11,166.00
1992	\$ 212,899.00		\$ 212,899.00
1993	\$ 195,973.00		\$ 195,973.00
1994	\$ 300,472.00		\$ 300,472.00
1995	\$ 504,179.00		\$ 504,179.00
1996	\$ 734,994.15		\$ 734,994.15
1997	\$ 389,111.41	\$ 468,801.59	\$ 857,913.00
1998	\$ 415,197.60	\$ 500,593.77	\$ 915,791.37
1999	\$ 349,574.05	\$ 676,423.19	\$ 1,025,997.24
2000	\$ 418,164.86	\$ 728,614.91	\$ 1,146,779.77
2001	\$ 475,021.15	\$ 833,246.78	\$ 1,308,267.93
2002	\$ 416,859.08	\$ 1,015,365.60	\$ 1,432,224.68
2003	\$ 458,780.10	\$ 1,122,504.11	\$ 1,581,284.21
2004	\$ 615,337.62	\$ 1,005,901.63	\$ 1,621,239.25
2005	\$ 661,099.95	\$ 1,045,858.38	\$ 1,706,958.33
2006	\$ 611,674.29	\$ 1,336,805.97	\$ 1,948,480.26
2007	\$ 856,597.12	\$ 1,451,468.74	\$ 2,308,065.86
2008	\$ 1,451,385.68	\$ 1,004,121.20	\$ 2,455,506.88
2009	\$ 1,504,429.59	\$ 1,114,558.52	\$ 2,618,988.11
2010	\$ 877,624.28	\$ 1,898,922.31	\$ 2,776,546.59
2011	\$ 1,793,563.59	\$ 1,282,852.85	\$ 3,076,416.44
2012	\$ 3,303,608.16	\$ 983,667.70	\$ 4,287,275.86
2013	\$ 3,080,405.43	\$ 1,441,235.41	\$ 4,521,640.84
2014	\$ 3,753,622.85	\$ 1,340,702.63	\$ 5,094,325.48
2015	\$ 4,776,377.17		\$ 4,776,377.17
2016	\$ 4,936,757.79		\$ 4,936,757.79
2017	\$ 5,258,182.90		\$ 5,258,182.90
2018	\$ 5,015,416.74		\$ 5,015,416.74
2019	\$ 5,079,128.39		\$ 5,079,128.39
2020	\$ 5,476,914.31		\$ 5,476,914.31
2021	\$ 5,566,425.98		\$ 5,566,425.98
2022	\$ 5,688,266.69		\$ 5,688,266.69
2023	\$ 6,227,003.19		\$ 6,227,003.19
2024	\$ 6,642,973.92		\$ 6,642,973.92
2025	\$ 4,235,120.89		\$ 4,235,120.89
	\$ 78,059,187.04	\$ 19,251,645.29	\$ 101,545,953.22
Perkins County	\$ 5,459,000.00		\$ 5,459,000.00
	\$ 83,518,187.04	\$ 19,251,645.29	\$ 107,004,953.22
Jan	\$ 524,179.15		\$ 524,179.15
Feb	\$ 465,874.73		\$ 990,053.88
Mar	\$ 496,188.74		\$ 1,486,242.62
Apr	\$ 470,457.96		\$ 1,956,700.58
May	\$ 505,572.75		\$ 2,462,273.33
June	\$ 523,116.86		\$ 2,985,390.19
July	\$ 629,744.96		\$ 3,615,135.15
Aug	\$ 619,985.74		\$ 4,235,120.89

III. POLICY TYPE: BOARD GOVERNANCE PROCESS

A. POLICY TITLE: *GOVERNING STYLE*

Adopted 10/4/99 - Amended 8/6/07; 4/7/14; 10/3/22

The Board will govern with a style that emphasizes outward vision rather than an internal preoccupation, encouragement of diversity in viewpoints, strategic leadership more than administrative detail, clear distinction of Board and manager/Chief Executive Officer roles, collective rather than individual decisions, future rather than past or present, and being proactive rather than reactive.

More specifically, the Board will:

1. Operate in all ways mindful of its trustee obligation to the people of North Dakota and the Southwest Water Authority service area. It will allow no officer, individual, or committee of the Board to hinder or be an excuse for not fulfilling this commitment.
2. Enforce upon itself whatever commitment is needed to govern with excellence. This commitment will apply to matters such as attendance, policy making principles, respect of roles, speaking with one voice, and ensuring the continual improvement of Board processes and capabilities. Continual redevelopment will include orientation of new members in the Board's governance process and periodic Board discussion of process improvement.

This commitment includes:

- A. Good ideas that come up during the meetings, not on the agenda, will be placed on a list for future agendas.
 - B. Directors will stick to the agenda and have pertinent discussion.
 - C. Directors will come prepared, having read materials before the meeting.
 - D. Directors will not have side conversations during the meeting. The Chair and all directors will control this.
 - E. Directors will accept options, not recommendations for consideration.
 - F. The meeting will start and end on time.
 - G. The Chair may place time limits on discussions. The Board as a whole may over rule.
 - H. Directors will speak loud enough so that all can hear.
 - I. The agenda will have time allotments and clarification.
 - J. Directors will ask extraneous questions outside of the meeting.
 - K. The Directors carry individual responsibility to keep current. This is especially true if the director misses a meeting.
 - L. The Directors will have sufficient information and discussion for policy making before a decision is made.
 - M. The Chair may call more breaks as needed.
3. Direct, control, and inspire the organization with thoughtful establishment of the broadest organizational policies reflecting the Board's values and perspectives. The Board's major focus will be on the intended long-term impacts outside the operating organization (*Aims/Ends*), not on the administrative means of attaining those effects.

4. Cultivate a sense of group responsibility. The Board, not the staff, will be responsible for excellence in governing. The Board will be an initiator of policy, not merely a reactor to staff initiatives. The Board will use the expertise of individual members to enhance the knowledge and ability of the Board as a body, rather than to substitute their individual judgments for the Board's values.
5. Monitor the Board's process and performance at each meeting. Self-monitoring will include comparison of Board activity and discipline to policies in the Governance Process and Board-manager/Chief Executive Officer Relationship categories.

MONITORING:

<i>Method:</i>	<i>Board of Directors Internal Report</i>
<i>Frequency:</i>	<i>Annually</i>
<i>Month:</i>	<i>October</i>

II. POLICY TYPE: EXECUTIVE LIMITATIONS

C. POLICY TITLE: *FINANCIAL CONDITION*

Adopted 10/4/99 - Amended 5/3/10; 1/5/17; 1/7/2019

With respect to the actual, ongoing condition of the organization's financial health, the manager/Chief Executive Officer may not cause or allow the development of fiscal jeopardy nor a material deviation of actual expenditures from Board priorities established in *Aims/Ends* policies.

Accordingly the manager/Chief Executive Officer may not:

1. Expend more funds than have been received unless two and one half months of total operating reserves are in place.
2. Use any Long Term Reserves.
3. Use any Replacement and Extraordinary Maintenance Fund Reserves.
4. Conduct inter-fund shifting in amounts greater than can be restored by otherwise unencumbered revenues within the fiscal year.
5. Allow cash to drop below the amount needed to settle payroll and debts in a timely manner.
6. Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.
7. Submit a deficit budget without also submitting a balanced budget.

MONITORING:

<i>Method:</i>	<i>Manager/CEO Internal Report</i>	<i>External Report (Audit Report)</i>
<i>Frequency:</i>	<i>Quarterly</i>	<i>Annually</i>
<i>Month:</i>	<i>January, April, July, October</i>	<i>April</i>

II. POLICY TYPE: EXECUTIVE LIMITATIONS

C. POLICY TITLE: *FINANCIAL CONDITION*

MONITORING: JUNE 2025 THROUGH AUGUST 2025

With respect to the actual, ongoing condition of the organization's financial health, the manager/Chief Executive Officer may not cause or allow the development of fiscal jeopardy nor a material deviation of actual expenditures from Board priorities established in *Aims/Ends* policies.

Accordingly, the manager/Chief Executive Officer may not:

1. Expend more funds than have been received unless two and a half months of total operating reserves are in place.

Income thru 8/31/25 - \$12,998,746

Expenses thru 8/31/25 - \$12,285,851

Net Income/Loss thru 8/31/25 – (\$661,953)

Total Operating Reserves thru 8/31/25 – 7.79 months

2. Use any Long-Term Reserves.

No use of long-term reserves. List of bonds called attached.

3. Use any Replacement and Extraordinary Maintenance Fund Reserves.

No funds were used from the Replacement and Extraordinary Maintenance Fund during this period. As of August 31, 2025, the balance in the Fund was \$27,766,862.41.

4. Conduct inter-fund shifting in amounts greater than can be restored by otherwise unencumbered revenues within the fiscal year.

No inter-fund transactions occurred during this period.

5. Allow cash to drop below the amount needed to settle payroll and debts in a timely manner.

All payroll debts were settled without penalties or late fees.

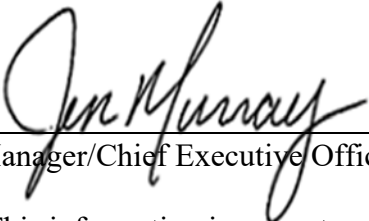
Attached list shows sufficient funds for payroll and debt payments.

6. Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.

Attached is the schedule for tax filings. All payroll debts were settled without penalties or late fees. Worksheets, confirmation numbers and bank statements verifying filing date to meet IRS requirements are available at the O&M Center Office. According to IRS tax code, the due date for filing is three business days after the date of payroll.

7. Submit a deficit budget without also submitting a balanced budget.

Three budget options for 2026 will be presented at the October 6, 2025, Board of Directors meeting. The proposed options include two deficit budgets with 7.50 and 5.80 months in reserve and a balanced budget with 6.82 months in reserve.



Manager/Chief Executive Officer

9/24/2025
Date

This information is current as of 09/24/25.

MONITORING:

Method:	Manager/CEO Internal Report	External Report (Audit Report)
Frequency:	Quarterly	Annually
Month:	January, April, July, October	July

Item #2 Use any Long Term Reserves**Monitoring Period: June 2025 through August 2025****Bonds Called or Sold**

Date	Amount	Cost	Account
6/16/2025	\$ 13.26	\$ 13.65	Reserve Fund for Replacement
6/20/2025	\$ 103,057.82	\$ 103,312.72	Reserve Fund for Replacement
6/25/2025	\$ 975.70	\$ 999.88	Reserve Fund for Replacement
7/15/2025	\$ 10.20	\$ 10.50	Reserve Fund for Replacement
7/21/2025	\$ 61,616.60	\$ 61,769.00	Reserve Fund for Replacement
7/25/2025	\$ 79,291.89	\$ 81,256.59	Reserve Fund for Replacement
8/6/2025	\$ 250,000.00	\$ 250,375.00	Reserve Fund for Replacement
8/6/2025	\$ 250,000.00	\$ 250,375.00	CMA
8/15/2025	\$ 7.33	\$ 7.54	Reserve Fund for Replacement
8/20/2025	\$ 75,333.28	\$ 75,519.61	Reserve Fund for Replacement
8/25/2025	\$ 971.37	\$ 995.44	Reserve Fund for Replacement
8/21/2025	\$ 22,000.00	\$ 25,328.39	Operation & Maintenance Fund

Bonds Purchased

6/11/2025	\$ 250,000.00	\$ 250,000.00	Operation & Maintenance Fund
6/11/2025	\$ 250,000.00	\$ 250,000.00	CMA
7/28/2025	\$ 250,000.00	\$ 250,000.00	Operation & Maintenance Fund
7/28/2025	\$ 250,000.00	\$ 250,000.00	CMA
8/19/2025	\$ 250,000.00	\$ 250,000.00	Reserve Fund for Replacement
8/19/2025	\$ 200,000.00	\$ 200,000.00	Operation & Maintenance Fund
8/19/2025	\$ 250,000.00	\$ 250,000.00	CMA
8/6/2025	\$ 250,000.00	\$ 250,375.00	CMA

CASH MANAGEMENT FOR MONITORING PERIOD: June 2025 - August 2025

PAYROLL

Date	Payment	Balance after payment
6/2/2025	\$ 273,023.16	\$ 151,773.49
6/2/2025	\$ 7,087.28	\$ 144,686.21
6/4/2025	\$ 136,563.77	\$ 8,122.44
6/10/2025	\$ 21,040.85	\$ 8,304.44
6/10/2025	\$ 8,158.10	\$ 8,723.87
7/1/2025	\$ 285,595.42	\$ 161,490.52
7/3/2025	\$ 151,232.46	\$ 10,258.06
7/7/2025	\$ 903.04	\$ 9,355.02
7/9/2025	\$ 5,801.92	\$ 22,702.10
7/10/2025	\$ 18,996.99	\$ 29,407.06
7/11/2025	\$ 4,803.08	\$ 10,505.87
7/30/2025	\$ 288,240.02	\$ 156,744.65
8/1/2025	\$ 220,517.08	\$ 164,919.00
8/7/2025	\$ 153,501.52	\$ 11,417.48
8/11/2025	\$ 19,407.44	\$ 6,667.90
8/19/2025	\$ 5,597.48	\$ 8,019.74
8/20/2025	\$ 1,066.04	\$ 4,914.20
Total Payments	\$ 1,601,535.65	

O&M

Date	Payment	Balance after payment
6/2/2025	\$ 232,639.17	\$ 644,649.34
6/6/2025	\$ 110,673.73	\$ 597,800.55
6/9/2025	\$ 15,355.94	\$ 590,043.71
6/13/2025	\$ 227,830.26	\$ 672,922.64
6/18/2025	\$ 727,546.17	\$ 636,853.27
6/24/2025	\$ 10,000.00	\$ 951,878.69
6/26/2025	\$ 438,362.10	\$ 699,783.04
6/27/2025	\$ 14,093.80	\$ 689,300.51
7/3/2025	\$ 8,180.07	\$ 738,619.02
7/7/2025	\$ 313,445.64	\$ 425,173.38
7/8/2025	\$ 19,191.00	\$ 417,972.01
7/9/2025	\$ 5,897.12	\$ 412,386.87
7/11/2025	\$ 4,864.59	\$ 527,324.57
7/14/2025	\$ 93,019.19	\$ 1,237,939.60
7/15/2025	\$ 890,138.83	\$ 1,330,958.79
7/18/2025	\$ 21,891.23	\$ 1,421,406.07
7/23/2025	\$ 28,820.30	\$ 1,507,587.32
7/30/2025	\$ 444,984.67	\$ 1,092,616.02
8/1/2025	\$ 9,526.74	\$ 1,160,336.31
8/4/2025	\$ 815,198.43	\$ 346,586.81
8/7/2025	\$ 8,651.28	\$ 309,404.11
8/8/2025	\$ 98,253.04	\$ 300,752.83
8/11/2025	\$ 5,185.25	\$ 295,567.58
8/15/2025	\$ 81,314.63	\$ 389,789.55
8/19/2025	\$ 849,057.50	\$ 278,182.30
8/22/2025	\$ 206,579.14	\$ 620,369.75
8/28/2025	\$ 452,479.75	\$ 340,858.54
8/29/2025	\$ 672,338.91	\$ 116,987.74
Total Payments	\$ 6,805,518.48	

GENERAL FUND

Date	Payment	Balance after payment
8/31/2025		\$ 78,480.68
Total Payments	\$ -	

GOVERNMENT PAYMENTS/FILINGS 3Q2025

<u>INITIATION DATE</u>	<u>PAYMENT</u>	<u>FILING</u>	<u>SETTLEMENT DATE</u>
6/26/2025	\$68,964.12	FTD FOR JUL 1 PAYROLL	7/1/2025
7/8/2025	\$4,918.58	FTD FOR JUL 10 PAYROLL	7/10/2025
7/9/2025	\$903.04	FTD FOR JUL 11 PAYROLL (BOD)	7/11/2025
7/30/2025	\$70,560.04	FTD FOR AUG 1 PAYROLL	8/1/2025
8/8/2025	\$5,007.41	FTD FOR AUG 11 PAYROLL	8/11/2025
8/19/2025	\$1,066.04	FTD FOR AUG 20 PAYROLL (BOD)	8/20/2025
8/28/2025	\$72,207.41	FTD FOR SEP 2 PAYROLL	9/2/2025
9/8/2025	\$5,209.10	FTD FOR SEP 10 PAYROLL	9/10/2025
9/11/2025	\$892.07	FTD FOR SEP 12 PAYROLL (BOD)	9/12/2025

QUARTERLY STATE WITHHOLDING ONLINE TO BE UPLOADED BY 10/31/2025

QUARTERLY SUTA ONLINE TO BE UPLOADED BY 10/31/2025

II. POLICY TYPE: EXECUTIVE LIMITATIONS

E. POLICY TITLE: *ASSET PROTECTION*

Adopted 10/4/99 - Amended 1/7/08; 8/2/10

The manager/Chief Executive Officer may not allow assets to be unprotected, inadequately maintained nor unnecessarily risked.

Accordingly, the manager/Chief Executive Officer may not:

1. Fail to insure against theft and casualty losses to at least 80 percent replacement value and against liability losses in the amount of \$2 million to Board members, staff or the organization itself.
2. Allow non-bonded personnel access to material amounts of funds.
3. Subject plant and equipment to improper wear and tear nor insufficient maintenance.
4. Unnecessarily expose the organization, its Board or staff to claims of liability or loss.
5. Make any unbudgeted purchase or commit the organization to any unbudgeted expenditure of greater than \$5,000.00.
6. Make any purchase:
 - A. wherein normally prudent protection has not been given against conflict of interest
 - B. of over \$2,500.00 without having obtained comparative prices and quality
 - C. of over \$10,000.00 without a stringent method of assuring the balance of long term cost and quality
 - D. without following North Dakota Century Code Chapter 44-08
7. Receive, process or disburse funds under controls which are insufficient to meet the Board-appointed auditor's standards.
8. Invest or hold operating capital except as directed by N.D.C.C. Chapter 21-04, 21-06-07.
9. Acquire, encumber or dispose of real property.
10. Fail to work with suppliers in developing long-term relationships and involvement in new service development.

MONITORING:

<i>Method:</i>	<i>Manager/CEO Internal Report</i>
<i>Frequency:</i>	<i>Quarterly</i>
<i>Month:</i>	<i>January, April, July, October</i>

II. POLICY TYPE: EXECUTIVE LIMITATIONS

E. POLICY TITLE: ASSET PROTECTION

MONITORING: JUNE 2025 THROUGH AUGUST 2025

The manager/Chief Executive Officer may not allow assets to be unprotected, inadequately maintained nor unnecessarily risked.

Accordingly, the manager/Chief Executive Officer may not:

1. Fail to insure against theft and casualty losses to at least 80 percent replacement value and against liability losses in the amount of \$2 million to Board members, staff or the organization itself.

Property is insured at 90% replacement value. Liability losses are insured for \$10 million for Board members, staff and SWA. Documentation is available at the SWA O&M Center Office.

2. Allow non-bonded personnel access to material amounts of funds.

All employees are bonded through the ND State Bonding Fund in accordance with NDCC 26-1-21-10 with a \$2 million limit of liability. Documentation is available at the SWA O&M Center Office.

3. Subject plant and equipment to improper wear and tear nor insufficient maintenance.

Annual, preventative, and routine maintenance per schedules at pump stations, distribution systems, O&M Center and water treatment plants and related facilities. The Annual O&M Report is distributed to appropriate agencies in April per the Transfer Agreement. Documentation is available at the SWA O&M Center Office, pump stations and water treatment plants.

4. Unnecessarily expose the organization, its Board or staff to claims of liability or loss.

To protect SWA against claims of liability, all SWA issued crossing permits are required to be accompanied by a Certificate of Liability from the landowner naming SWA as an additionally insured entity.

Staff keeps documentation through work logs, notes, vehicle tracking information and field notes.

Contracts and agreements are reviewed by staff and legal counsel prior to execution. Liability coverages are adequate. Staff is trained on proper techniques and use of machinery and equipment.

5. Make any unbudgeted purchase or commit the organization to any unbudgeted expenditure of greater than \$5,000.

SWA obtain Board approval at the August 4, 2025, Board of Directors meeting to replace the existing O&M Center Office Phone System that was not budgeted in 2025. The approved expenditure is for \$21,290.00. The new phone system has been installed, SWA is still awaiting invoicing for the expense.

6. Make any one-item purchase:
 - A. wherein normally prudent protection has not been given against conflict of interest;
 - B. of over \$2,500 without having obtained comparative prices and quality;
 - C. of over \$10,000 without a stringent method of assuring the balance of long-term cost and quality.
 - D. without following North Dakota Century Code Chapter 44-08.

SWA obtains comparative quotes for one-item purchases over \$2,500. Purchases follow NDCC 44-08. Long-term and quality are evaluated for purchases over \$10,000.

SWA only received one quote for the replacement of the phone system due to the integrated nature of services and the urgency of the replacement. Continuing with the existing carrier was the most practical solution.

7. Receive, process or disburse funds under controls which are insufficient to meet the Board-appointed auditor's standards.

Follow accounting manual approved by auditors.

8. Invest or hold operating capital except as directed by North Dakota Century Code Chapter 21-04, 21-06-07.

*Investments through Bravera Wealth follow the ND Century Code.
See attached listing of investments.*

9. Acquire, encumber or dispose of real property.

SWA has not acquired, encumbered or disposed of real property.

10. Fail to work with suppliers in developing long-term relationships and involvement in new service development.

SWA has long-term relationships with many suppliers including Brenntag Pacific, Dakota Supply Group, Ferguson Waterworks, Graymont Capital, Inc., Hach Company and Hawkins Inc. SWA has service relationships in the form of service agreements with Central Square for billing, Mix

Telematics (formerly Trimble) for the vehicle tracking system and Presort Plus for printing and mailing the monthly invoices to rural customers. A list of other frequent vendors and maintenance agreements is available at the SWA O&M Center Office.



Manager/Chief Executive Officer

Date 9/24/2025

This information is current as of 9/24/2025.

MONITORING:

Method: Manager/CEO Internal Report
Frequency: Quarterly
Month: January, April, July, October

Southwest Water Authority Operation & Maintenance Fund

Account #: 8054

Account Detail On: 08/31/2025

	Shares	Unit Price	Cost	Market Value	Estimated Annual Income	Accrual
Cash						
Cash			0.00	0.00		
Cash Equivalents						
CD - Other % of Portfolio: 19.12%						
Bank of America CD 4.30% Due 06/11/26	250,000.00	1.00	250,000.00	250,000.00	10,750.00	2,385.62
Connexus Credit Union CD 4.00% Due 08/19/27	200,000.00	1.00	200,000.00	200,000.00	8,000.00	263.01
State Bank India CD 4.25% Due 07/28/26	250,000.00	1.00	250,000.00	250,000.00	10,625.00	989.73
CD - Other Total	700,000.00		700,000.00	700,000.00	29,375.00	3,638.36
Money Market % of Portfolio: 0.05%						
Bravera Deposit Fund	1,760.06	1.00	1,760.06	1,760.06	75.33	0.00
Cash Equivalents Total	701,760.06		701,760.06	701,760.06	29,450.33	3,638.36
Fixed						
Bond - US Govt (State Tax Exempt) % of Portfolio: 65.44%						
Farmer Mac (2/26) 1.27% Due 08/19/30	90,000.00	88.35	90,000.00	79,515.35	1,143.00	34.93
Federal Farm Credit Bank (10/25) 1.26% Due 10/15/30	250,000.00	87.05	250,000.00	217,632.43	3,150.00	1,187.70
Federal Farm Credit Bank (9/25) 1.29% Due 12/22/26	250,000.00	96.48	250,000.00	241,189.10	3,225.00	609.17
Federal Farm Credit Bank (9/25) 1.40% Due 04/28/28	200,000.00	93.77	200,000.00	187,544.92	2,800.00	948.89
Federal Farm Credit Bank (9/25) 2.25% Due 12/18/29	200,000.00	93.37	200,000.00	186,740.38	4,500.00	900.00
Federal Home Loan Bank (11/25) 1.50% Due 02/25/31	500,000.00	87.65	500,000.00	438,233.90	7,500.00	104.17
Federal Home Loan Bank (5/27) 4.50% Due 11/14/29	500,000.00	100.93	500,000.00	504,627.45	22,500.00	6,625.00
Federal Home Loan Bank (9/25) 1.25% Due 06/30/31	250,000.00	91.01	250,000.00	227,536.43	3,125.00	520.83
Federal Home Loan Bank (9/25) 1.28% Due 12/02/30	250,000.00	87.27	250,000.00	218,181.08	3,200.00	782.22
Federal Home Loan Bank (9/25) 2.35% Due 10/18/29	100,000.00	94.29	100,000.00	94,285.88	2,350.00	861.67
Bond - US Govt (State Tax Exempt) Total	2,590,000.00		2,590,000.00	2,395,486.92	53,493.00	12,574.58
Bond - US Govt (State Taxable) % of Portfolio: 2.39%						
Freddie Mac (11/25) 1.15% Due 08/26/30	100,000.00	87.63	99,913.10	87,626.51	1,150.00	12.78
Mutual Funds - Fixed Income % of Portfolio: 13.00%						
PIMCO GNMA & Government Securities Instl	26,295.79	9.46	288,850.00	248,757.86	11,241.35	0.00
Vanguard GNMA Adm	24,252.85	9.37	253,116.95	227,248.96	9,142.96	0.00
Mutual Funds - Fixed Income Total	50,548.64		541,966.95	476,006.82	20,384.31	0.00
Fixed Total	2,740,548.64		3,231,880.05	2,959,120.25	75,027.31	12,587.36
Grand Total	3,442,308.70		3,933,640.11	3,660,880.31	104,477.64	16,225.72



Southwest Water Authority - Escrow Fund

Account #: 8050

Account Detail On: 08/31/2025

	Shares	Unit Price	Cost	Market Value	Estimated Annual Income	Accrual
Cash						
Cash			0.00	0.00		
Cash Equivalents						
Money Market % of Portfolio: 5.69%						
Bravera Deposit Fund	40,063.11	1.00	40,063.11	40,063.11	1,714.71	0.00
Fixed						
Bond - US Govt (State Tax Exempt) % of Portfolio: 62.98%						
Farmer Mac (2/26) 1.27% Due 08/19/30	50,000.00	88.35	50,000.00	44,175.20	635.00	19.40
Federal Farm Credit Bank (10/25) 1.26% Due 10/15/30	50,000.00	87.05	50,000.00	43,526.49	630.00	237.54
Federal Farm Credit Bank (9/25) 1.29% Due 12/22/26	150,000.00	96.48	150,000.00	144,713.46	1,935.00	365.50
Federal Home Loan Bank (11/25) 1.50% Due 02/25/31	25,000.00	87.65	25,000.00	21,911.70	375.00	5.21
Federal Home Loan Bank (9/25) 1.28% Due 12/02/30	50,000.00	87.27	50,000.00	43,636.22	640.00	156.44
Federal Home Loan Bank (9/25) 1.34% Due 03/03/28	60,000.00	94.32	60,000.00	56,591.27	804.00	395.30
Federal Home Loan Bank STEP (9/25) 1.25% Due 9/29/31	100,000.00	88.65	100,000.00	88,648.67	1,250.00	524.31
Bond - US Govt (State Tax Exempt) Total	485,000.00		485,000.00	443,203.01	6,269.00	1,703.70
Bond - US Govt (State Taxable) % of Portfolio: 3.11%						
Freddie Mac (11/25) 1.15% Due 08/26/30	25,000.00	87.63	24,978.30	21,906.63	287.50	3.19
Mutual Funds - Fixed Income % of Portfolio: 28.22%						
PIMCO GNMA & Government Securities Instl	10,518.64	9.46	115,651.00	99,505.91	4,496.68	0.00
Vanguard GNMA Adm	10,582.32	9.37	110,649.58	99,156.16	3,989.39	0.00
Mutual Funds - Fixed Income Total	21,100.96		226,300.58	198,662.07	8,486.07	0.00
Fixed Total	531,100.96		736,278.88	663,771.71	15,042.57	1,706.89
Grand Total	571,164.07		776,341.99	703,834.82	16,757.28	1,706.89



Southwest Water Authority - General Fund

Account #: 8051

Account Detail On: 08/31/2025

	Shares	Unit Price	Cost	Market Value	Estimated Annual Income	Accrual
Cash						
Cash			0.00	0.00		
Cash Equivalents						
Money Market % of Portfolio: 7.20%						
Bravera Deposit Fund	78,462.23	1.00	78,462.23	78,462.23	3,358.20	0.00
Fixed						
Bond - US Govt (State Tax Exempt) % of Portfolio: 39.25%						
Farmer Mac (2/26) 1.27% Due 08/19/30	60,000.00	88.35	60,000.00	53,010.24	762.00	23.28
Federal Farm Credit Bank (10/25) 1.26% Due 10/15/30	50,000.00	87.05	50,000.00	43,526.49	630.00	237.54
Federal Home Loan Bank (11/25) 1.50% Due 02/25/31	50,000.00	87.65	50,000.00	43,823.39	750.00	10.42
Federal Home Loan Bank (9/25) 1.25% Due 06/30/31	50,000.00	91.01	50,000.00	45,507.29	625.00	104.17
Federal Home Loan Bank (9/25) 1.28% Due 12/02/30	100,000.00	87.27	100,000.00	87,272.43	1,280.00	312.89
Federal Home Loan Bank (9/25) 1.34% Due 03/03/28	70,000.00	94.32	70,000.00	66,023.15	938.00	461.18
Federal Home Loan Bank STEP (9/25) 1.25% Due 9/29/31	100,000.00	88.65	100,000.00	88,648.67	1,250.00	524.31
Bond - US Govt (State Tax Exempt) Total	480,000.00		480,000.00	427,811.66	6,235.00	1,673.79
Bond - US Govt (State Taxable) % of Portfolio: 7.93%						
Freddie Mac (11/25) 1.15% Due 08/26/30	50,000.00	87.63	49,956.60	43,813.26	575.00	6.39
Freddie Mac (9/25) 1.24% Due 09/30/31	50,000.00	85.12	50,000.00	42,560.58	620.00	258.33
Bond - US Govt (State Taxable) Total	100,000.00		99,956.60	86,373.84	1,195.00	264.72
Mutual Funds - Fixed Income % of Portfolio: 45.62%						
PIMCO GNMA & Government Securities Instl	26,250.84	9.46	289,508.42	248,332.83	11,222.15	0.00
Vanguard GNMA Adm	26,573.16	9.37	280,049.97	248,989.64	10,017.57	0.00
Mutual Funds - Fixed Income Total	52,824.00		569,558.39	497,322.47	21,239.72	0.00
Fixed Total	632,824.00		1,149,514.99	1,011,507.97	28,669.72	1,938.51
Grand Total	711,286.23		1,227,977.22	1,089,970.20	32,027.92	1,938.51



Southwest Water Authority - Reserve Fund

Account #: 8052

Account Detail On: 08/31/2025

	Shares	Unit Price	Cost	Market Value	Estimated Annual Income	Accrual
Cash						
Cash			0.00	0.00		
Cash Equivalents						
CD - Other % of Portfolio: 70.71%						
Affinity Bank CD 4.15% Due 09/14/27	247,000.00	1.00	247,000.00	247,000.00	10,250.50	477.42
Goldman Sachs Bank CD 4.25% Due 03/13/28	250,000.00	1.00	250,000.00	250,000.00	10,625.00	5,035.96
Northwest Bank CD 4.25% Due 03/15/27	250,000.00	1.00	250,000.00	250,000.00	10,625.00	4,948.63
Somerset Trust Company CD 4.05% Due 05/15/28	250,000.00	1.00	250,000.00	250,000.00	10,125.00	499.32
CD - Other Total	997,000.00		997,000.00	997,000.00	41,625.50	10,961.33
Money Market % of Portfolio: 6.04%						
Bravera Deposit Fund	85,156.69	1.00	85,156.69	85,156.69	3,644.73	0.00
Cash Equivalents Total	1,082,156.69		1,082,156.69	1,082,156.69	45,270.23	10,961.33
Fixed						
Bond - US Govt (State Tax Exempt) % of Portfolio: 12.45%						
Farmer Mac (2/26) 1.27% Due 08/19/30	50,000.00	88.35	50,000.00	44,175.20	635.00	19.40
Federal Home Loan Bank (11/25) 1.50% Due 02/25/31	25,000.00	87.65	25,000.00	21,911.70	375.00	5.21
Federal Home Loan Bank (9/25) 1.28% Due 12/02/30	50,000.00	87.27	50,000.00	43,636.22	640.00	156.44
Federal Home Loan Bank (9/25) 1.34% Due 03/03/28	70,000.00	94.32	70,000.00	66,023.15	938.00	461.18
Bond - US Govt (State Tax Exempt) Total	195,000.00		195,000.00	175,746.27	2,588.00	642.23
Bond - US Govt (State Taxable) % of Portfolio: 3.11%						
Freddie Mac (11/25) 1.15% Due 08/26/30	50,000.00	87.63	49,956.60	43,813.26	575.00	6.39
Mutual Funds - Fixed Income % of Portfolio: 7.69%						
Vanguard GNMA Adm	11,549.30	9.37	122,067.45	108,215.80	4,353.85	0.00
Fixed Total	256,549.30		367,024.05	327,775.33	7,516.85	648.62
Grand Total	1,338,705.99		1,449,180.74	1,409,932.02	52,787.08	11,609.95



Southwest Water Authority Reserve Fund For Replacement

Account #: 8053

Account Detail On: 08/31/2025

	Shares	Unit Price	Cost	Market Value	Estimated Annual Income	Accrual
Cash						
Cash			0.00	0.00		
Cash Equivalents						
CD - Other % of Portfolio: 0.95%						
Connexus Credit Union CD 4.00% Due 08/19/27	250,000.00	1.00	250,000.00	250,000.00	10,000.00	328.77
Money Market % of Portfolio: 21.45%						
Bravera Deposit Fund	4,541,261.14	1.00	4,541,261.14	4,541,261.14	194,367.18	0.00
Meridian Bank Deposit Fund	1,114,319.80	1.00	1,114,319.80	1,114,319.80	51,258.96	0.00
Money Market Total	5,655,580.94		5,655,580.94	5,655,580.94	245,626.14	0.00
Cash Equivalents Total	5,905,580.94		5,905,580.94	5,905,580.94	255,626.14	328.77
Fixed						
Bond - US Govt (State Tax Exempt) % of Portfolio: 60.03%						
Farmer Mac (11/25) 2.00% Due 02/10/27	900,000.00	97.17	900,000.00	874,529.28	18,000.00	1,000.00
Farmer Mac (2/26) 1.27% Due 08/19/30	1,000,000.00	88.35	1,000,000.00	883,503.90	12,700.00	388.06
Farmer Mac (2/26) 1.78% Due 08/12/31	1,000,000.00	88.24	1,000,000.00	882,361.40	17,800.00	890.00
Federal Farm Credit Bank (10/25) 1.26% Due 10/15/30	1,550,000.00	87.05	1,550,000.00	1,349,321.04	19,530.00	7,363.77
Federal Farm Credit Bank (9/25) 0.94% Due 06/08/27	400,000.00	94.84	399,827.84	379,342.28	3,760.00	862.95
Federal Farm Credit Bank (9/25) 1.29% Due 12/22/26	600,000.00	96.48	600,000.00	578,853.84	7,740.00	1,462.00
Federal Farm Credit Bank (9/25) 1.40% Due 04/26/29	2,500,000.00	91.64	2,500,000.00	2,291,107.25	35,000.00	12,055.56
Federal Farm Credit Bank (9/25) 1.40% Due 04/28/28	600,000.00	93.77	600,000.00	562,634.76	8,400.00	2,846.67
Federal Farm Credit Bank (9/25) 2.08% Due 02/19/30	900,000.00	92.31	900,000.00	830,808.63	18,720.00	572.00
Federal Farm Credit Bank (9/25) 5.44% Due 08/21/34	500,000.00	100.01	500,000.00	500,071.30	27,200.00	680.00
Federal Home Loan Bank (11/25) 1.50% Due 02/25/31	1,000,000.00	87.65	1,000,000.00	876,467.80	15,000.00	208.33
Federal Home Loan Bank (9/25) 1.07% Due 06/04/27	1,000,000.00	95.40	1,000,000.00	954,006.50	10,700.00	2,556.11
Federal Home Loan Bank (9/25) 1.25% Due 06/30/31	1,200,000.00	91.01	1,200,000.00	1,092,174.84	15,000.00	2,500.00
Federal Home Loan Bank (9/25) 1.27% Due 12/02/30	1,000,000.00	87.23	999,173.07	872,253.60	12,700.00	3,104.44
Federal Home Loan Bank (9/25) 1.28% Due 12/02/30	1,000,000.00	87.27	1,000,000.00	872,724.30	12,800.00	3,128.89
Federal Home Loan Bank (9/25) 1.34% Due 03/03/28	650,000.00	94.32	650,000.00	613,072.07	8,710.00	4,282.42
Federal Home Loan Bank (9/25) 2.35% Due 10/18/29	485,000.00	94.29	485,000.00	457,286.52	11,397.50	4,179.08
Federal Home Loan Bank (9/25) 2.69% Due 09/26/34	500,000.00	85.45	500,000.00	427,274.35	13,450.00	5,753.61
Federal Home Loan Bank STEP (9/25) 1.25% Due 9/29/31	600,000.00	88.65	600,000.00	531,892.02	7,500.00	3,145.83
Bond - US Govt (State Tax Exempt) Total	17,385,000.00		17,384,000.91	15,829,685.68	276,107.50	56,979.72
Bond - US Govt (State Taxable) % of Portfolio: 12.95%						
FNMA Remic 2.556% Due 12/25/26	622,606.86	97.73	638,033.84	608,475.80	15,915.08	261.62
Freddie Mac (11/25) 1.15% Due 08/26/30	1,000,000.00	87.63	999,130.20	876,265.10	11,500.00	127.78



Southwest Water Authority Reserve Fund For Replacement

Account #: 8053

Account Detail On: 08/31/2025

	Shares	Unit Price	Cost	Market Value	Estimated Annual Income	Accrual
Fixed						
Bond - US Govt (State Taxable) % of Portfolio: 12.95%						
Freddie Mac (9/25) 1.24% Due 09/30/31	1,000,000.00	85.12	1,000,000.00	851,211.60	12,400.00	5,166.67
GNMA Class KC 5.50% Due 03/20/46	1,051,967.00	102.52	1,054,568.49	1,078,451.71	57,858.16	1,607.17
Bond - US Govt (State Taxable) Total	3,674,573.86		3,691,732.53	3,414,404.21	97,673.24	7,163.24
Mortgage Backed Security						
Government National Mortgage Association 7.00% Due 12/15/29	298.94	103.36	307.72	308.98	20.92	0.92
Mutual Funds - Fixed Income % of Portfolio: 4.62%						
PIMCO GNMA & Government Securities Instl	57,776.26	9.46	637,785.77	546,563.00	24,699.20	0.00
Vanguard GNMA Adm	71,194.64	9.37	743,648.24	667,093.35	26,839.25	0.00
Mutual Funds - Fixed Income Total	128,970.90		1,381,434.01	1,213,656.35	51,538.45	0.00
Fixed Total	21,188,843.70		22,457,475.17	20,458,055.22	425,340.11	64,143.88
Grand Total	27,094,424.64		28,363,056.11	26,363,636.16	680,966.25	64,472.65



3WVA - CMA
Account #: 8058

Account Detail On: 08/31/2025

	Shares	Unit Price	Cost	Market Value	Estimated Annual Income	Accrual
Cash						
Cash			0.00	0.00		
Cash Equivalents						
CD - Other	% of Portfolio: 78.16%					
Bank of America CD 4.30% Due 06/11/26	250,000.00	1.00	250,000.00	250,000.00	10,750.00	2,385.62
Connexus Credit Union CD 4.00% Due 08/19/27	250,000.00	1.00	250,000.00	250,000.00	10,000.00	328.77
State Bank India CD 4.25% Due 07/28/26	250,000.00	1.00	250,000.00	250,000.00	10,625.00	989.73
Wells Fargo Bank CD 5.40% Due 11/07/25	250,000.00	1.00	250,000.00	250,000.00	13,500.00	887.67
CD - Other Total	<u>1,000,000.00</u>		<u>1,000,000.00</u>	<u>1,000,000.00</u>	<u>44,875.00</u>	<u>4,591.79</u>
Money Market						
Money Market	% of Portfolio: 2.65%					
Bravera Deposit Fund	33,937.12	1.00	33,937.12	33,937.12	1,452.52	0.00
Cash Equivalents Total	<u>1,033,937.12</u>		<u>1,033,937.12</u>	<u>1,033,937.12</u>	<u>46,327.52</u>	<u>4,591.79</u>
Fixed						
Bond - US Govt (State Tax Exempt)	% of Portfolio: 19.19%					
Federal Home Loan Bank (3/25) 0.85% Due 03/25/26	250,000.00	98.18	241,173.87	245,456.15	2,125.00	29.51
Grand Total	<u>1,283,937.12</u>		<u>1,275,110.99</u>	<u>1,279,393.27</u>	<u>48,452.52</u>	<u>4,621.30</u>



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Our Mission: Quality Water for Southwest North Dakota

MEMORANDUM

To: Jen Murray, Manager/CEO, SWA

From: Ledeanne O'Shields, CFO/Office Administrator, SWA

Subject: City of Elgin Amendment #8 - Decision Making

Date: September 25, 2025

City of Elgin Water Service Contract Amendment #8 is included for your review and approval. This amendment extends the term of the agreement to October 31, 2065. The city of Elgin is receiving funding from the United States Department of Agriculture (USDA) Rural Development, and they are requiring a 40-year water service agreement with SWA. The current term for the Water Service Agreement with SWA expires on September 29, 2040.

I respectfully request the Southwest Water Authority Board of Directors approve the City of Elgin Water Service Contract Amendment #8 to extend the term of the City of Elgin Water Service Contract to October 31, 2065.

**AMENDMENT NUMBER 8 TO
WATER SERVICE CONTRACT BETWEEN
THE CITY OF ELGIN,
SOUTHWEST WATER AUTHORITY, AND
THE STATE WATER COMMISSION**

The **State of North Dakota**, acting through the State Water Commission (Commission), **Southwest Water Authority** (Authority), and the **City of Elgin** (Customer) amend Contract 1736-15 approved by the Commission on March 15, 1983, regarding water service for the City:

Replace **SECTION IV, PARAGRAPH 1** with:

1. This contract will remain in effect until October 31, 2065, unless terminated by mutual agreement of the parties.

STATE WATER COMMISSION

By:

Reice Hasse, Secretary

Date _____

City of Elgin

By:

City of Elgin, Mayor

Date _____

SOUTHWEST WATER AUTHORITY

By:

James Odermann, Chairperson

Date _____

City of Elgin

By:

City of Elgin, Auditor

Date _____



Resolution of Appreciation

Jim Lennington



Be it resolved by the Board of Directors of Southwest Water Authority:

WHEREAS, **Jim Lennington** has devoted his career to the advancement and success of rural water systems throughout North Dakota, demonstrating a lifelong commitment to bringing reliable, quality water to the citizen of southwest North Dakota; and

WHEREAS, **Jim** has provided exceptional leadership in the development and management of the Southwest Pipeline Project (SWPP) a regional system critical to the economic stability and growth of southwest North Dakota; and

WHEREAS, **Jim's** service to the SWPP with the North Dakota State Water Commission, followed by his role as Project Engineer with Bartlett & West, has been marked by professionalism, dedication, and an unwavering commitment to quality; and

WHEREAS, **Jim's** technical expertise, problem-solving skills, and ability to provide clear guidance and support have earned him the respect and gratitude of colleagues, clients, and community partners alike, embodying the qualities of both a trusted professional and a true friend to rural water; and

WHEREAS, **Jim** has gone above and beyond the call of duty, working tirelessly to uphold the mission of "quality water for southwest North Dakota"; and

NOW, THEREFORE, BE IT RESOLVED, that on this sixth day of October 2025, we honor **Jim Lennington** with sincere appreciation and gratitude for his outstanding service, leadership, and dedication to the success of our water system and the citizens it serves; and

BE IT FURTHER RESOLVED that we extend to **Jim** our heartfelt congratulations on his retirement, and best wishes for happiness and fulfillment in the years to come.

James Odermann, Chairman
Southwest Water Authority

Jenifer Murray, Manager/CEO
Southwest Water Authority



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MEMORANDUM

To: Southwest Water Authority Board of Directors

From: Jen Murray, Manager/CEO

Subject: Strategic Plan Communications Video – Decision Making

Date: September 29, 2025

At the 2023 Board of Directors' Retreat, the SWA Strategic Plan was developed. One of the final action items is a communications video. SWA and Odney, Inc. have been collaborating on the scope of work for the SWA informational video.

The purpose of the video is to educate and inform a variety audiences about the scope, scale, and significance of SWA's mission and operations. The video will service as a versatile communication tool for employee onboarding, Board member orientation, public outreach, legislative advocacy, and digital engagement.

SWA and Odney received four quotes from videographers and production marketing. The Vendor that has been selected, if approved by the Board, is The Creative Treatment - Easton Bennett, located in Minot. Examples of Bennett's work can be found here: <https://thecreativetreatment.com/>

I respectfully request the SWA Board of Directors approve \$41,874 for a Southwest Water Authority Strategic Plan Communications Video.



**Southwest Water Authority
Informational Video
Shoot Estimate Review**

Video Project Estimate – Benefits & Value

Timeless Asset

- A one-time investment that can be updated at a much lower cost, ensuring relevance and long-term value.

Single, Powerful Storytelling Piece

- One professional video designed to effectively engage multiple audiences without the need for separate productions.

Multi-Format Deliverables

- A 4-5 minute long-form video plus a 30-second cutdown optimized for social media and concise presentations.

Photography Included

- High-quality imagery captured during the shoot, available for use across web, social and print.

Professional Quality

- Ensures SWA is represented with credibility and avoids amateur or inconsistent work.

Trusted Vendor

- Using vetted professionals guarantees reliable, polished results aligned with industry best practices.

Cost Efficiency Over Time

- One comprehensive project reduces the need for disjointed or repeat productions.

Expanded Reach

- Assets can be leveraged across multiple platforms, events and audiences which maximizes impact.

Target Audiences & Calls to Action (CTA)

New Employees (Onboarding & Orientation)

- CTA: Take pride in working for a purpose-driven organization.

Board Members (New & Existing)

- CTA: Engage in governance and champion the system's continued success.

Elected Officials & Policymakers (Local, State, Federal)

- CTA: Recognize the need for continued investment in water infrastructure.

General Public & Customers (Website, Facebook, Community Outreach)

- CTA: Understand SWA's value and support its future.

Event Audiences (Legislative Presentations, Community Meetings, Trade Shows)

- CTA: Understand that access to clean water is not automatic. It requires planning, investment and dedicated people.

Vendor, Timeline & Cost Breakdown

Recommended Vendor – *The Creative Treatment – Easton Bennett*

- Selected based on availability, strong portfolio and most competitive pricing.

Timeline

- Proposed shoot dates: October 20–21, 2025 (Dickinson area, pending Buffalo Gap timeline).

- Second half of the shoot will be two days in spring 2026
- Pre-production to begin as soon as approval and vendor lock-in are confirmed.

Payment Structure

- Ability to split invoice: portion due upon approval to begin pre-production, with the remaining balance deferred until summer 2026.

Next Step

- Approval and vendor lock-in are needed promptly to secure dates and begin planning.

Estimate Breakdown

Odney Pre-Production – \$9,600

- Concepting, creative direction, and pre-production (including scouting, shoot coordination, meetings, etc.)
- 80 hours at \$120/hr

Four-Day Split Shoot – \$22,674

- October 20–21, 2025
- Spring 2026 (two days, TBD)

Odney Post-Production – \$9,600

- Video/photo editing and revisions
- 80 hours at \$120/hr

Total Combined Estimate: \$41,874



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Southwest Water Authority Strategic Plan

2023

At the 2023 Board of Directors' Retreat, a situational analysis was conducted. Below are the six identified areas of priority, opportunity, and challenge in which the Board has affirmed require awareness, focus, and action to achieve the mission and vision of Southwest Water Authority.

Southwest Pipeline Project Supplementary Intake

1. Communicate the need for the Supplementary Intake for the people of southwest North Dakota
2. Communicate the impacts of a deficit at the Intake to stakeholders
3. Encourage the SWC to consider alternative options
 - a. Develop a plan/proposal for an interim Intake to address the potential deficit until the permanent intake is completed (Increase flowrate with Basin Electric, construct a temporary Intake, evaluation of other locations/sources, etc.)
4. Communicate the income opportunity of serving Prairie Horizon Hydrogen or other industrial users

Aging Infrastructure

1. Prioritize areas of concern
 - a. Utilize REM analysis as a tool to monitor age of infrastructure and life-expectancy
 - i. Keep the REM analysis updated
 - ii. Budget accordingly
2. Develop a plan to address shutdowns
 - a. Redundancy
 - i. Consideration of additional water reservoirs at Zap and/or Dickinson
 - ii. Consideration of secondary raw water line
3. Work with other Rural Water Systems and related agencies to revive the Water/Wastewater Agency Response Network (WARN) – a statewide inventory database for spare parts or emergency mitigation
 - a. Mutual Aid Agreements

Education and Communication and Project Funding

1. Communication – How will the Board and Staff Communicate with Stakeholders
 - a. Develop the SWPP and SWA message to be communicated
 - i. Who we are, what we do, and why we exist
 - b. Outreach
 - i. Identify audiences with whom the message will be communicated (County Commissions, City Commissions, Legislators, Public, other boards/agencies, etc.)
 - ii. Identify Champions and Build Relationships
 - c. Develop a communication video
 - i. Make a statement, be memorable, include testimonials.

Waiting List and Customer Connections

1. Finalize Feasibility Criteria Adjustments
2. Revise Prong 2 and Prong 3 approach to address future needs for waiting lists, under-served areas/new construction areas
3. Strategic Hydraulic Improvements
 - a. Assess and prioritize waiting list areas of the Project through constant review of Prioritization Matrix
 - b. Combine projects to make cost effective

Water Treatment Plant Expansion and Decommissioning of Dickinson WTP

1. Southwest Water Treatment Plant designed for future of SWPP – 18 MGD
 - a. Secure staging area for construction and materials
 - b. Budget for unknown maintenance needs for first year after warranty period
2. Dickinson Water Treatment Plant
 - a. Develop timeline for decommissioning
 - b. Discuss with City of Dickinson on responsibilities, assets/inventory, and future for the site
3. Security
 - a. Upgrade security and cybersecurity at the SWTP
4. Education
 - a. Foster and maintain educated treatment staff

Affordable Rates

1. Remain aware how SWA compares to other ND Rural Water Systems as a gauge for affordability
2. Review over-allocation policy
3. Review and analyze reserves during budgeting
4. REM analysis
 - a. Review and update every two years
 - b. Keep reserve relevant to future need and policy
 - c. Remain educated on the SWC Basic Asset Inventory Assessments and Capital Improvement Plans for other water systems



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Little Missouri Scenic River Commission Meeting

Tuesday, September 9, 2025

2:00 pm Mountain Time

North Dakota Cowboy Hall of Fame Conference Room
Medora, ND

AGENDA

- Greeting & Introductions
- Approval of Agenda
- Approval of the September 10, 2024 Meeting Minutes
- Election of Officers
- Department of Water Resources Update
- ND Parks and Recreation Department Update
- North Plains Connector
- Future Meeting Date
- Other Business
 - Representative's comments/updates
 - Commissioner vacancies
- Public Comments
- Adjourn



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Little Missouri (LM) Scenic River Commission meeting September 9, 2025.

I attended the above annual meeting; the meeting was called to order by Chairman John Paczkowski. Minutes of 2024 meeting approved.

Election of new officers was held. Pam Hestekin was elected Chairperson, with George Weinreis as vice-chair.

Department of Water Resources (DWR) Bryce Klasen gave a report on happenings, with a new water gauge between Highway 85 crossing and Lake Sacajawea, and how the DWR calculates LM river flows to grant any water use permits out of the LM river. There must be at least 30 Cubic Feet per Second (CFS) average flow for any permitting to occur.

ND Parks and Recreation Paul Taylor gave an update on the two State Parks on the LM river. **Roughrider (Sully Creek)** is closed for reconstruction till next season. Each site in the park will be completely watered and electrified, with a big increase in camper spaces. The reservation system will remain as it exists. A large problem of people paying for the sites online and then not showing up to use the site. Hopefully the increase in sites will alleviate this problem.

Little Missouri State Park is constructing many miles of new trails with their own equipment, mostly horse use with maintenance of the trails by motorized equipment. At present, just non-motorized use on the trails. Five miles of new trail were constructed this summer.

ND Dept of Environmental Quality studies-Person attending but no report except they review all Use permit applications along the LM river.

North Planes Connector (NPC) - Dan Lloyd and Terry Traynor gave an update on the Direct Current powerline from Colstrip, MT, New Salem, and the Alternating Current lines to St. Anthony and Center, ND. All ROW easements have been acquired in ND; 4 remain in Montana. It crosses the LM river by the 3 Vs crossing in Slope County. Department of Energy is the National Environmental Policy Act contact for the Environmental Impact Statement document to be started in 2025 and completed in 2026; Construction is planned to start in 2028 with completion in 2032. This project is over 400 miles long with an additional 40+ miles added in reroutes to the original location around unwilling landowner properties. NPC is also sponsoring the ND Community grant program for three more years with local projects along the powerline route. Many good comments from Directors on the professional way this company has worked with landowners on the routing and rerouting of this powerline.

MHA Nation representative Mary Fredricks stated they would like to start collaboration with all users along the LM river, they have acquired more lands along the LM and Missouri rivers and are planning a water trail in that area. More to come.

Vacancies in the two (2) year Director slots are Slope and Golden Valley; McKenzie and Dunn County will be asked to send a Director to this Commission.

Next meeting is September 8, 2026.

Curtis W. Glasoe Stark County Director

On September 15-17, 2025, Rick Seifert and I had the opportunity to attend the WaterPro Conference in New Orleans Louisiana sponsored by the National Rural Water Association. This is an annual event and moves around the country. The focus is to provide sessions and special training for board members, managers, staff and operators. It also includes an exhibit hall full of vendors of all kinds, most related directly to water, with many new concepts and controls in water systems.

This year's opening was led off by Major Jock Davis a 101year old WWII veteran.



Following the invocation all service members and veterans were invited to the stage. Rick is up there in the picture but hiding behind a flag. Following several other speakers Major Glen Jacobs spoke on his career attempts at professional sports and the five life lessons he's learned.

- 1)- We all have different God given gifts.
- 2)- You must be willing to fail and step outside your comfort zone.
- 3)- Things are not about you!
- 4)- We are all leaders.
- 5)- Success comes to those who don't quit.

Both Rick and I attended the Board Leadership session titled The Five Principles of Leadership (I learned from watching the sitcom The Office) presented by Heather Somers. This was a very popular session with a standing room only crowd.

The five lessons are:

- 1) Leaders have to be Resolute but Flexible
- 2) Leaders know they are not the smartest in the room. They create the smartest room.
- 3) Leaders must be self-aware. (Conscious of self and their emotions)
- 4) Embrace vulnerability, ask for help, and be intentional. Leaders cannot over communicate. When you are tired of saying it, you are halfway there.
- 5) Find value and worth outside of your role as leader. Self-maintenance through hobbies, trips and doing what you enjoy is essential.



I also attended sessions on PFAS cost recovery programs and microplastics. The presentation on Board Governance-Legal Principles and Practices to keep the water flowing really made both of us aware of all the good thing we as a Board already do. From our continued review of policy to the Strategic Plan which is always before us, both of us felt we are ahead of the curve.

The last session attended was on the power of association. It was a review of the NRWA grassroots efforts in

support of rural water funding in Congress. With slim majorities in both the House and Senate and another election cycle coming soon legislation on the Farm bill Clean Water Act and others need to be advanced. Local involvement is important.

There was time for some sightseeing. The Mississippi river was close with a lot of barge traffic. The city trolley system took us to the French Market, museums and lots of local culture. The food and music were great and the time to talk with people from all over the country, learning their issues, was great too. Thank you for the opportunity to go!

Respectfully,

Rick Seifert, SWA Director
Bowman County

Harold Gaugler, SWA Director
Grant County





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MEMORANDUM

To: Southwest Water Authority Board of Directors
From: Jen Murray, Manager/CEO, SWA
Subject: National Rural Water Association WaterPro Conference
Date: September 22, 2025

The National Rural Water Association WaterPro Conference was held in New Orleans, LA, on September 15-17, 2025. I was in attendance along with Directors Gaugler and Seifert. The event was held at the Ernest N. Morial Convention Center along the banks of the Mississippi River.

The Water Pro Conference sessions provide specialized training in several areas, including leadership, regulatory issues, strategic Federal funding, water policy management, infrastructure, technology, and critical water-related challenges. The exhibit hall showcased a diverse range of innovative products and services, often accompanied by demonstrations and hands-on interactions. It is a valuable space for networking and building relationships.

On Day 1, I attended the opening ceremony. The Pledge of Allegiance was led by World War II Veteran, Major Jock Davis. Major Davis, who was turning 101, asked for a photo with all the conference participants who have served the United States. The stage was overflowing, and our very own Director Seifert was included in the photo.

The classroom sessions I attended on Day 1 included:

No Silver Bullet – Adopting a Holistic Approach to Non-Revenue Water with speaker Emma Quail, Business Development Manager with Ferguson Waterworks. This session discussed a strategic approach to navigating complexities and guiding intervention for dealing with challenging NRW situations. Ferguson provides several pieces of equipment that can help to monitor leaks and make metering more accurate.

Elevate Your Organization Through Staff Development with speaker Jason Knobloch, Deputy Executive Director for Texas Rural Water Association. Staff is an organization's greatest asset and most significant investment. This session covered the hiring process and provided tips for evaluating what is truly needed, as well as building the strengths and skills of our employees. To do this, we need to understand what drives our employees, what they value, and their goals.

Water Plant and Distribution System Safety with speakers John Schwartz and Loyd Rawlings with USABlueBook. This session covered the abundant hazards that our employees face in water and wastewater operations. The speakers then provided guidance on best practices and personal protective equipment to help our employees work more safely.

Lead and Copper Rule Improvements – What Water Systems Need to Know with speaker Jonathan Cuppett with 120Water. The Lead and Copper Rule Revisions were finalized in 2024, and water systems now have new requirements that we need to comply with. This session updated listeners on what needs to be done and when. Southwest Water Authority is way ahead of the curve when it comes to complying with these new requirements. The next deadline is November 1, 2027, at which time all of the LCRI requirements must be met. It is interesting, however, that the LCRI's have not yet been finalized.

Day 2

General Session and Awards of Excellence – ND Rural Water Systems was awarded with the Outstanding Achievements in Legislative Initiatives Award. Congratulations NDRWSA! The link to the Dickinson Press article is below.

<https://www.thedickinsonpress.com/news/local/nd-rural-water-systems-association-receives-national-award>

Board Governance – Legal Principles and Practices to Keep the Water Flowing with speaker Peter King. This session covered fiduciary responsibilities of board members as outlined in applicable law and the organization's bylaws. The Board has a duty to provide support for management and employees in their work to maintain and sustain the ongoing operation of the Company. The ten attributes of an effectively managed water utility were addressed, as well as the impacts of regionalization and consolidations on utilities.

Know the Numbers with speaker Bo Baggett. This session revisited the fiduciary duties of a water utility, financial reporting, and key questions to ask. This session was an accounting overview.

The Five Principles of Leadership (I am learning from watching the TV sitcom The Office) with speaker Heather Somers was a repeat of Day 1's session, which was attended by Director Seifert and Gaugler. This was a lighthearted session, which was focused on the human side of doing business.

Day 3

Flowing Forward: Innovations in Water System Regionalization with speaker Eric Volk. Eric did a wonderful job of explaining to the country how regionalized water works in North Dakota. He was the most humorous speaker I heard all week, and I congratulate him for representing ND on the national stage.

HR 101: Introduction to the foundational concepts for managers without an HR background, with speaker Michael Frizzell. Mr. Frizzell was the speaker who gave presentations in Medora at the NDRWSA Leadership Retreat.

**Southwest Water Authority
Budget Subcommittee Meeting Minutes
Monday, September 22, 2025
SWA O&M Center Office, Dickinson, ND**

A. Call to Order

The Southwest Water Authority Budget Subcommittee met on Monday, September 22, 2025, at the SWA O&M Center Office Dickinson, ND. Murray called the meeting to order at 10:05 a.m. MDT.

Present at the meeting were: Directors Jonathon Eaton, Bruce Engelhardt, James Odermann and Scott Tschetter. Also present were: Jen Murray, SWA Manager/CEO; Justin Froseth, DWR; Ledeanne O'Shields, SWA CFO/Office Administrator, Connie O'Brien, Senior Accountant and Wendy Serhienko, Executive Assistant.

B. Elect a Chairperson*

Director Engelhardt nominated Director Eaton to serve as Chairperson for the Budget Subcommittee. There were no other nominations from the floor.

Motion by Director Engelhardt, seconded by Director Tschetter, to cease nominations and cast a unanimous ballot for Director Eaton as Chairperson.

C. Review Agenda

Director Eaton asked for any changes or additions to the meeting agenda. There were none.

D. Approve Minutes of Budget Subcommittee Meeting September 20, 2024*

Director Eaton asked for approval of the minutes for the September 20, 2024, meeting.

Motion by Director Engelhardt, seconded by Director Tschetter, to approve the minutes of the September 20, 2024, meeting. Motion carried by voice vote without dissent.

E. Review 2026 Preliminary O&M Budget and Rates

O'Shields presented a summary with current rates and three options for proposed 2026 rates.

All three options would increase the rate for the Replacement and Extraordinary Maintenance (REM) Fund by 8.5% and the Capital Repayment by 2.92%. The increases for the first option would be passed on to the customer. The second option would pass on the Capital Repayment rate increases to the customer. The REM increases would be absorbed by SWA by reducing the Transmission and Distribution Reserves and O&M portion of the rates. The third option is offered as a balanced budget as required by Board policy. The balanced budget reduces expenses as well as raises rates.

The 2025 Budget ends the year with 8.71 months in reserve; the annualized July actuals show 10.45 months in reserve. The SWA Board policy requires a minimum of 2.5 months in operating reserves. The Subcommittee discussed how many months in reserves is appropriate.

The Subcommittee supported the items presented in the REM schedule including a close interval survey. The Subcommittee discussed options for REM and reserve accounts. More discussion is needed on development of a Board restricted account to help reduce the months in reserve.

Motion by Director Engelhardt, seconded by Director Tschetter, to present three options for the proposed 2026 rates and to recommend Option Two to the full Board. Motion carried unanimously by a roll call vote.

G. Adjourn

Director Eaton adjourned the meeting at 11:21 a.m. MDT.

Jonathon Eaton, Chairperson



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MEMORANDUM

To: Jen Murray, Manager/CEO

From: Ledeanne O'Shields, CFO/Office Administrator

Subject: Environmental Scan for 2026 Budget – Incidental Information

Date: October 1, 2026

Attached are the 2026 Replacement and Extraordinary Maintenance Fund budget, Capital Repayment information, a budget summary and the three proposed 2026 budget options. The budget spreadsheets show an overall comparison between the 2025 budget and the proposed 2026 budgets, and projections for the next five years.

Environmental issues considered for the budget include the following:

1. Water sales for 2026 are estimated to be 2,430,522,000 gallons. This includes 450,500,000 gallons for rural usage. This is based on average past usage as well as estimates for new customers. Contract usage was conservatively increased in areas of growth and expected tourism along with two new contracts that will utilize water in 2026.
2. The total sales projection is a 4.60% increase from projections for 2025 or a total of 105,915,000 gallons.
3. Raw water sales are projected at 232,800,000 gallons. This includes Net Zero-Richardton at 224,500,000 gallons.
4. The usage projected for oil industry sales is ND Energy Services for 1,200,000 gallons.
5. The CPI for September 1, 2026, is 324.0. This is an increase of 2.92% for the year. The 2025 increase was 2.53%.
6. The Capital Repayment for contract customers will be \$1.56. This is an increase of \$.05 from 2025. Last year was an increase of \$.03.

7. The 2022 REM Analysis concluded the need to increase the REM rate. An 8.5% increase, or \$.08 for Transmission REM and \$.01 for Distribution REM, is proposed in all options.
8. Budget option 1 would increase the customers rates by the REM and Capital Repayment increases to the customer. Budget option 2 would pass along Capital Repayment rate increases and absorb REM by reducing the Distribution Reserve and Transmission O&M portion of the rate. Option 3 presents a balanced budget, which includes the REM and Capital Repayment increases plus a rate increase of \$.34 for Treatment, \$.02 for Transmission O&M, \$.15 Transmission O&M for Contract customers including Raw and Demand customers.
9. All of the budget options propose to increase the Capital Repayment portion of the rural minimum by \$1.35, based on the CPI, last year the increase was \$1.14 which was absorbed by SWA. The monthly minimum rate would increase to \$56.67 for all options, with \$47.51 as Capital Repayment to the state and \$9.16 for distribution O&M and O&M fees. The Capital Repayment for SWA customers that tie into the MWWS will be \$37.63. This is an increase of \$1.07 from 2025.
10. For the rural rate, Option 1 proposes to pass along the increase of \$.08 for Transmission REM and \$.01 for Distribution REM, for a total increase of \$.09, bringing the rate to \$6.56. Option 2 absorbs the REM increase by reducing the transmission O&M portions of the rate. Option 3 passes on a total increase of \$.45 to the customer, for a rate of \$6.92. This includes the \$.09 increase for REM, \$.34 for Treatment, and \$.02 Transmission O&M to achieve a balanced budget.
11. For the contract rate, Option 1 would pass along the \$.08 Transmission REM and \$.05 Capital Repayment increases to the customer. Option 2 proposes to absorb REM increases, establishing a new rate of \$5.92. Option 3 would increase the rate by a total of \$.62 to \$6.49, passing along the Capital Repayment and REM increases to the customer, plus \$.34 for Treatment, \$.15 Transmission O&M. In addition, expenses for option 3 were reduced by \$591,966.00 which include out of state travel for the BOD and the Manager/CEO. A 1-1/2-ton truck replacement, camera security system for the SWTP, one admin position, videography of SWA story, salary survey, professional development, computer expenses and 380 Quad AMR's.
12. The EPA guidelines on water affordability suggest that consumer water usage expenses for the year do not exceed 2.5% of Median Household Income (MHI). The average MHI for the twelve counties that SWA serves is \$74,402, meaning the annual cost of water should not exceed \$1,860 annually (minimums plus 6,000 gallons of usage per month) for the average customer. For 2026, the average customer will pay between \$1,152 to \$1,178, depending on the budget option. The threshold for the lowest MHI, Grant County, is \$1,427.

13. The oil industry rate is proposed to remain at \$12.00. All account allocations would remain the same as well.
14. The 2026 budget includes income from hookup fees and hydraulic studies for the addition of 50 subsequent customers, 111 signups in north New England, 50 new intents to become a subsequent customer, 50 final signups, 30 late signups and \$2,000 grant for the water festival and \$60,000 grant from WSI. The cost of hydraulic studies is \$150 each. Signup fees will remain the same.
15. Also included in other income is interest and dividends of \$403,000 from all five investment accounts (Escrow, Reserve, General, O&M, and Cash Management Account) and Certificates of Deposit. This amount is based on the estimated yield of the average balance for the year.
16. Current balances (as of August 31) are \$13,000,410 in cash and investments. The estimated year-end balance is \$12,816,101. With this year-end balance, the number of months in reserve to meet operating expenses are: 9.95 months for transmission, 5.92 months for distribution, 5.20 months for treatment, or 7.68 months overall for year-end 2025. The number of months overall at year-end 2024 was 9.85 months.
17. Salaries for 2026 include an increase for COLA (cost of living) at 2.92% and merit increases, up to 3.0% based on performance. This follows Board Policy II.B. Budgeting/Forecasting and Policy II.F. Compensation and Benefits and their intent. The history of the Board's approach has been to be at or above market and to attract and retain employees.
18. The cost of health insurance is calculated at \$2,353.58 per month per employee. It should be noted the American Care Act (ACA) specifies an employer will lose grandfathered status if the employer contribution rate is reduced by more than 5% of the contribution rate that was in effect on March 23, 2010, and the employer will lose eligibility to participate in the NDPERS health insurance.
19. Retirement is calculated at 16.26% for 2026 Defined Benefit Retirement Plan, and 15.26% for Defined Contribution Retirement Plan. Other employee benefits are expected to stay the same.
20. The 2026 Budget includes 13 administrative positions. This includes 1 new position for administration. O&M with 20 positions and 16 treatment positions, for a total of 49 full-time employees. One part-time summer hire is also budgeted for O&M grounds maintenance for options 1 and 2. Option 3 reduces administration by one position, and the part-time summer hire for O&M.

21. Options 1 and 2 include seven vehicles are scheduled for replacement in 2026 with trade-ins, service body transfers, and antenna boosters. The policy is three years or 100,000 miles. The equipment budget for treatment includes a camera security system totaling \$20,000. Option 3 reduces the vehicles by one which is the 1-1/2 Ton service truck, and the equipment for treatment.
22. Per diems for directors will be paid at \$219.00 per day through June 30, 2026 and \$226.00 thereafter NDCC 05-03-20.1, bringing the budget to \$75,860. This amount includes the monthly board meetings, executive committee and agenda meetings, as well as meetings with Garrison Diversion, State Water Commission, Upper Missouri, Water Coalition, and legislation. Also included are the Water Expo, and Water Convention. Out-of-state travel expenses include the National Rural Water Rally and the Water Pro Conference. The total amount budgeted for this travel is \$8,000 for the board, and \$4,000 for the manager/CEO. Option 3 removed all out of state travel.
23. The rate for meals is \$45.00 per day, and rooms are calculated at \$110.00. SWA reimburses rooms at actual rates. The total board budget for lodging, meals, and mileage is \$47,000.
24. Professional services, including legal counsel and engineering services from Bartlett & West are budgeted at \$40,000 for the board and administration. The assumption includes outside consultants attending every board meeting.
25. Dues and subscriptions for the board include dues for the ND Water Coalition, ND Water Users Association, ND Rural Water System Association, American Water Works Association, Upper Missouri Water Association, Week in Water, ND Water Directory, Friends of Lake Sakakawea, Theodore Roosevelt Medora Foundation and Chamber of Commerce for Dickinson. The administration budget includes thirteen county and city newspaper subscriptions.
26. The total budget for public relations and development is \$93,000, which includes \$10,000 for the Water Magazine (an annual \$8,000 sponsorship and digital flat rate of \$2,000) Water Tours, Water Day at the State Fair, a \$10,000 sponsorship for Missouri River Joint Water Board's program "Educate, Advocate, Engage", and \$1,000 for the MRRIC program. Marketing costs for Odney are also included in this amount.
27. The Replacement & Extraordinary Maintenance Fund includes the following:
 1. Income from contracts of \$1,919,657 and rural of \$550,028.
 2. Interest income of \$753,959 which is calculated at an estimated yield of 2.55% of the average balance.

3. Trust management fees of \$103,485 which are calculated at 0.35%.
4. Anticipated beginning balance of \$23,482,000 is the current balance plus expected income for remainder of the year less expected disbursements.
5. Budgeted expenses totaling \$4,344,000 as attached:

2026 Replacement Fund Budget

Income		
\$	1,919,657	From contracts
\$	550,028	From rural
\$	753,959	Interest
\$	3,223,644	Available for 2025
Expenses		
\$	20,000	110 RHF Filter Cloths North Press
\$	30,000	OMND Install Isolation Valve on RO Concentrate Discharge Line
\$	50,000	Pipeline Relocations in the ROW
\$	54,000	OMND (16) UF secondary filter modules
\$	65,000	OMND RO #2 Replace First Stage Membranes 119 Total
\$	100,000	Tank/Reservoir Repairs
\$	100,000	Ductile Iron Investigations & MIC Leak Repair
\$	175,000	Pumps/Motors/VFD's/Electrical/Repairs and Replacement
\$	200,000	CP Close Interval Survey Metallic Lines
\$	450,000	PP-2024-1 Highway 85 Relocation (non-Reimbursement Portion)
\$	650,000	CP-2024 Anode Bed Replacements *
\$	700,000	New England Recoat
\$	750,000	WTP 2023-1 OMND Treatment Roof Replacement
\$	1,000,000	PP-2025-3 (SWPP 2-2I) Ductile Iron MIC Replacement (Local Share)
\$	4,344,000	Total Expenses Reimbursed to SWA O&M Fund
\$	28,363,056	Current Balance (8/31/2025)
\$	720,630	Anticipated Income for remainder of year 2025
\$	750,240	Anticipated Disbursements to SWA for remainder of 2025
\$	28,333,446	Balance as of January 1, 2026
\$	3,223,644	Income for 2026
\$	(78,600)	Trust Management Fees
\$	(4,344,000)	Expenses
\$	27,134,490	2025 Ending Balance

**SOUTHWEST PIPELINE PROJECT
CAPITAL REPAYMENT
2026**

Adjustment for Inflation

CONTRACT RATES

August 2025 CPI:		324.0
Adjustment to Base:	0.3338279	970.5
Change from 448.4:		2.2
Adjustment:		\$ 0.84
Base Capital Repayment Rate:		\$ 0.72
Adjusted Capital Repayment Rate (2026 rate)		\$ 1.56
2025 Rate:		\$ 1.51
Change from 2025 Rate		\$ 0.05

RURAL RATES

Base Capital Repayment Rate:	\$21.95
Adjustment:	\$25.56
2025 Inflation (September-August)	2.92%
2026 Rate:	\$47.51
2025 Rate:	\$46.16
Change from 2025 Rate	\$1.35

Rural Minimum for 2025	\$55.32
Change from 2025 Rate	\$1.35
2026 minimum	\$56.67

Capital Repayment for customers who tie into MWWS - 2025	\$36.56
Change from 2025 Rate	\$1.07
2026 Rate	\$37.63

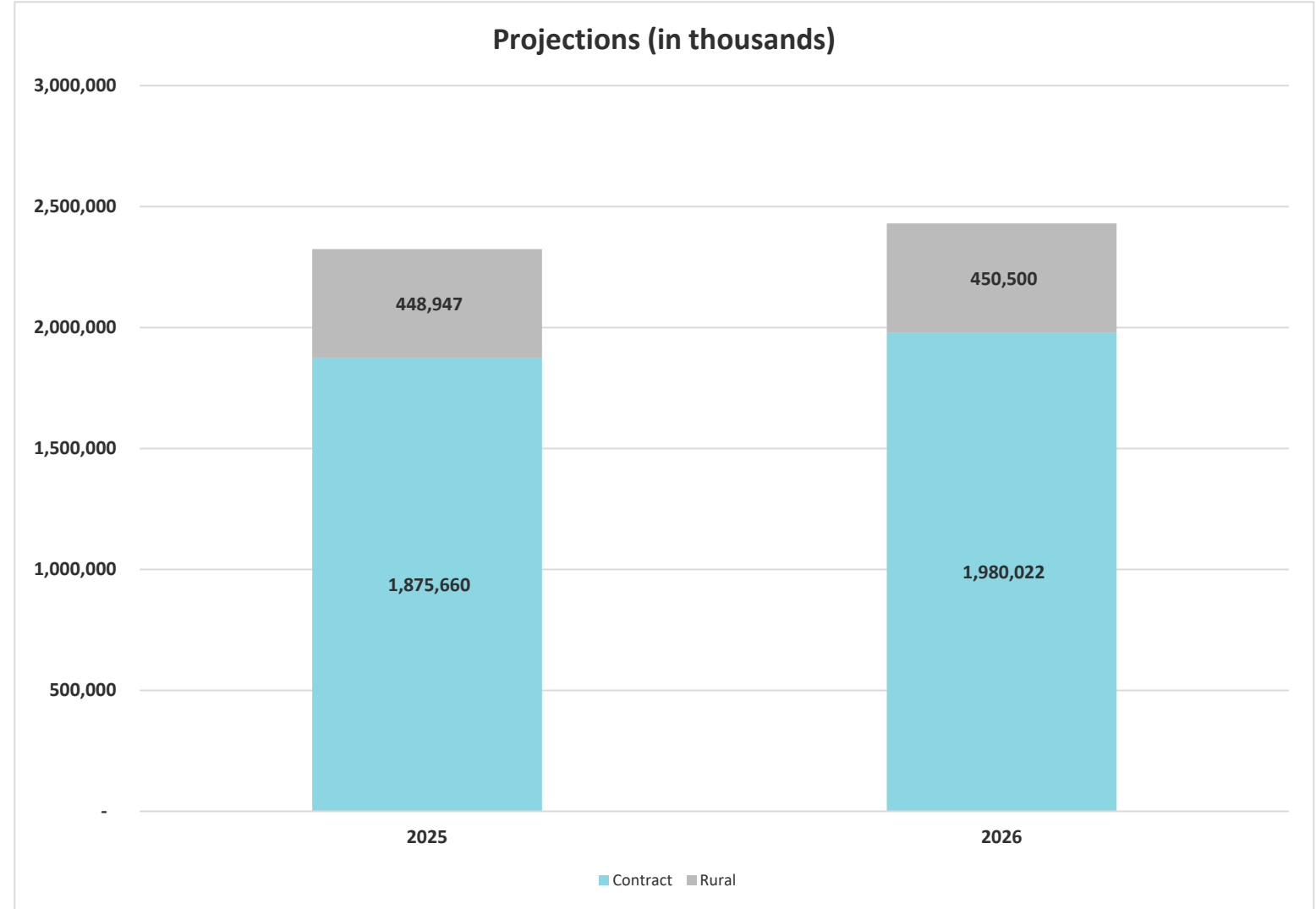


2026 Budget Options

Water Use Projections

2,430,522,000

4.6% increase overall
0.3% rural increase



Option 1

Raise rates by:

8.5% REM
2.92% Cap Rep

Contract

- Rate = \$6.00
- \$0.08 increase for REM
- \$0.05 increase for Cap Rep

Rural

- Rate = \$6.56
- \$0.08 increase for REM
- \$0.01 increase for Dist REM
- Minimum = \$56.67
- \$1.35 increase for Cap Rep

Option 2

Raise rates by:

8.5% REM
2.92% Cap Rep

Absorb REM increases by
reducing Distribution
Reserve and Transmission
O&M portions of rate

Contract

- Rate = \$5.92
- \$0.08 increase for REM
- \$0.05 increase for Cap Rep
- \$0.08 reduction to Trans O&M

Rural

- Rate = \$6.47
- \$0.08 increase for REM
- \$0.01 increase for Distribution REM
- \$0.04 reduction to Transmission O&M
- \$0.05 reduction to Distribution Reserve
- Minimum = \$56.67
- \$1.35 increase for Cap Rep

Option 3

Raise rates by:

8.5% REM
2.92% Cap Rep
34¢ Treatment

Balanced budget
Reduced Expenses
by \$591,966
Pass on increases to
customer

Contract

- Rate = \$6.49
- \$0.08 increase for REM
- \$0.05 increase for Cap Rep
- \$0.34 increase to Treatment
- \$0.15 increase to Transmission O&M
- Pass on \$0.62 increase to customer

Rural

- Rate = \$6.92
- \$0.08 increase for REM
- \$0.01 increase for Dist REM
- \$0.34 increase to Treatment
- \$0.02 Increase Transmission O&M
- Pass on \$0.45 increase to customer
- Minimum = \$56.67
- Pass on \$1.35 increase for Cap Rep

Water Affordability

Based on EPA guideline
Annual water expense should not exceed
2.5% of Median Household Income

Annual water expense includes monthly
minimums plus 6,000 gallons of usage per
month

Based on 2020 Census data from
www.census.gov/quickfacts/ND

Median Household Income by County



Based on 2020 Census data from
www.census.gov/quickfacts/ND

Water Affordability



Threshold based on 2.5% of MHI for 12
counties served. Average yearly water bill
based on monthly minimum plus 6,000

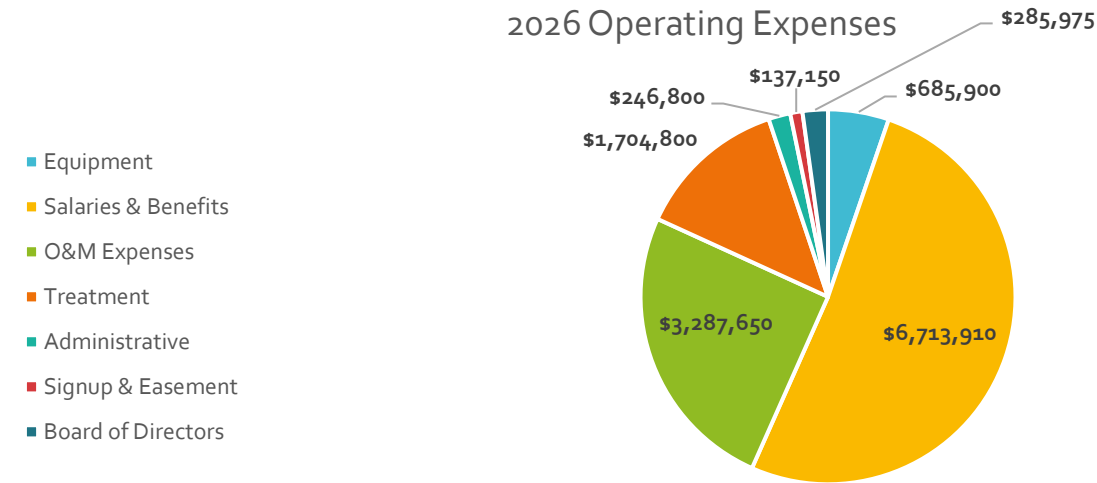
Budget Options Summary

Option 1: Increase REM & Cap Rep
Option 2: Increase Cap Rep, REM, absorb REM
Option 3: Balanced budget, pass on all increases

Total Expenses: \$22,791,920
10% increase

Current reserves: 7.79 months

	2025 Budget	Option 1	Option 2	Option 3
Contract Rate	\$5.87	\$6.00	\$5.92	\$6.49
Rural Rate	\$6.47	\$6.56	\$6.47	\$6.92
Monthly minimum	\$55.32	\$56.67	\$56.67	\$56.67
Net Income	(\$1,026,600)	(\$1,874,425)	(\$2,069,314)	(\$195,400)
Year End Balance	\$14,538,000	\$15,573,04	\$13,236,352	\$15,329,500
Months in Reserve	8.71	8.44	7.18	8.53



*Graph does not include depreciation, Capital Repayment, or REM

Expense Budget Highlights

Treatment

- Overall 8% increase
- \$54,000 Vitek Security Camera System*
- Opt 3 is 7%

O&M

- **Opt 1 & 2**
- Transmission: 9% increase
- Distribution: 14% increase
- \$356,000 Quad AMR's*
- 6% increase for WAPA
- Six new Service Truck Replacements and One 1-1/2 Ton Truck Replacement*
- 5% Increase in Insurance across all departments for NDIRF

*Opt 3

Transmission: 8% increase

Distribution: 11% increase

- 1-1/2 Ton Truck Replacement removed
- \$178,000 Quad AMR's

Expense Budget Highlights

Administration

- Opt 1&2
- Overall 13% increase
- Salary Survey budgeted has been done in 13 years*
- Videography of SWA's story*
- Opt 3
- Zero Increase

Signup & Easement

- Overall 8% increase
- Ongoing Burt, Hebron project easement acquisitions and recording fees
- Opt 3
- Overall 7% Increase

Board of Directors

- Opt 1-2
- Overall 3% increase
- Per Diem increase by State
- State Hotel Rate Increase
- Two out-of-state trips
 - Rural Water Rally*
 - NRW Water Pro*
- Opt 3
- Zero increase
- *No out of state trips

REM Budget

Total Expenses
\$4,344,000

Amount	Project
\$ 20,000	110 RHF Filter Cloths North Press
\$ 30,000	OMND Install Isolation Valve on RO Concentrate Discharge Line
\$ 50,000	Pipeline Relocations in the ROW
\$ 54,000	OMND (16) UF secondary filter modules
\$ 65,000	OMND RO #2 Replace First Stage Membranes 119 Total
\$ 100,000	Tank/Reservoir Repairs
\$ 100,000	Ductile Iron Investigations & MIC Leak Repair
\$ 175,000	Pumps/Motors/VFD's/Electrical/Repairs and Replacement
\$ 200,000	CP Close Interval Survey Metallic Lines
\$ 450,000	PP-2024-1 Highway 85 Relocation (non-Reimbursement Portion)
\$ 650,000	CP-2024 Anode Bed Replacements
\$ 700,000	New England Recoat
\$ 750,000	WTP 2023-1 OMND Treatment Roof Replacement
\$ 1,000,000	PP-2025-3 (SWPP 2-2I) Ductile Iron MIC Replacement (Local Share)

2026 REM Fund Balance

Amount	Income & Expenses
\$23,482,000	Anticipated January 1, 2026 Balance
\$2,469,685	Contribution Income
\$753,959	Interest Income
(\$103,485)	Trust Management Fees
(4,344,000)	Expense Reimbursements
\$22,258,159	Ending 2026 Balance

2026 PROPOSED BUDGET OPTIONS

Option 1: Increase rates by 8.5% REM & 2.92% Cap Rep

Option 2: Increase rates by 8.5% REM & 2.92% Cap Rep Absorb the 8.5% REM

Option 3: Balanced, increase rates by 8.5% REM, 2.92% Cap Rep, & 34¢ Treatment, 2¢ Transmission O&M-Rural, 15¢ Transmission O&M-Contract/Raw/Demand, 15¢ Pretreatment-Raw

WATER USE PROJECTIONS	2025 Budget	2026 Budget
Total Projections in thousand gallons	2,324,607	2,430,522
% Increase	0.2%	4.6%
Rural Projections in thousand gallons	448,947	450,500
% Increase	2.2%	0.3%

RATE SUMMARY	2025 Budget	Option 1 Increase REM/Cap Rep	Option 2 REM/Cap Rep Absorb REM	Option 3 Balanced Increase Rates
Contract Rate				
Rate per 1,000 gallons	\$5.87	\$6.00	\$5.92	\$6.49
Increase from previous year	\$0.00	\$0.13	\$0.05	\$0.62
% Increase	0.0%	2.2%	0.9%	10.6%
Capital Repayment - Based on CPI	\$1.51	\$1.35	\$1.35	\$1.35
% Increase	2.53%	2.92%	2.92%	2.92%
Transmission REM	\$0.89	\$0.97	\$0.97	\$0.97
% Increase	8.5%	8.5%	8.5%	8.5%
Rural Rate				
Rate per 1,000 gallons	\$6.47	\$6.56	\$6.47	\$6.92
Increase from previous year	\$0.00	\$0.09	\$0.00	\$0.45
% Increase	0.0%	1.4%	0.0%	7.0%
Transmission REM	\$0.89	\$0.97	\$0.97	\$0.97
% Increase	8.5%	8.5%	8.5%	8.5%
Distribution REM	\$0.13	\$0.14	\$0.14	\$0.14
% Increase	8.5%	8.5%	8.5%	8.5%
Monthly Minimum	\$55.32	\$56.67	\$56.67	\$56.67
Capital Repayment - Based on CPI	\$46.16	\$47.51	\$47.51	\$47.51
% Increase	2.53%	2.92%	2.92%	2.92%

INCOME STATEMENT SUMMARY	2025 Budget	Option 1	Option 2	Option 3
Revenue				
Total Income	\$19,527,400	\$20,917,495	\$20,722,606	\$22,004,554
% Increase	-2.2%	7.1%	6.1%	12.7%
Expenses				
Total Expenses w/ Depreciation	\$20,554,000	\$22,791,920	\$22,791,920	\$22,199,954
% Increase	1.5%	10.9%	10.9%	8.0%
Net Income	-\$1,026,600	-\$1,874,425	-\$2,069,314	-\$195,400
Months in Reserve	8.72	8.44	7.18	8.53

OPERATIONS SUMMARY	2025 Budget	Option 1	Option 2	Option 3
Income				
Income w/o Cap Rep, REM	\$10,663,700	\$11,163,926	\$10,969,037	\$12,276,128
Revenue per thousand gallons	\$4.38	\$4.59	\$4.51	\$5.05
Expenses				
Expenses w/o Cap Rep, REM, including Equipment	\$11,411,300	\$12,752,376	\$12,752,376	\$12,168,410
Cost per thousand gallons	\$4.69	\$5.25	\$5.25	\$5.01
Net Income before Depreciation	-\$747,600	-\$1,922,784	-\$2,117,673	\$618
Year Ending Balance	\$14,546,400	\$13,840,416	\$10,715,627	\$12,269,118

Water Rates for 2026 - CPI (2.92%) - Option 1

Rate Increase -- 2.92% Cap Rep & 8.5% REM

Rural Water Rate		Last Yr	Diff.	Minimum Charges:				Pasture taps:			
Treatment	\$ 1.45	\$ 1.45	\$ 0.00	\$ 56.67	Minimum	Last Yr	Diff.	\$ 340.02	Minimum	Last Yr	Diff.
Transmission O&M	\$ 2.15	\$ 2.15	\$ 0.00	Distribution O&M	\$ 4.16	\$ 4.16	\$ 0.00	Distribution O&M	\$ 24.96	\$ 24.96	\$ 0.00
Trans. Reserve	\$ 0.00	\$ 0.00	\$ 0.00	Capital repayment	\$ 47.51	\$ 46.16	\$ 1.35	Capital repayment	\$ 285.06	\$ 276.96	\$ 8.10
Transmission REM	\$ 0.97	\$ 0.89	\$ 0.08	O&M fee	\$ 5.00	\$ 5.00	\$ 0.00	O&M fee	\$ 30.00	\$ 30.00	\$ 0.00
Distribution O&M	\$ 1.76	\$ 1.76	\$ 0.00	Total	\$ 56.67	\$ 55.32	\$ 1.35	Total	\$ 340.02	\$ 331.92	\$ 8.10
Distribution REM	\$ 0.14	\$ 0.13	\$ 0.01								
Dist. Reserve	\$ 0.09	\$ 0.09	\$ 0.00								
Total	\$ 6.56	\$ 6.47	\$ 0.09	1 extra unit				Seasonal Type 2			
				\$ 69.59	Minimum	Last Yr	Diff.	\$ 780.04	Minimum	Last Yr	Diff.
Contract Rate				Distribution O&M	\$ 5.20	\$ 5.20	\$ 0.00	Distribution O&M	\$ 49.92	\$ 49.92	\$ 0.00
Treatment	\$ 1.45	\$ 1.45	\$ 0.00	Capital repayment	\$ 59.39	\$ 57.70	\$ 1.69	Capital repayment	\$ 570.12	\$ 553.92	\$ 16.20
Transmission O&M	\$ 2.02	\$ 2.02	\$ 0.00	O&M fee	\$ 5.00	\$ 5.00	\$ 0.00	O&M fee	\$ 60.00	\$ 60.00	\$ 0.00
Transmission REM	\$ 0.97	\$ 0.89	\$ 0.08	Total	\$ 69.59	\$ 67.90	\$ 1.69	Service Charge	\$ 100.00	\$ 80.00	\$ 20.00
Capital repayment	\$ 1.56	\$ 1.51	\$ 0.05						\$ 780.04	\$ 743.84	\$ 36.20
Transmission reserve	\$ 0.00	\$ 0.00	\$ 0.00								
Total	\$ 6.00	\$ 5.87	\$ 0.13	2 extra units				Seasonal Type 3			
				\$ 82.51	Minimum						
PCRWS	\$ 4.45	\$ 4.45	\$ 0.00	Distribution O&M	\$ 6.24	\$ 6.24	\$ 0.00	\$ 391.69	Minimum	Last Yr	Diff.
				Capital repayment	\$ 71.27	\$ 69.24	\$ 2.03	Distribution O&M	\$ 76.63	\$ 75.28	\$ 1.35
Raw Water Rate				O&M fee	\$ 5.00	\$ 5.00	\$ 0.00	Capital repayment	\$ 285.06	\$ 276.96	\$ 8.10
Transmission O&M	\$ 2.02	\$ 2.02	\$ 0.00	Total	\$ 82.51	\$ 80.48	\$ 2.03	O&M fee	\$ 30.00	\$ 30.00	\$ 0.00
Transmission REM	\$ 0.97	\$ 0.89	\$ 0.08						\$ 391.69	\$ 382.24	\$ 9.45
Capital repayment	\$ 1.56	\$ 1.51	\$ 0.05								
Transmission reserve	\$ 0.00	\$ 0.00	\$ 0.00	3 extra units							
Pretreatment	\$ 0.25	\$ 0.25	\$ 0.00	\$ 95.42	Minimum						
Total	\$ 4.80	\$ 4.67	\$ 0.13	Distribution O&M	\$ 7.28	\$ 7.28	\$ 0.00				
				Capital repayment	\$ 83.14	\$ 80.78	\$ 2.36				
Demand Contract				O&M fee	\$ 5.00	\$ 5.00	\$ 0.00				
Treatment	\$ 1.45	\$ 1.45	\$ 0.00	Total	\$ 95.42	\$ 93.06	\$ 2.36				
Transmission O&M	\$ 1.93	\$ 1.93	\$ 0.00								
Transmission REM	\$ 0.97	\$ 0.89	\$ 0.08								
Capital repayment	\$ 1.56	\$ 1.51	\$ 0.05								
Demand charge	\$ 1.56	\$ 1.51	\$ 0.05								
Transmission reserve	\$ 0.00	\$ 0.00	\$ 0.00								
Total	\$ 7.47	\$ 7.29	\$ 0.18								

MWWS Water Rates for 2026 - CPI (2.92%) - Option 1								Oil Industry Rates					
Standard Customer		Last Yr	Diff.		Water Rate		Last Yr	Diff.		Oil Industry Rate/SWA Depot	Last Yr	Diff.	
MWWS Dist O&M	\$ 9.43	\$ 9.15	\$ 0.28		O&M Distribution	\$ 6.28	\$ 6.20	\$ 0.08		Treatment	\$ 1.00	\$ 1.00	\$ 0.00
cap repayment	\$ 37.63	\$ 36.56	\$ 1.07		Dist. REM	\$ 0.14	\$ 0.13	\$ 0.01		Transmission O&M	\$ 2.56	\$ 2.56	\$ 0.00
MWWS capacity fee	\$ 9.61	\$ 9.61	\$ 0.00		Dist. Reserve	\$ 0.14	\$ 0.14	\$ 0.00		Transmission REM	\$ 3.00	\$ 3.00	\$ 0.00
Total	\$ 56.67	\$ 55.32	\$ 1.35		Total	\$ 6.56	\$ 6.47	\$ 0.09		Capital repayment	\$ 3.00	\$ 3.00	\$ 0.00
										Transmission reserve	\$ 0.07	\$ 0.07	\$ 0.00
					MWWS Water Cost	\$ 5.50				Distribution O&M	\$ 2.12	\$ 2.12	\$ 0.00
1 extra unit										Distribution REM	\$ 0.10	\$ 0.10	\$ 0.00
MWWS Dist O&M	\$ 12.94	\$ 12.59	\$ 0.35							Dist. Reserve	\$ 0.15	\$ 0.15	\$ 0.00
capital repayment	\$ 47.04	\$ 45.70	\$ 1.34							Total	\$ 12.00	\$ 12.00	\$ 0.00
MWWS capacity fee	\$ 9.61	\$ 9.61	\$ 0.00										
Total	\$ 69.59	\$ 67.90	\$ 1.69							Oil Industry Rate/Oil Industry			
										Treatment	\$ 1.00	\$ 1.00	\$ 0.00
										Transmission O&M	\$ 2.53	\$ 2.53	\$ 0.00
2 extra units										Transmission REM	\$ 4.00	\$ 4.00	\$ 0.00
MWWS Dist O&M	\$ 16.45	\$ 16.03	\$ 0.42							Capital repayment	\$ 4.00	\$ 4.00	\$ 0.00
capital repayment	\$ 56.45	\$ 54.84	\$ 1.61							Transmission reserve	\$ 0.07	\$ 0.07	\$ 0.00
MWWS capacity fee	\$ 9.61	\$ 9.61	\$ 0.00							Distribution O&M	\$ 0.40	\$ 0.40	\$ 0.00
Total	\$ 82.51	\$ 80.48	\$ 2.03							Total	\$ 12.00	\$ 12.00	\$ 0.00
Pasture taps:													
MWWS Dist O&M	\$ 56.58	\$ 54.90	\$ 1.68										
Cap Repay	\$ 225.78	\$ 219.36	\$ 6.42										
MWWS capacity fee	\$ 57.66	\$ 57.66	\$ 0.00										
Total	\$ 340.02	\$ 331.92	\$ 8.10										

2026 Budget - Income Statement Summary • Option 1							
	2025 BUDGET	2026 Budget	2027 BUDGET	2028 BUDGET	2029 BUDGET	2030 BUDGET	2031 BUDGET
Sales							
Sales of Water	\$ 18,645,600	\$ 19,955,145	\$ 20,603,700	\$ 21,280,000	\$ 21,985,900	\$ 22,722,900	\$ 23,492,900
Sales of Equipment & Services	\$ 278,700	\$ 281,225	\$ 277,900	\$ 294,900	\$ 229,100	\$ 295,100	\$ 223,100
Hookup Fees	\$ 182,900	\$ 200,925	\$ 154,000	\$ 121,500	\$ 125,000	\$ 128,600	\$ 99,100
Gross Sales	\$ 19,107,200	\$ 20,437,295	\$ 21,035,600	\$ 21,696,400	\$ 22,340,000	\$ 23,146,600	\$ 23,815,100
Expenses							
Transmission	\$ 8,345,800	\$ 9,131,842	\$ 9,346,000	\$ 9,678,600	\$ 10,028,400	\$ 10,396,700	\$ 10,784,700
Distribution	\$ 5,822,300	\$ 6,638,577	\$ 6,866,200	\$ 7,044,300	\$ 7,222,500	\$ 7,418,800	\$ 7,535,600
Treatment	\$ 3,479,400	\$ 3,749,310	\$ 3,951,900	\$ 4,053,200	\$ 4,157,200	\$ 4,263,900	\$ 4,373,500
Customer Service	\$ 242,700	\$ 264,100	\$ 295,000	\$ 300,700	\$ 306,600	\$ 312,600	\$ 318,800
Administrative	\$ 1,236,100	\$ 1,391,900	\$ 1,358,300	\$ 1,394,100	\$ 1,430,900	\$ 1,468,700	\$ 1,507,600
Signup & Easement	\$ 618,800	\$ 668,150	\$ 691,900	\$ 709,900	\$ 728,400	\$ 747,500	\$ 767,100
Board of Directors	\$ 276,900	\$ 285,975	\$ 288,900	\$ 291,800	\$ 294,800	\$ 297,800	\$ 300,800
Depreciation	\$ 532,000	\$ 662,066	\$ 665,400	\$ 668,800	\$ 672,200	\$ 675,600	\$ 679,000
Total Expense	\$ 20,554,000	\$ 22,791,920	\$ 23,463,600	\$ 24,141,400	\$ 24,841,000	\$ 25,581,600	\$ 26,267,100
Other Income							
Interest & Dividends	\$ 418,000	\$ 418,000	\$ 320,300	\$ 290,900	\$ 211,600	\$ 215,200	\$ 216,100
Other Income	\$ 200	\$ 200	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
Grant Income	\$ 2,000	\$ 62,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Transfer from Escrow	\$ -	\$ -	\$ -	\$ 369,400	\$ -	\$ 369,400	\$ -
	\$ 420,200	\$ 480,200	\$ 322,800	\$ 662,800	\$ 214,100	\$ 587,100	\$ 218,600
Net Income	\$ (1,026,600)	\$ (1,874,425)	\$ (2,105,200)	\$ (1,782,200)	\$ (2,286,900)	\$ (1,847,900)	\$ (2,233,400)
No. of Months in Reserve w/o Equip & Depr	8.71	8.44	7.07	5.93	4.60	3.54	2.36
Replacement & EM Fund Expense	\$ 5,603,600	\$ 4,447,485	\$ 2,855,000	\$ 5,798,000	\$ 6,321,000	\$ 5,060,000	\$ 4,245,000
Water Rates							
Contract	\$ 5.87	\$ 6.00	\$ 6.12	\$ 6.24	\$ 6.37	\$ 6.49	\$ 6.62
Rural	\$ 6.47	\$ 6.56	\$ 6.63	\$ 6.69	\$ 6.76	\$ 6.83	\$ 6.89
Minimum	\$ 55.32	\$ 56.67	\$ 57.80	\$ 58.96	\$ 60.14	\$ 61.34	\$ 62.57

2026 Operations Budget • Option 1												
	Budget	Actuals	Budget	Annualized August Actuals	Actual vs Budget	Budget	2026 vs 2025 Budget	Five Year Projections				
	2024			2025		2026		2027	2028	2029	2030	2031
Total gallons (in thousands)	2,321,401	2,264,540	2,324,607	2,595,016	270,409	2,430,522	105,915	1,806,500	1,824,700	1,843,000	1,861,500	1,880,200
Contract	1,885,451	1,827,606	1,875,660	2,175,122	299,462	1,338,006	(537,654)	1,351,400	1,365,000	1,378,700	1,392,500	1,406,500
Rural	435,950	436,934	448,947	419,894	(29,053)	450,500	1,553	455,100	459,700	464,300	469,000	473,700
Income												
Water Sales	\$ 9,963,400	\$ 10,443,897	\$ 9,736,800	\$ 9,527,600	\$ (209,200)	\$ 10,155,173	\$ 418,373	\$ 10,459,900	\$ 10,773,700	\$ 11,097,000	\$ 11,430,000	\$ 11,772,900
Replacement	\$ 1,998,000	\$ 2,113,138	\$ 2,167,100	\$ 2,161,900	\$ (5,200)	\$ 2,469,685	\$ 302,585	\$ 2,667,300	\$ 2,880,700	\$ 3,111,200	\$ 3,360,100	\$ 3,629,000
Capital Repayment	\$ 6,523,300	\$ 6,671,736	\$ 6,696,600	\$ 6,263,700	\$ (432,900)	\$ 7,283,884	\$ 587,284	\$ 7,429,600	\$ 7,578,200	\$ 7,729,800	\$ 7,884,400	\$ 8,042,100
Reserve	\$ 138,700	\$ 149,529	\$ 45,100	\$ 212,200	\$ 167,100	\$ 46,403	\$ 1,303	\$ 46,900	\$ 47,400	\$ 47,900	\$ 48,400	\$ 48,900
Equipment & Services	\$ 282,200	\$ 651,825	\$ 278,700	\$ 298,700	\$ 20,000	\$ 281,225	\$ 2,525	\$ 277,900	\$ 294,900	\$ 229,100	\$ 295,100	\$ 223,100
Hook up fees	\$ 258,300	\$ 354,500	\$ 182,900	\$ 301,200	\$ 118,300	\$ 200,925	\$ 18,025	\$ 154,000	\$ 121,500	\$ 125,000	\$ 128,600	\$ 99,100
Transfer from Escrow	\$ 75,000	\$ 41,375	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 369,400	\$ -	\$ 369,400	\$ -
Other Income	\$ 720,900	\$ 565,080	\$ 420,200	\$ 685,300	\$ 265,100	\$ 480,200	\$ 60,000	\$ 320,300	\$ 290,900	\$ 211,600	\$ 215,200	\$ 216,100
Total Income	\$ 19,959,800	\$ 20,991,080	\$ 19,527,400	\$ 19,450,600	\$ (76,800)	\$ 20,917,495	\$ 1,390,095	\$ 21,355,900	\$ 22,356,700	\$ 22,551,600	\$ 23,731,200	\$ 24,031,200
Expenses												
Replacement	\$ 1,998,000	\$ 2,127,905	\$ 2,167,100	\$ 2,064,100	\$ (103,000)	\$ 2,469,685	\$ 302,585	\$ 2,667,300	\$ 2,880,700	\$ 3,111,200	\$ 3,360,100	\$ 3,629,000
Capital Repayment	\$ 6,523,300	\$ 6,699,240	\$ 6,696,600	\$ 6,251,900	\$ (444,700)	\$ 7,283,884	\$ 587,284	\$ 7,429,600	\$ 7,578,200	\$ 7,729,800	\$ 7,884,400	\$ 8,042,100
Equipment	\$ 130,000	\$ 225,701	\$ 253,000	\$ 105,100	\$ (147,900)	\$ 685,900	\$ 432,900	\$ 699,700	\$ 713,700	\$ 728,000	\$ 742,600	\$ 757,500
Salaries & Benefits	\$ 6,317,400	\$ 4,889,693	\$ 6,245,300	\$ 5,449,900	\$ (795,400)	\$ 6,713,910	\$ 468,610	\$ 6,915,400	\$ 7,122,900	\$ 7,336,600	\$ 7,556,700	\$ 7,783,500
O&M Expenses	\$ 2,471,800	\$ 2,225,387	\$ 2,443,700	\$ 2,144,000	\$ (299,700)	\$ 2,932,650	\$ 488,950	\$ 3,020,700	\$ 3,081,200	\$ 3,142,900	\$ 3,205,800	\$ 3,270,000
Treatment Expenses	\$ 761,700	\$ 640,327	\$ 802,300	\$ 628,400	\$ (173,900)	\$ 944,800	\$ 142,500	\$ 963,700	\$ 983,000	\$ 1,002,700	\$ 1,022,800	\$ 1,043,300
Chemicals	\$ 725,000	\$ 813,756	\$ 750,000	\$ 593,500	\$ (156,500)	\$ 760,000	\$ 10,000	\$ 775,200	\$ 790,800	\$ 806,700	\$ 822,900	\$ 839,400
Customer Materials	\$ 145,000	\$ 319,392	\$ 200,000	\$ 250,500	\$ 50,500	\$ 200,000	\$ -	\$ 190,000	\$ 191,100	\$ 185,600	\$ 191,200	\$ 110,000
Customer Service	\$ 173,300	\$ 156,841	\$ 142,400	\$ 128,400	\$ (14,000)	\$ 155,000	\$ 12,600	\$ 156,600	\$ 158,200	\$ 159,800	\$ 161,400	\$ 163,100
Administrative	\$ 165,000	\$ 186,629	\$ 168,900	\$ 206,300	\$ 37,400	\$ 246,800	\$ 77,900	\$ 251,800	\$ 254,400	\$ 257,000	\$ 259,600	\$ 262,200
Signup & Easement	\$ 134,400	\$ 94,133	\$ 128,800	\$ 82,500	\$ (46,300)	\$ 137,150	\$ 8,350	\$ 138,600	\$ 140,000	\$ 141,400	\$ 142,900	\$ 144,400
Board of Directors	\$ 287,900	\$ 207,571	\$ 276,900	\$ 245,700	\$ (31,200)	\$ 285,975	\$ 9,075	\$ 288,900	\$ 291,800	\$ 294,800	\$ 297,800	\$ 300,800
Total Expenses	\$ 19,832,800	\$ 18,586,575	\$ 20,275,000	\$ 18,150,300	\$ (2,124,700)	\$ 22,815,754	\$ 2,540,754	\$ 23,497,500	\$ 24,186,000	\$ 24,896,500	\$ 25,648,200	\$ 26,345,300
Cost/kgal	\$ 8.54	\$ 8.25	\$ 8.72	\$ 7.02	\$ (1.70)	\$ 9.39	\$ 0.67	\$ 13.01	\$ 13.25	\$ 13.51	\$ 13.78	\$ 14.01
Balance	\$ 127,000	\$ 2,404,505	\$ (747,600)	\$ 1,300,300	\$ 2,047,900	\$ (1,898,259)	\$ (1,150,659)	\$ (2,141,600)	\$ (1,829,300)	\$ (2,344,900)	\$ (1,917,000)	\$ (2,314,100)
Available at beg of year	\$ 12,756,700	\$ 15,112,198	\$ 15,285,600	\$ 16,171,042	\$ 885,442	\$ 17,471,300	\$ 2,185,700	\$ 15,573,041	\$ 13,431,441	\$ 11,602,141	\$ 9,257,241	\$ 7,340,241
Year ending balance	\$ 12,224,600	\$ 16,171,042	\$ 14,538,000	\$ 17,471,342	\$ 2,933,342	\$ 15,573,041	\$ 1,035,041	\$ 13,431,441	\$ 11,602,141	\$ 9,257,241	\$ 7,340,241	\$ 5,026,141
Reserve needed	\$ 4,131,800	\$ 3,872,200	\$ 4,224,000	\$ 3,781,300	\$ (442,700)	\$ 4,753,300	\$ 529,300	\$ 4,895,300	\$ 5,038,800	\$ 5,186,800	\$ 5,343,400	\$ 5,488,600
over/under	\$ 8,092,800	\$ 12,298,842	\$ 10,314,000	\$ 13,690,042	\$ 3,376,042	\$ 10,819,741	\$ 505,741	\$ 8,536,141	\$ 6,563,341	\$ 4,070,441	\$ 1,996,841	\$ (462,459)
over reserve \$/1000 gallons	\$ 3.49	\$ 5.43	\$ 4.44	\$ 5.28	\$ 0.84	\$ 4.45	\$ 0.01	\$ 4.73	\$ 3.60	\$ 2.21	\$ 1.07	\$ (0.25)
No. of months in reserve	7.45	10.57	8.71	11.62	2.91	8.44	-0.27	7.07	5.93	4.60	3.54	2.36

Water Rates for 2026 - CPI (2.92%) - Option 2

2.92% Cap Rep & REM 8.5% (Absorb REM)

Rural Water Rate		Last Yr	Diff.	Minimum Charges:				Pasture taps:			
Treatment	\$ 1.45	\$ 1.45	\$ 0.00	\$ 56.67	Minimum	Last Yr	Diff.	\$ 340.02	Minimum	Last Yr	Diff.
Transmission O&M	\$ 2.11	\$ 2.15	-\$ 0.04	Distribution O&M	\$ 4.16	\$ 4.16	\$ 0.00	Distribution O&M	\$ 24.96	\$ 24.96	\$ 0.00
Trans. Reserve	\$ 0.00	\$ 0.00	\$ 0.00	Capital repayment	\$ 47.51	\$ 46.16	\$ 1.35	Capital repayment	\$ 285.06	\$ 276.96	\$ 8.10
Transmission REM	\$ 0.97	\$ 0.89	\$ 0.08	O&M fee	\$ 5.00	\$ 5.00	\$ 0.00	O&M fee	\$ 30.00	\$ 30.00	\$ 0.00
Distribution O&M	\$ 1.76	\$ 1.76	\$ 0.00	Total	\$ 56.67	\$ 55.32	\$ 1.35	Total	\$ 340.02	\$ 331.92	\$ 8.10
Distribution REM	\$ 0.14	\$ 0.13	\$ 0.01								
Dist. Reserve	\$ 0.04	\$ 0.09	-\$ 0.05								
Total	\$ 6.47	\$ 6.47	\$ 0.00	1 extra unit				Seasonal Type 2			
				\$ 69.59	Minimum	Last Yr	Diff.	\$ 780.04	Minimum	Last Yr	Diff.
Contract Rate				Distribution O&M	\$ 5.20	\$ 5.20	\$ 0.00	Distribution O&M	\$ 49.92	\$ 49.92	\$ 0.00
Treatment	\$ 1.45	\$ 1.45	\$ 0.00	Capital repayment	\$ 59.39	\$ 57.70	\$ 1.69	Capital repayment	\$ 570.12	\$ 553.92	\$ 16.20
Transmission O&M	\$ 1.94	\$ 2.02	-\$ 0.08	O&M fee	\$ 5.00	\$ 5.00	\$ 0.00	O&M fee	\$ 60.00	\$ 60.00	\$ 0.00
Transmission REM	\$ 0.97	\$ 0.89	\$ 0.08	Total	\$ 69.59	\$ 67.90	\$ 1.69	Service Charge	\$ 100.00	\$ 80.00	\$ 20.00
Capital repayment	\$ 1.56	\$ 1.51	\$ 0.05						\$ 780.04	\$ 743.84	\$ 36.20
Transmission reserve	\$ 0.00	\$ 0.00	\$ 0.00								
Total	\$ 5.92	\$ 5.87	\$ 0.05	2 extra units							
				\$ 82.51	Minimum			Seasonal Type 3			
PCRWS	\$ 4.45	\$ 4.45	\$ 0.00	Distribution O&M	\$ 6.24	\$ 6.24	\$ 0.00	\$ 391.69	Minimum	Last Yr	Diff.
				Capital repayment	\$ 71.27	\$ 69.24	\$ 2.03	Distribution O&M	\$ 76.63	\$ 75.28	\$ 1.35
Raw Water Rate				O&M fee	\$ 5.00	\$ 5.00	\$ 0.00	Capital repayment	\$ 285.06	\$ 276.96	\$ 8.10
Transmission O&M	\$ 1.94	\$ 2.02	-\$ 0.08	Total	\$ 82.51	\$ 80.48	\$ 2.03	O&M fee	\$ 30.00	\$ 30.00	\$ 0.00
Transmission REM	\$ 0.97	\$ 0.89	\$ 0.08						\$ 391.69	\$ 382.24	\$ 9.45
Capital repayment	\$ 1.56	\$ 1.51	\$ 0.05								
Transmission reserve	\$ 0.00	\$ 0.00	\$ 0.00	3 extra units							
Pretreatment	\$ 0.25	\$ 0.25	\$ 0.00	\$ 95.42	Minimum						
Total	\$ 4.72	\$ 4.67	\$ 0.05	Distribution O&M	\$ 7.28	\$ 7.28	\$ 0.00				
				Capital repayment	\$ 83.14	\$ 80.78	\$ 2.36				
Demand Contract				O&M fee	\$ 5.00	\$ 5.00	\$ 0.00				
Treatment	\$ 1.45	\$ 1.45	\$ 0.00	Total	\$ 95.42	\$ 93.06	\$ 2.36				
Transmission O&M	\$ 1.85	\$ 1.93	-\$ 0.08								
Transmission REM	\$ 0.97	\$ 0.89	\$ 0.08								
Capital repayment	\$ 1.56	\$ 1.51	\$ 0.05								
Demand charge	\$ 1.56	\$ 1.51	\$ 0.05								
Transmission reserve	\$ 0.00	\$ 0.00	\$ 0.00								
Total	\$ 7.39	\$ 7.29	\$ 0.10								

MWWS Water Rates for 2026 - CPI (2.92%) - Option 2								Oil Industry Rates			
Standard Customer		Last Yr	Diff.	Water Rate		Last Yr	Diff.	Oil Industry Rate/SWA Depot		Last Yr	Diff.
MWWS Dist O&M	\$ 9.43	\$ 10.05	-\$ 0.62	O&M Distribution	\$ 6.20	\$ 6.20	\$ 0.00	Treatment	\$ 1.00	\$ 1.00	\$ 0.00
cap repayment	\$ 37.63	\$ 35.66	\$ 1.97	Dist. REM	\$ 0.13	\$ 0.12	\$ 0.01	Transmission O&M	\$ 2.56	\$ 2.56	\$ 0.00
MWWS capacity fee	\$ 9.61	\$ 9.61	\$ 0.00	Dist. Reserve	\$ 0.14	\$ 0.15	-\$ 0.01	Transmission REM	\$ 3.00	\$ 3.00	\$ 0.00
Total	\$ 56.67	\$ 55.32	\$ 1.35	Total	\$ 6.47	\$ 6.47	\$ 0.00	Capital repayment	\$ 3.00	\$ 3.00	\$ 0.00
								Transmission reserve	\$ 0.07	\$ 0.07	\$ 0.00
				MWWS Water Cost	\$ 5.50			Distribution O&M	\$ 2.12	\$ 2.12	\$ 0.00
1 extra unit								Distribution REM	\$ 0.10	\$ 0.10	\$ 0.00
MWWS Dist O&M	\$ 12.94	\$ 13.71	-\$ 0.77					Dist. Reserve	\$ 0.15	\$ 0.15	\$ 0.00
capital repayment	\$ 47.04	\$ 44.58	\$ 2.46					Total	\$ 12.00	\$ 12.00	\$ 0.00
MWWS capacity fee	\$ 9.61	\$ 9.61	\$ 0.00								
Total	\$ 69.59	\$ 67.90	\$ 1.69					Oil Industry Rate/Oil Industry			
								Treatment	\$ 1.00	\$ 1.00	\$ 0.00
								Transmission O&M	\$ 2.53	\$ 2.53	\$ 0.00
2 extra units								Transmission REM	\$ 4.00	\$ 4.00	\$ 0.00
MWWS Dist O&M	\$ 16.45	\$ 17.37	-\$ 0.92					Capital repayment	\$ 4.00	\$ 4.00	\$ 0.00
capital repayment	\$ 56.45	\$ 53.50	\$ 2.95					Transmission reserve	\$ 0.07	\$ 0.07	\$ 0.00
MWWS capacity fee	\$ 9.61	\$ 9.61	\$ 0.00					Distribution O&M	\$ 0.40	\$ 0.40	\$ 0.00
Total	\$ 82.51	\$ 80.48	\$ 2.03					Total	\$ 12.00	\$ 12.00	\$ 0.00
Pasture taps:											
MWWS Dist O&M	\$ 56.58	\$ 60.30	-\$ 3.72								
Cap Repay	\$ 225.78	\$ 213.96	\$ 11.82								
MWWS capacity fee	\$ 57.66	\$ 57.66	\$ 0.00								
Total	\$ 340.02	\$ 331.92	\$ 8.10								

2026 Budget - Income Statement Summary • Option 2							
	2025 BUDGET	2026 BUDGET	2027 BUDGET	2028 BUDGET	2029 BUDGET	2030 BUDGET	2031 BUDGET
Sales							
Sales of Water	\$ 18,645,600	\$ 19,760,256	\$ 20,403,500	\$ 21,074,400	\$ 21,774,600	\$ 22,505,800	\$ 23,269,900
Sales of Equipment & Services	\$ 278,700	\$ 281,225	\$ 277,900	\$ 294,900	\$ 229,100	\$ 295,100	\$ 223,100
Hookup Fees	\$ 182,900	\$ 200,925	\$ 154,000	\$ 121,500	\$ 125,000	\$ 128,600	\$ 99,100
Gross Sales	\$ 19,107,200	\$ 20,242,406	\$ 20,835,400	\$ 21,490,800	\$ 22,128,700	\$ 22,929,500	\$ 23,592,100
Expenses							
Transmission	\$ 8,345,800	\$ 9,131,842	\$ 9,346,000	\$ 9,678,600	\$ 10,028,400	\$ 10,396,700	\$ 10,784,700
Distribution	\$ 5,822,300	\$ 6,638,577	\$ 6,866,200	\$ 7,044,300	\$ 7,222,500	\$ 7,418,800	\$ 7,535,600
Treatment	\$ 3,479,400	\$ 3,749,310	\$ 3,951,900	\$ 4,053,200	\$ 4,157,200	\$ 4,263,900	\$ 4,373,500
Customer Service	\$ 242,700	\$ 264,100	\$ 295,000	\$ 300,700	\$ 306,600	\$ 312,600	\$ 318,800
Administrative	\$ 1,236,100	\$ 1,391,900	\$ 1,358,300	\$ 1,394,100	\$ 1,430,900	\$ 1,468,700	\$ 1,507,600
Signup & Easement	\$ 618,800	\$ 668,150	\$ 691,900	\$ 709,900	\$ 728,400	\$ 747,500	\$ 767,100
Board of Directors	\$ 276,900	\$ 285,975	\$ 288,900	\$ 291,800	\$ 294,800	\$ 297,800	\$ 300,800
Depreciation	\$ 532,000	\$ 662,066	\$ 665,400	\$ 668,800	\$ 672,200	\$ 675,600	\$ 679,000
Total Expense	\$ 20,554,000	\$ 22,791,920	\$ 23,463,600	\$ 24,141,400	\$ 24,841,000	\$ 25,581,600	\$ 26,267,100
Other Income							
Interest & Dividends	\$ 418,000	\$ 418,000	\$ 320,300	\$ 290,900	\$ 211,600	\$ 215,200	\$ 216,100
Other Income	\$ 200	\$ 200	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
Grant Income	\$ 2,000	\$ 62,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Transfer from Escrow	\$ -	\$ -	\$ -	\$ 369,400	\$ -	\$ 369,400	\$ -
	\$ 420,200	\$ 480,200	\$ 322,800	\$ 662,800	\$ 214,100	\$ 587,100	\$ 218,600
Net Income	\$ (1,026,600)	\$ (2,069,314)	\$ (2,305,400)	\$ (1,987,800)	\$ (2,498,200)	\$ (2,065,000)	\$ (2,456,400)
No. of Months in Reserve w/o Equip & Depr	8.71	7.18	5.73	4.53	3.13	2.01	0.77
Replacement & EM Fund Expense	\$ 5,603,600	\$ 4,447,485	\$ 2,855,000	\$ 5,798,000	\$ 6,321,000	\$ 5,060,000	\$ 4,245,000
Water Rates							
Contract	\$ 5.87	\$ 5.92	\$ 6.04	\$ 6.16	\$ 6.28	\$ 6.41	\$ 6.54
Rural	\$ 6.47	\$ 6.47	\$ 6.53	\$ 6.60	\$ 6.67	\$ 6.73	\$ 6.80
Minimum	\$ 55.32	\$ 56.67	\$ 57.80	\$ 58.96	\$ 60.14	\$ 61.34	\$ 62.57

2026 Operations Budget • Option 2												
	Budget	Actuals	Budget	Annualized August Actuals	Actual vs Budget	Budget	2026 vs 2025 Budget	Five Year Projections				
	2024			2025		2026		2027	2028	2029	2030	2031
Total gallons (in thousands)	2,317,750	2,264,540	2,321,401	2,465,779	144,378	2,430,522	109,121	2,455,000	2,479,600	2,504,400	2,529,600	2,555,000
Contract	1,891,250	1,827,606	1,885,451	2,045,885	160,434	1,980,022	94,571	1,999,900	2,019,900	2,040,100	2,060,600	2,081,300
Rural	426,500	436,934	435,950	419,894	(16,056)	450,500	14,550	455,100	459,700	464,300	469,000	473,700
Income												
Water Sales	\$ 10,215,200	\$ 10,443,897	\$ 9,736,800	\$ 9,527,600	\$ (209,200)	\$ 9,985,091	\$ 248,291	\$ 10,284,700	\$ 10,593,300	\$ 10,911,100	\$ 11,238,500	\$ 11,575,700
Replacement	\$ 1,853,900	\$ 2,113,138	\$ 2,167,100	\$ 2,161,900	\$ (5,200)	\$ 2,469,685	\$ 302,585	\$ 2,667,300	\$ 2,880,700	\$ 3,111,200	\$ 3,360,100	\$ 3,629,000
Capital Repayment	\$ 6,208,200	\$ 6,671,736	\$ 6,696,600	\$ 6,263,700	\$ (432,900)	\$ 7,283,884	\$ 587,284	\$ 7,429,600	\$ 7,578,200	\$ 7,729,800	\$ 7,884,400	\$ 8,042,100
Reserve	\$ 289,200	\$ 149,529	\$ 45,100	\$ 212,200	\$ 167,100	\$ 21,596	\$ (23,504)	\$ 21,900	\$ 22,200	\$ 22,500	\$ 22,800	\$ 23,100
Equipment & Services	\$ 236,700	\$ 651,825	\$ 278,700	\$ 298,700	\$ 20,000	\$ 281,225	\$ 2,525	\$ 277,900	\$ 294,900	\$ 229,100	\$ 295,100	\$ 223,100
Hook up fees	\$ 204,600	\$ 354,500	\$ 182,900	\$ 301,200	\$ 118,300	\$ 200,925	\$ 18,025	\$ 154,000	\$ 121,500	\$ 125,000	\$ 128,600	\$ 99,100
Transfer from Escrow	\$ 55,000	\$ 41,375	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 369,400	\$ -	\$ 369,400	\$ -
Other Income	\$ 53,000	\$ 565,080	\$ 420,000	\$ 685,300	\$ 265,300	\$ 480,200	\$ 60,200	\$ 320,300	\$ 290,900	\$ 211,600	\$ 215,200	\$ 216,100
Total Income	\$ 19,115,800	\$ 20,991,080	\$ 19,527,200	\$ 19,450,600	\$ (76,600)	\$ 20,722,606	\$ 1,195,406	\$ 21,155,700	\$ 22,151,100	\$ 22,340,300	\$ 23,514,100	\$ 23,808,200
Expenses												
Replacement	\$ 1,853,900	\$ 2,127,905	\$ 2,167,100	\$ 2,064,100	\$ (103,000)	\$ 2,469,685	\$ 302,585	\$ 2,667,300	\$ 2,880,700	\$ 3,111,200	\$ 3,360,100	\$ 3,629,000
Capital Repayment	\$ 6,208,200	\$ 6,699,240	\$ 6,696,600	\$ 6,251,900	\$ (444,700)	\$ 7,283,884	\$ 587,284	\$ 7,429,600	\$ 7,578,200	\$ 7,729,800	\$ 7,884,400	\$ 8,042,100
Equipment	\$ 361,100	\$ 225,701	\$ 130,000	\$ 105,100	\$ (24,900)	\$ 685,900	\$ 555,900	\$ 699,700	\$ 713,700	\$ 728,000	\$ 742,600	\$ 757,500
Salaries & Benefits	\$ 5,916,000	\$ 4,889,693	\$ 6,245,300	\$ 5,449,900	\$ (795,400)	\$ 6,713,910	\$ 468,610	\$ 6,915,400	\$ 7,122,900	\$ 7,336,600	\$ 7,556,700	\$ 7,783,500
O&M Expenses	\$ 2,421,500	\$ 2,225,387	\$ 2,443,700	\$ 2,144,000	\$ (299,700)	\$ 2,932,650	\$ 488,950	\$ 3,020,700	\$ 3,081,200	\$ 3,142,900	\$ 3,205,800	\$ 3,270,000
Treatment Expenses	\$ 711,300	\$ 640,327	\$ 802,300	\$ 628,400	\$ (173,900)	\$ 944,800	\$ 142,500	\$ 963,700	\$ 983,000	\$ 1,002,700	\$ 1,022,800	\$ 1,043,300
Chemicals	\$ 760,000	\$ 813,756	\$ 750,000	\$ 593,500	\$ (156,500)	\$ 760,000	\$ 10,000	\$ 775,200	\$ 790,800	\$ 806,700	\$ 822,900	\$ 839,400
Customer Materials	\$ 145,000	\$ 319,392	\$ 200,000	\$ 250,500	\$ 50,500	\$ 200,000	\$ -	\$ 190,000	\$ 191,100	\$ 185,600	\$ 191,200	\$ 110,000
Customer Service	\$ 167,200	\$ 156,841	\$ -	\$ 128,400	\$ 128,400	\$ 155,000	\$ 155,000	\$ 156,600	\$ 158,200	\$ 159,800	\$ 161,400	\$ 163,100
Administrative	\$ 142,700	\$ 186,629	\$ 45,400	\$ 206,300	\$ 160,900	\$ 246,800	\$ 201,400	\$ 251,800	\$ 254,400	\$ 257,000	\$ 259,600	\$ 262,200
Signup & Easement	\$ 122,100	\$ 94,133	\$ 500	\$ 82,500	\$ 82,000	\$ 137,150	\$ 136,650	\$ 138,600	\$ 140,000	\$ 141,400	\$ 142,900	\$ 144,400
Board of Directors	\$ 274,100	\$ 207,571	\$ 2,400	\$ 245,700	\$ 243,300	\$ 285,975	\$ 283,575	\$ 288,900	\$ 291,800	\$ 294,800	\$ 297,800	\$ 300,800
Total Expenses	\$ 19,083,100	\$ 18,586,575	\$ 19,483,300	\$ 18,150,300	\$ (1,333,000)	\$ 22,815,754	\$ 3,332,454	\$ 23,497,500	\$ 24,186,000	\$ 24,896,500	\$ 25,648,200	\$ 26,345,300
Cost/kgal	\$ 8.27	\$ 8.25	\$ 8.39	\$ 7.39	\$ (1.00)	\$ 9.39	\$ 0.99	\$ 9.57	\$ 9.75	\$ 9.94	\$ 10.14	\$ 10.31
Balance	\$ 32,700	\$ 2,404,505	\$ 43,900	\$ 1,300,300	\$ 1,256,400	\$ (2,093,148)	\$ (2,137,048)	\$ (2,341,800)	\$ (2,034,900)	\$ (2,556,200)	\$ (2,134,100)	\$ (2,537,100)
Available at beg of year	\$ 12,756,700	\$ 15,112,198	\$ 15,285,600	\$ 16,171,042	\$ 885,442	\$ 15,329,500	\$ 43,900	\$ 13,236,352	\$ 10,894,552	\$ 8,859,652	\$ 6,303,452	\$ 4,169,352
Year ending balance	\$ 12,789,400	\$ 16,171,042	\$ 15,329,500	\$ 14,870,742	\$ (458,758)	\$ 13,236,352	\$ (2,093,148)	\$ 10,894,552	\$ 8,859,652	\$ 6,303,452	\$ 4,169,352	\$ 1,632,252
Reserve needed	\$ 3,975,600	\$ 3,872,200	\$ 4,059,000	\$ 3,781,300	\$ (277,700)	\$ 4,753,300	\$ 694,300	\$ 4,895,300	\$ 5,038,800	\$ 5,186,800	\$ 5,343,400	\$ 5,488,600
over/under	\$ 8,813,800	\$ 12,298,842	\$ 11,270,500	\$ 11,089,442	\$ (181,058)	\$ 8,483,052	\$ (2,787,448)	\$ 5,999,252	\$ 3,820,852	\$ 1,116,652	\$ (1,174,048)	\$ (3,856,348)
over reserve \$/1000 gallons	\$ 3.80	\$ 5.43	\$ 4.86	\$ 4.50	\$ (0.36)	\$ 3.49	\$ (1.36)	\$ 2.44	\$ 1.54	\$ 0.45	\$ (0.46)	\$ (1.51)
No. of months in reserve	8.20	10.57	9.51	9.89	0.38	7.18	-2.33	5.73	4.53	3.13	2.01	0.77

Water Rates for 2025 - CPI (2.92%) - Option 3

BALANCED Rate Increase -- 2.92% Cap Rep, 8.5% REM, 34¢ Treatment, 2¢ Transmission O&M Rural, 15¢ Transmission O&M Contract and 15¢ Pretreatment Raw

Rural Water Rate		Last Yr	Diff.	Minimum Charges:				Pasture taps:			
Treatment	\$ 1.79	\$ 1.45	\$ 0.34	\$ 56.67	Minimum	Last Yr	Diff.	\$ 340.02	Minimum	Last Yr	Diff.
Transmission O&M	\$ 2.17	\$ 2.15	\$ 0.02	Distribution O&M	\$ 4.16	\$ 4.16	\$ 0.00	Distribution O&M	\$ 24.96	\$ 24.96	\$ 0.00
Trans. Reserve	\$ 0.00	\$ 0.00	\$ 0.00	Capital repayment	\$ 47.51	\$ 46.16	\$ 1.35	Capital repayment	\$ 285.06	\$ 276.96	\$ 8.10
Transmission REM	\$ 0.97	\$ 0.89	\$ 0.08	O&M fee	\$ 5.00	\$ 5.00	\$ 0.00	O&M fee	\$ 30.00	\$ 30.00	\$ 0.00
Distribution O&M	\$ 1.76	\$ 1.76	\$ 0.00	Total	\$ 56.67	\$ 55.32	\$ 1.35	Total	\$ 340.02	\$ 331.92	\$ 8.10
Distribution REM	\$ 0.14	\$ 0.13	\$ 0.01								
Dist. Reserve	\$ 0.09	\$ 0.09	\$ 0.00								
Total	\$ 6.92	\$ 6.47	\$ 0.45	1 extra unit				Seasonal Type 2			
				\$ 69.59	Minimum	Last Yr	Diff.	\$ 780.04	Minimum	Last Yr	Diff.
Contract Rate				Distribution O&M	\$ 5.20	\$ 5.20	\$ 0.00	Distribution O&M	\$ 49.92	\$ 49.92	\$ 0.00
Treatment	\$ 1.79	\$ 1.45	\$ 0.34	Capital repayment	\$ 59.39	\$ 57.70	\$ 1.69	Capital repayment	\$ 570.12	\$ 553.92	\$ 16.20
Transmission O&M	\$ 2.17	\$ 2.02	\$ 0.15	O&M fee	\$ 5.00	\$ 5.00	\$ 0.00	O&M fee	\$ 60.00	\$ 60.00	\$ 0.00
Transmission REM	\$ 0.97	\$ 0.89	\$ 0.08	Total	\$ 69.59	\$ 67.90	\$ 1.69	Service Charge	\$ 100.00	\$ 80.00	\$ 20.00
Capital repayment	\$ 1.56	\$ 1.51	\$ 0.05						\$ 780.04	\$ 743.84	\$ 36.20
Transmission reserve	\$ 0.00	\$ 0.00	\$ 0.00								
Total	\$ 6.49	\$ 5.87	\$ 0.62	2 extra units				Seasonal Type 3			
				\$ 82.51	Minimum						
PCRWS	\$ 4.79	\$ 4.45	\$ 0.34	Distribution O&M	\$ 6.24	\$ 6.24	\$ 0.00	\$ 391.69	Minimum	Last Yr	Diff.
				Capital repayment	\$ 71.27	\$ 69.24	\$ 2.03	Distribution O&M	\$ 76.63	\$ 75.28	\$ 1.35
Raw Water Rate				O&M fee	\$ 5.00	\$ 5.00	\$ 0.00	Capital repayment	\$ 285.06	\$ 276.96	\$ 8.10
Transmission O&M	\$ 2.17	\$ 2.02	\$ 0.15	Total	\$ 82.51	\$ 80.48	\$ 2.03	O&M fee	\$ 30.00	\$ 30.00	\$ 0.00
Transmission REM	\$ 0.97	\$ 0.89	\$ 0.08						\$ 391.69	\$ 382.24	\$ 9.45
Capital repayment	\$ 1.56	\$ 1.51	\$ 0.05								
Transmission reserve	\$ 0.00	\$ 0.00	\$ 0.00	3 extra units							
Pretreatment	\$ 0.40	\$ 0.25	\$ 0.15	\$ 95.42	Minimum						
Total	\$ 5.10	\$ 4.67	\$ 0.43	Distribution O&M	\$ 7.28	\$ 7.28	\$ 0.00				
				Capital repayment	\$ 83.14	\$ 80.78	\$ 2.36				
Demand Contract				O&M fee	\$ 5.00	\$ 5.00	\$ 0.00				
Treatment	\$ 1.79	\$ 1.45	\$ 0.34	Total	\$ 95.42	\$ 93.06	\$ 2.36				
Transmission O&M	\$ 2.08	\$ 1.93	\$ 0.15								
Transmission REM	\$ 0.97	\$ 0.89	\$ 0.08								
Capital repayment	\$ 1.56	\$ 1.51	\$ 0.05								
Demand charge	\$ 1.56	\$ 1.51	\$ 0.05								
Transmission reserve	\$ 0.00	\$ 0.00	\$ 0.00								
Total	\$ 7.96	\$ 7.29	\$ 0.67								

MWWS Water Rates for 2025 - CPI (2.92%) - Option 3								Oil Industry Rates					
Standard Customer		Last Yr	Diff.		Water Rate		Last Yr	Diff.		Oil Industry Rate/SWA Depot	Last Yr	Diff.	
MWWS Dist O&M	\$ 10.54	\$ 10.05	\$ 0.49		O&M Distribution	\$ 6.28	\$ 6.20	\$ 0.08		Treatment	\$ 1.00	\$ 1.00	\$ 0.00
cap repayment	\$ 37.63	\$ 35.66	\$ 1.97		Dist. REM	\$ 0.14	\$ 0.12	\$ 0.02		Transmission O&M	\$ 2.56	\$ 2.56	\$ 0.00
MWWS capacity fee	\$ 9.61	\$ 9.61	\$ 0.00		Dist. Reserve	\$ 0.14	\$ 0.15	-\$ 0.01		Transmission REM	\$ 3.00	\$ 3.00	\$ 0.00
Total	\$ 56.67	\$ 55.32	\$ 2.46		Total	\$ 6.92	\$ 6.47	\$ 0.09		Capital repayment	\$ 3.00	\$ 3.00	\$ 0.00
										Transmission reserve	\$ 0.07	\$ 0.07	\$ 0.00
					MWWS Water Cost	\$ 5.50				Distribution O&M	\$ 2.12	\$ 2.12	\$ 0.00
1 extra unit										Distribution REM	\$ 0.10	\$ 0.10	\$ 0.00
MWWS Dist O&M	\$ 14.33	\$ 13.71	\$ 0.62							Dist. Reserve	\$ 0.15	\$ 0.15	\$ 0.00
capital repayment	\$ 47.04	\$ 44.58	\$ 2.46							Total	\$ 12.00	\$ 12.00	\$ 0.00
MWWS capacity fee	\$ 9.61	\$ 9.61	\$ 0.00										
Total	\$ 70.98	\$ 67.90	\$ 3.08							Oil Industry Rate/Oil Industry			
										Treatment	\$ 1.00	\$ 1.00	\$ 0.00
										Transmission O&M	\$ 2.53	\$ 2.53	\$ 0.00
2 extra units										Transmission REM	\$ 4.00	\$ 4.00	\$ 0.00
MWWS Dist O&M	\$ 18.12	\$ 17.37	\$ 0.75							Capital repayment	\$ 4.00	\$ 4.00	\$ 0.00
capital repayment	\$ 56.45	\$ 53.50	\$ 2.95							Transmission reserve	\$ 0.07	\$ 0.07	\$ 0.00
MWWS capacity fee	\$ 9.61	\$ 9.61	\$ 0.00							Distribution O&M	\$ 0.40	\$ 0.40	\$ 0.00
Total	\$ 84.18	\$ 80.48	\$ 3.70							Total	\$ 12.00	\$ 12.00	\$ 0.00
Pasture taps:													
MWWS Dist O&M	\$ 63.24	\$ 60.30	\$ 2.94										
Cap Repay	\$ 225.78	\$ 213.96	\$ 11.82										
MWWS capacity fee	\$ 57.66	\$ 57.66	\$ 0.00										
Total	\$ 346.68	\$ 331.92	\$ 14.76										

2026 Budget - Income Statement Summary • Option 3							
	2025 BUDGET	2026 BUDGET	2027 BUDGET	2028 BUDGET	2029 BUDGET	2030 BUDGET	2031 BUDGET
Sales							
Sales of Water	\$ 18,645,600	\$ 21,042,204	\$ 21,723,300	\$ 22,433,200	\$ 23,173,700	\$ 23,946,300	\$ 24,753,100
Sales of Equipment & Services	\$ 278,700	\$ 281,225	\$ 277,900	\$ 294,900	\$ 229,100	\$ 295,100	\$ 223,100
Hookup Fees	\$ 182,900	\$ 200,925	\$ 154,000	\$ 121,500	\$ 125,000	\$ 128,600	\$ 99,100
Gross Sales	\$ 19,107,200	\$ 21,524,354	\$ 22,155,200	\$ 22,849,600	\$ 23,527,800	\$ 24,370,000	\$ 25,075,300
Expenses							
Transmission	\$ 8,345,800	\$ 9,005,842	\$ 9,097,900	\$ 9,425,200	\$ 9,769,600	\$ 10,132,300	\$ 10,514,600
Distribution	\$ 5,822,300	\$ 6,464,477	\$ 6,765,100	\$ 6,941,100	\$ 7,117,100	\$ 7,311,100	\$ 7,425,600
Treatment	\$ 3,479,400	\$ 3,703,310	\$ 3,867,800	\$ 3,967,100	\$ 4,069,000	\$ 4,173,600	\$ 4,280,900
Customer Service	\$ 242,700	\$ 245,700	\$ 274,000	\$ 279,500	\$ 285,100	\$ 290,900	\$ 296,900
Administrative	\$ 1,236,100	\$ 1,212,600	\$ 1,263,100	\$ 1,297,600	\$ 1,333,000	\$ 1,369,400	\$ 1,407,000
Signup & Easement	\$ 618,800	\$ 662,750	\$ 677,100	\$ 694,800	\$ 713,000	\$ 731,700	\$ 751,000
Board of Directors	\$ 276,900	\$ 277,975	\$ 280,800	\$ 283,700	\$ 286,600	\$ 289,500	\$ 292,400
Depreciation	\$ 532,000	\$ 627,300	\$ 630,500	\$ 633,700	\$ 636,900	\$ 640,100	\$ 643,400
Total Expense	\$ 20,554,000	\$ 22,199,954	\$ 22,856,300	\$ 23,522,700	\$ 24,210,300	\$ 24,938,600	\$ 25,611,800
Other Income							
Interest & Dividends	\$ 418,000	\$ 418,000	\$ 320,300	\$ 290,900	\$ 211,600	\$ 215,200	\$ 216,100
Other Income	\$ 200	\$ 200	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
Grant Income	\$ 2,000	\$ 62,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Transfer from Escrow	\$ -	\$ -	\$ -	\$ 369,400	\$ -	\$ 369,400	\$ -
	\$ 420,200	\$ 480,200	\$ 322,800	\$ 662,800	\$ 214,100	\$ 587,100	\$ 218,600
Net Income	\$ (1,026,600)	\$ (195,400)	\$ (378,300)	\$ (10,300)	\$ (468,400)	\$ 18,500	\$ (317,900)
No. of Months in Reserve w/o Equip & Depr	8.71	8.53	8.17	8.03	7.65	7.51	7.23
Replacement & EM Fund Expense	\$ 5,603,600	\$ 4,447,485	\$ 2,855,000	\$ 5,798,000	\$ 6,321,000	\$ 5,060,000	\$ 4,245,000
Water Rates							
Contract	\$ 5.87	\$ 6.49	\$ 6.62	\$ 6.75	\$ 6.89	\$ 7.02	\$ 7.17
Rural	\$ 6.47	\$ 6.92	\$ 6.99	\$ 7.06	\$ 7.13	\$ 7.20	\$ 7.27
Minimum	\$ 55.32	\$ 56.67	\$ 57.80	\$ 58.96	\$ 60.14	\$ 61.34	\$ 62.57

2026 Operations Budget • Option 3												
	Budget	Actuals	Budget	Annualized August Actuals	Actual vs Budget	Budget	2025 vs 2024 Budget	Five Year Projections				
	2024			2025		2026		2027	2028	2029	2030	2031
Total gallons (in thousands)	2,317,750	2,264,540	2,321,401	2,465,779	144,378	2,430,522	109,121	2,455,000	2,479,600	2,504,400	2,529,600	2,555,000
Contract	1,891,250	1,827,606	1,885,451	2,045,885	160,434	1,980,022	94,571	1,999,900	2,019,900	2,040,100	2,060,600	2,081,300
Rural	426,500	436,934	435,950	419,894	(16,056)	450,500	14,550	455,100	459,700	464,300	469,000	473,700
Income												
Water Sales	\$ 10,215,200	\$ 10,443,897	\$ 9,736,800	\$ 9,527,600	\$ (209,200)	\$ 11,242,232	\$ 1,505,432	\$ 11,579,500	\$ 11,926,900	\$ 12,284,800	\$ 12,653,400	\$ 13,033,100
Replacement	\$ 1,853,900	\$ 2,113,138	\$ 2,167,100	\$ 2,161,900	\$ (5,200)	\$ 2,469,685	\$ 302,585	\$ 2,667,300	\$ 2,880,700	\$ 3,111,200	\$ 3,360,100	\$ 3,629,000
Capital Repayment	\$ 6,208,200	\$ 6,671,736	\$ 6,696,600	\$ 6,263,700	\$ (432,900)	\$ 7,283,884	\$ 587,284	\$ 7,429,600	\$ 7,578,200	\$ 7,729,800	\$ 7,884,400	\$ 8,042,100
Reserve	\$ 289,200	\$ 149,529	\$ 45,100	\$ 212,200	\$ 167,100	\$ 46,403	\$ 1,303	\$ 46,900	\$ 47,400	\$ 47,900	\$ 48,400	\$ 48,900
Equipment & Services	\$ 236,700	\$ 651,825	\$ 278,700	\$ 298,700	\$ 20,000	\$ 281,225	\$ 2,525	\$ 277,900	\$ 294,900	\$ 229,100	\$ 295,100	\$ 223,100
Hook up fees	\$ 204,600	\$ 354,500	\$ 182,900	\$ 301,200	\$ 118,300	\$ 200,925	\$ 18,025	\$ 154,000	\$ 121,500	\$ 125,000	\$ 128,600	\$ 99,100
Transfer from Escrow	\$ 55,000	\$ 41,375	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 369,400	\$ -	\$ 369,400	\$ -
Other Income	\$ 53,000	\$ 565,080	\$ 420,000	\$ 685,300	\$ 265,300	\$ 480,200	\$ 60,200	\$ 320,300	\$ 290,900	\$ 211,600	\$ 215,200	\$ 216,100
Total Income	\$ 19,115,800	\$ 20,991,080	\$ 19,527,200	\$ 19,450,600	\$ (76,600)	\$ 22,004,554	\$ 2,477,354	\$ 22,475,500	\$ 23,509,900	\$ 23,739,400	\$ 24,954,600	\$ 25,291,400
Expenses												
Replacement	\$ 1,853,900	\$ 2,127,905	\$ 2,167,100	\$ 2,064,100	\$ (103,000)	\$ 2,469,685	\$ 302,585	\$ 2,667,300	\$ 2,880,700	\$ 3,111,200	\$ 3,360,100	\$ 3,629,000
Capital Repayment	\$ 6,208,200	\$ 6,699,240	\$ 6,696,600	\$ 6,251,900	\$ (444,700)	\$ 7,283,884	\$ 587,284	\$ 7,429,600	\$ 7,578,200	\$ 7,729,800	\$ 7,884,400	\$ 8,042,100
Equipment	\$ 361,100	\$ 225,701	\$ 130,000	\$ 105,100	\$ (24,900)	\$ 431,900	\$ 301,900	\$ 440,600	\$ 449,500	\$ 458,500	\$ 467,700	\$ 477,100
Salaries & Benefits	\$ 5,916,000	\$ 4,889,693	\$ 6,245,300	\$ 5,449,900	\$ (795,400)	\$ 6,601,110	\$ 355,810	\$ 6,799,200	\$ 7,003,200	\$ 7,213,300	\$ 7,429,700	\$ 7,652,600
O&M Expenses	\$ 2,421,500	\$ 2,225,387	\$ 2,443,700	\$ 2,144,000	\$ (299,700)	\$ 2,641,150	\$ 197,450	\$ 2,720,400	\$ 2,774,900	\$ 2,830,400	\$ 2,887,100	\$ 2,944,900
Treatment Expenses	\$ 711,300	\$ 640,327	\$ 802,300	\$ 628,400	\$ (173,900)	\$ 898,800	\$ 96,500	\$ 916,800	\$ 935,200	\$ 954,000	\$ 973,100	\$ 992,600
Chemicals	\$ 760,000	\$ 813,756	\$ 750,000	\$ 593,500	\$ (156,500)	\$ 760,000	\$ 10,000	\$ 775,200	\$ 790,800	\$ 806,700	\$ 822,900	\$ 839,400
Customer Materials	\$ 145,000	\$ 319,392	\$ 200,000	\$ 250,500	\$ 50,500	\$ 200,000	\$ -	\$ 190,000	\$ 191,100	\$ 185,600	\$ 191,200	\$ 110,000
Customer Service	\$ 167,200	\$ 156,841	\$ -	\$ 128,400	\$ 128,400	\$ 136,600	\$ 136,600	\$ 138,000	\$ 139,400	\$ 140,800	\$ 142,300	\$ 143,800
Administrative	\$ 142,700	\$ 186,629	\$ 45,400	\$ 206,300	\$ 160,900	\$ 171,700	\$ 126,300	\$ 175,200	\$ 177,000	\$ 178,800	\$ 180,600	\$ 182,500
Signup & Easement	\$ 122,100	\$ 94,133	\$ 500	\$ 82,500	\$ 82,000	\$ 131,750	\$ 131,250	\$ 133,100	\$ 134,500	\$ 135,900	\$ 137,300	\$ 138,700
Board of Directors	\$ 274,100	\$ 207,571	\$ 2,400	\$ 245,700	\$ 243,300	\$ 277,975	\$ 275,575	\$ 280,800	\$ 283,700	\$ 286,600	\$ 289,500	\$ 292,400
Total Expenses	\$ 19,083,100	\$ 18,586,575	\$ 19,483,300	\$ 18,150,300	\$ (1,333,000)	\$ 22,004,554	\$ 2,521,254	\$ 22,666,200	\$ 23,338,200	\$ 24,031,600	\$ 24,765,900	\$ 25,445,100
Cost/kgal	\$ 8.27	\$ 8.25	\$ 8.39	\$ 7.39	\$ (1.00)	\$ 9.05	\$ 0.66	\$ 9.23	\$ 9.41	\$ 9.60	\$ 9.79	\$ 9.96
Balance	\$ 32,700	\$ 2,404,505	\$ 43,900	\$ 1,300,300	\$ 1,256,400	\$ -	\$ (43,900)	\$ (190,700)	\$ 171,700	\$ (292,200)	\$ 188,700	\$ (153,700)
Available at beg of year	\$ 12,756,700	\$ 15,112,198	\$ 15,285,600	\$ 16,171,042	\$ 885,442	\$ 15,329,500	\$ 43,900	\$ 15,329,500	\$ 15,138,800	\$ 15,310,500	\$ 15,018,300	\$ 15,207,000
Year ending balance	\$ 12,224,600	\$ 16,171,042	\$ 15,329,500	\$ 17,471,342	\$ 2,141,842	\$ 15,329,500	\$ -	\$ 15,138,800	\$ 15,310,500	\$ 15,018,300	\$ 15,207,000	\$ 15,053,300
Reserve needed	\$ 3,975,600	\$ 3,872,200	\$ 4,059,000	\$ 3,781,300	\$ (277,700)	\$ 4,584,300	\$ 525,300	\$ 4,722,100	\$ 4,862,100	\$ 5,006,600	\$ 5,159,600	\$ 5,301,100
over/under	\$ 8,249,000	\$ 12,298,842	\$ 11,270,500	\$ 13,690,042	\$ 2,419,542	\$ 10,745,200	\$ (525,300)	\$ 10,416,700	\$ 10,448,400	\$ 10,011,700	\$ 10,047,400	\$ 9,752,200
over reserve \$/1000 gallons	\$ 3.56	\$ 5.43	\$ 4.86	\$ 5.55	\$ 0.70	\$ 4.42	\$ (0.43)	\$ 4.24	\$ 4.21	\$ 4.00	\$ 3.97	\$ 3.82
No. of months in reserve	7.84	10.57	9.51	11.62	2.11	8.53	-0.98	8.17	8.03	7.65	7.51	7.23

2026 Budget Summary

	OPTION 1	OPTION 2	OPTION 3
Sales			
Sales of Water	\$ 19,955,145	\$ 19,760,256	\$ 21,042,204
Sales of Equipment & Services	\$ 281,225	\$ 281,225	\$ 281,225
Hookup Fees	\$ 200,925	\$ 200,925	\$ 200,925
Gross Sales	\$ 20,437,295	\$ 20,242,406	\$ 21,524,354
Expenses			
Transmission	\$ 9,131,842	\$ 9,131,842	\$ 9,005,842
Distribution	\$ 6,638,577	\$ 6,638,577	\$ 6,464,477
Treatment	\$ 3,749,310	\$ 3,749,310	\$ 3,703,310
Customer Service	\$ 264,100	\$ 264,100	\$ 245,700
Administrative	\$ 1,391,900	\$ 1,391,900	\$ 1,212,600
Signup & Easement	\$ 668,150	\$ 668,150	\$ 662,750
Board of Directors	\$ 285,975	\$ 285,975	\$ 277,975
Depreciation	\$ 662,066	\$ 662,066	\$ 627,300
Total Expense	\$ 22,791,920	\$ 22,791,920	\$ 22,199,954
Other Income			
Interest & Dividends	\$ 418,000	\$ 418,000	\$ 418,000
Other Income	\$ 200	\$ 200	\$ 200
Grant Income	\$ 62,000	\$ 62,000	\$ 62,000
	\$ 480,200	\$ 480,200	\$ 480,200
Net Income	\$ (1,897,259)	\$ (2,092,148)	\$ (195,400)
Net Income including Equip, w/o Depr	\$ (1,898,259)	\$ (2,093,148)	\$ -
Projected Year-End Balance	\$ 15,573,041	\$ 13,236,352	\$ 15,329,500
No. of Months in Reserve w/o Equip & Depr	8.44	7.18	8.53
Replacement & EM Fund Expense	\$ 4,447,485	\$ 4,447,485	\$ 4,447,485
Water Rates			
Contract	\$ 6.00	\$ 5.92	\$ 6.49
Rural	\$ 6.56	\$ 6.47	\$ 6.92
Minimum	\$ 56.67	\$ 56.67	\$ 56.67

A QUORUM OF THE COMMISSION MAY BE PRESENT

Join the meeting now

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Join on a video conferencing device

Video ID: 116 821 625 3

1:00 – 1:03 A. Roll Call/Pledge of Allegiance

1:15 – 1:25 C. Conflicts of Interest Reporting Process (Abby Ebach)(no attachment)

1:30 – 1:40 E. Four-Year Progress Reports (Abigail Franklund/Julie Prescott)

- 1:40 – 1:55 F. Water Supply (Municipal/Rural) (Julie Prescott)

- 1:55 – 2:00 G. Water Supply (Rural) (Julie Prescott)

- H. Adjourn

☐ Other

MEMORANDUM

To: Southwest Water Authority Board of Directors, Staff
From: Justin Froseth, PE, Southwest Pipeline Project Manager
Subject: SWPP Project Update
Date: September 30, 2025

Contract 1-2A Supplementary Raw Water Intake:

The settlement agreement that incorporates outcome from the mediations held on the SWPP's supplementary raw water intake has been executed by all parties. Payment to the state from all parties are expected with 30 days of the effective date of the agreement which was September 16th.

Existing Intake Improvements:

BW/AECOM has been progressing to develop bid-ready documents for upgrading pumps and related equipment to achieve the additional capacity outlined in the executed amendment with Basin Electric Power Cooperative. The Specific Authorization (SA) schedules bidding this project this fall, with construction anticipated to be completed in 2027.

Despite advancing this interim project, efforts remain focused on completing the supplementary raw water intake to fulfill the Southwest Pipeline Project's ultimate intake capacity requirements.

Distribution Upgrades – Strategic Plan

Prong 1 Transmission Improvements

West Zone Main Transmission Expansion:

At the October 2024 SWC meeting, the SWC approved proceeding with bid-ready documents for Design 3, estimated at \$40.4 million, following the recommendation of DWR staff. The SA with BW/AECOM has been amended to include a topographical survey of the pipeline route. Bid-ready documents will be segmented to accommodate construction and budget constraints.

BW/AECOM has submitted a draft West Zone Preliminary Engineering Report (PER) that includes the phasing analysis for completing construction of the West Zone Capacity expansion. Featured in the PER is narrative that focuses on consideration of an incremental approach that requires less funds for the first increment than previously considered. The smaller initial increment still results in a significant capacity increase over existing conditions.

Buffalo Gap Tank:

The project construction has been progressing since mid-August. The foundation and tank's concrete slab is all in. The contractor is actively installing the inlet and outlet pipe that will take water to and from the tank to the pipeline, near Highway 10. The tank steel is expected to arrive in early October and the contractor plans to start with the tank erection very soon after it arrives. The schedule reflects meeting the milestone completion in late November, allowing the tank to be operational by December 1, 2025. Final project completion is expected by June 2026.

Prong 2 Strategic Improvements

North New England Strategic Hydraulic Improvements

The bid opening was conducted on July 22nd. DWR had been waiting on bid award until after September 9th as that was the date that the apparent low bidder, Wagner, had to appeal a judges dismissal on another state project, a NAWs contract. Wagner did not appeal and DWR awarded the North New England project to Wagner. Wagner may want to explore some installation yet this fall and if so, we anticipate a preconstruction meeting to be scheduled very soon.

Prong 3– Expansion into Under-Served Areas

Burt-Hebron Service Area:

The Hebron Service Area rural distribution project is in the final design phase, with plans expected to be ready for bidding by early 2026 and construction commencing later that year. As part of the final design process, Bartlett and West has conducted a field visit to drive routes and best understand design challenges. Bartlett and West is currently adjusting pipeline routes based on the information gleaned from the field drive. Following that redesign, another meeting with DWR and SWA will be held and the process to acquire easements is expected to begin soon after that. The final design remains an iterative process to balance signups, feasibility, and design adjustments.

During design discussions, Bartlett and West identified an advantage to install larger pipe than is needed for the Hebron rural project in order to best set the system up to deliver to Lake Tschida on a future project. The completion of the larger pipe also has feasibility criteria impacts. Therefore, at the request of DWR staff, Bartlett and West has delivered a memo for DWR consideration and potential presentation to the SWC for endorsement. This larger pipe that would originally be used as a distribution line, and used in the future as a transmission line, is a new condition for the project.

Southwest Water Treatment Plant (SWTP) Expansion:

Project progress continues. The project's focus is now shifting from the basement excavation and shoring to starting the concrete foundation work. October is expected to be the first of many busy months of concrete pours as the project will be built from the basement, up.

BW/AECOM's submittal review is ongoing, with over ten Work Change Directives (WCDs) now issued. The number and scope of these WCDs are within expectations for a project of this scale.

Metallic Pipeline Replacement:

BW/AECOM has developed an SA to develop bid-ready documents for metallic pipeline replacement. The SA is in DWR review. The segments prioritized for 2025 final design are those most affected by Microbiologically Induced Corrosion near Dodge, ND.

Gevo/Net-Zero Richardton (NZ-R), LLC Water Service Contract:

Following SWC's approval of the draft agreement with Gevo in June, the mutual participation agreement for the Raw Water Implementation Plan Update was executed. Under this agreement, Gevo will cover costs related to scope items that directly benefit them, as well as proportional share of joint scope items benefiting both Gevo and the State. DWR has shared the SA scope of work with Gevo and is working with BW/AECOM to finalize the SA for this effort.

Dunn County Preliminary Design:

The SWC approved proceeding with preliminary design for Dunn County. As this project does not align with the current hydraulic improvement prioritization, Dunn County has agreed to fund the preliminary design, estimated at approximately \$110,000. The agreement is fully executed, and DWR is working with BW/AECOM to finalize the SA for this preliminary design.

Project Funding

Southwest Pipeline Project (SWPP) Funding Sources

State Funding (in millions of dollars)

Resources Trust Fund \$303.42
Water Development Trust Fund \$8.55

Bonds

USDA – Rural Development \$15.81
Public Revenue Bonds \$7.05
ND Drinking Water Revolving Loan Fund \$1.50
Subtotal **\$336.33**

Federal Funding

Garrison Diversion Conservancy District –
Municipal Rural & Industrial (MR&I) Fund
(ARRA Funding \$11.90) \$105.63
USDA – Rural Development (RUS) \$15.36
Natural Resources Conservation Service PL566 .. \$0.93
Subtotal **\$121.92**

Total Funding: \$458.25

(As of August 31, 2025)



Capital Replacement Funding

State Fiscal Recovery Fund \$4.50
Replacement & Extraordinary Maintenance \$2.14
Subtotal **\$6.64**

Conceptual SWPP Funding and Projects

10/1/2025

2023-2025 Allocation	\$ 66,800,000		Capital Assets Appropriation. Additional \$7.15 million was spent on Salaries & operations during the 2023-2025 biennium
2023-2025 Approval		\$ (86,440,000)	December 2024, SWTP Award, total \$90.61 million with \$4.17 million from 2021-2023 carry over
2023-2025 Approval		\$ (2,220,000)	April 2025, Buffalo Gap Reservoir
	\$ 66,800,000	\$ (88,660,000)	
Net Funding Carry Over Availability For 2025-2027	\$ (21,860,000)		
2025-2027 Appropriation	\$ 101,000,000		Please note this includes Professional Services and includes \$50 million line of credit
2025-2027 Availability	\$ 79,140,000		
2025-2027 Professional Services - Project Management		\$ (5,536,120)	
Funding availability for new projects		\$ 73,603,880	
2025-2027 Potential Projects and Cost Estimates			
Hebron Rural Construction and CPS		\$ 18,000,000	Does not Include 8 or 10" and excludes 2 million in improvements for South Hebron VFD pocket area
Adder for 8"Pipeline to serve SE Stark and Hebron Pocket Area		\$ 4,900,000	
SWPP 2-2I Metallic Line Replacement		\$ 4,000,000	
West Zone- RCPS		\$ 4,750,000	West Zone Report Available September 26, 2025, Projects for 2025-2027 still under review
WEST Zone- Fryburg BS to Fryburg Tank		\$ 5,500,000	
West Zone- Fryburg Tank to Buffalo Gap		\$ 4,000,000	
Golva Tank		\$ 2,200,000	
Strategic Improvement		\$ 5,000,000	
Existing Intake Pump Improvements		\$ 4,000,000	
SCADA improvments for WTP		\$ 1,300,000	
SCADA for Buffalo Gap		\$ 50,000	
Supplementary Intake Design		\$ 2,000,000	Design fee estimates have not been developed. Very conceptual placeholder.
2025-2027 Projects Proposed Cost Estimate		\$ 55,700,000	
Funding Available		\$ 17,903,880	



Our Vision: People and Business Succeeding with Quality Water **Our Mission:** Quality Water for Southwest North Dakota

MEMORANDUM

To: Southwest Water Authority Board of Directors

From: Jen Murray, Manager/CEO

Subject: SWA Construction and O&M Update – Incidental Information

Date: September 30, 2025

This memo updates the SWA Board of Directors on ongoing and upcoming SWA Construction and O&M activities.

SWA Construction:

Highway 85 construction is complete. Contractor is working on punch list items.

Northern Steel, mobilized and construction started on August 11, 2025, for the Buffalo Gap Reservoir. The approach and access road are in development while the excavation and ring wall foundation have been completed. Northern Steel anticipated the concrete slab will be placed in late September with the tank being delivered early October 2025.

West Medora

SWA continues to work with the city of Medora and the Theodore Roosevelt Medora Foundation (TRMF) to provide for their water needs on the west side of Medora. Medora and TRMF have reached an agreement that the city of Medora will serve the new hotel with water and sewer services. The city infrastructure for these services has yet to be constructed. TRMF has a 40 GPM demand contract for the West Medora Campground. We have come to an agreement that once the Buffalo Gap Tank is complete, SWA can increase the contract to 60 GPM and serve both the West Medora Campground and the new hotel until city services are available. The hotel is expected to open in June 2026.

Treatment:

SWTP's operating computer had a hard drive failure in October 2024. The operating software was commissioned through Tonka Water, which is now Kurita. SWA has been informed that the software is no longer supported and requires an upgrade. SWA has executed the contract through Kurita/Tonka Water. The replacement computer system and Allen-Bradley FactoryTalk SE software programming are expected to take 26 to 30 weeks. The ability to do CIPs at the SWTP has been the primary focus. Kurita has completed the necessary programming for the CIP, but the Eaton VFD is not communicating with the program. Operators and the SWA Electrician have been unable to resolve this issue. An Eaton Technician is scheduled to be on-site in October.

The replacement Ingersoll-Rand compressor was delivered to the OMND WTP in May. The Assistant WTP Manager has resolved the damaged freight claim with both Ingersoll-Rand and XPO, the freight company. The Compressor replacement is scheduled for October 2, 2025.

An eight-inch leaking gate valve was replaced at the RO Concentrate vault on September 24, 2025.

Magnum Electric has installed the conduit necessary for the security system at the Southwest Water Treatment Plant and the Residuals Handling Facility. Consolidated pulled wire for the security system on September 26, 2025.

Operators have completed 92 regular maintenance work orders for September.

Distribution Operations:

On September 10, 2025, staff replaced the discharge gate valve in the Mott Meter Vault in Contract 2-6A due to water leaking around the valve stem and causing the sump pump to run. A rebuilt valve removed from the Hazen PRV was installed in the Mott Meter Vault replacing the leaking valve, which was taken to the shop for repair.

On September 11, 2025, staff replaced leaking check valves in the Coffin Butte VFD in Contract 7-6B allowing the pumps to stop running once the line was full.

During the week of September 14-20, 2025, staff shut valves, drained down the pipe, and assisted Wagner Construction to complete Contract PP-2024-1 Highway 85 pipe relocation tie-ins for Segment 8, 9, 7, 11, 10, 12, 5 and 6.

On September 21, 2025, staff responded to Intake caisson low water level alarm by changing the caisson low level setpoint from 20' to 0' and the caisson restore level from 25' to 0' allowing pumps to run automatically. The caisson transducer was not sending the water level signal because the 129' steel cable and transducer cable extending down into the water had corroded and broken preventing the water level signal from being sent. Other options for obtaining the water level in the caisson are being explored.

On September 25, 2025, SWA staff responded to a leak from the subsequent Hoff Brothers Land Trust line in SCS PL566. Staff assisted JK Excavation to repair a pin hole leak in the 1 ½" Poly pipe. JK Excavation also installed a 1" curb stop, extension rod, and riser pipe near the wet tap connection allowing the line to be isolated without effecting other SWA customers for any future leaks on the subsequent Hoff Brothers Land Trust line. Neil Hoff of Glendive, Montana, requested the valve to be installed and will be sent the repair bill. Staff installed a temporary fence around the leak area to keep cattle from getting stuck in mud until the ground dried up.

On September 25, 2025, staff assisted JK Excavation to install a 2" gate valve to the south of the ND Game and Fish Department in Contract 7-2A to isolate a very small leak allowing Waters Edge customers to receive water while JK Excavation finds and repairs the leak.

On September 25, 2025, staff assisted JK Excavation to repair a leak at the Swenson Ranch pasture tap connection in Contract 7-8D. A temporary fence was installed around the leak to prevent cattle from getting stuck in the mud.

Lead Service Line Inventory:

SWA staff continue to collect information for the Lead Service Line Inventory (LSLI) for the NDDEQ. SWA has collected inventories from 4,519 accounts, or 57.8% of all connections. The survey link remains active on the SWA website, and O&M staff continue to collect the information during routine operations and new connections.

Consolidated Phone System Replacement

Consolidated installed and programmed the new phone system the week of September 8, 2025.

Staff

In September, SWA welcomed Tim Reisenauer as our new Water Maintenance Worker II in Elgin.

Misti Conzemius and Ledeanna O'Shields attended Fusion hosted by Bowman County Development Corporation on September 18, 2025.

SWA staff and families gathered on September 19, 2025, for a Harvest Hootenanny and Cornhole Clash company picnic at the Heart River Retreat. Congratulations to Bryce Rohr and Brian Murray for your 1st place finish.

Customer Service Appreciation Week is October 6-10, 2025. The theme for 2025 is Mission: Possible.





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MEMORANDUM

TO: Jen Murray, Manager/CEO, Southwest Water Authority
FROM: Misti Conzemius, Marketing Manager, Southwest Water Authority
SUBJECT: Report for September, 2025
RE: Marketing Manager's Incidental Information
DATE: September 25, 2025

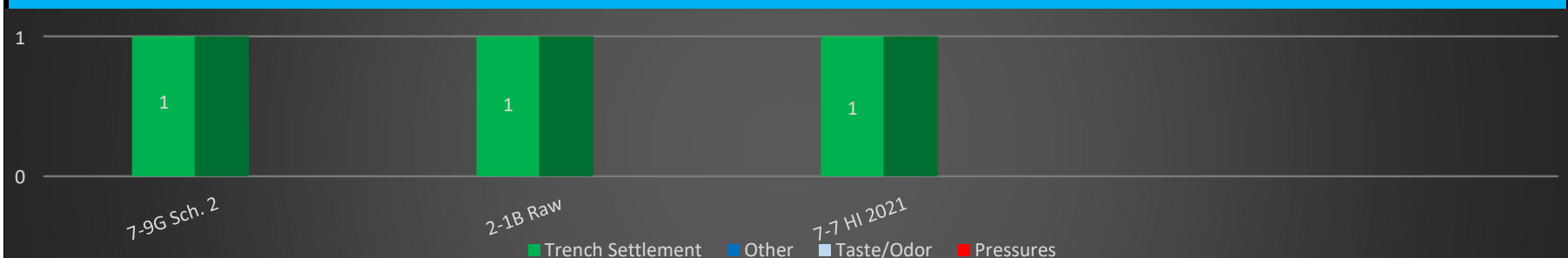
SEPTEMBER 2025 SIGN-UP REPORT

SUBSEQUENT CUSTOMERS

NAME	TYPE OF CUSTOMER	SERVICE AREA	SERVICE DESCRIPTION
Dave & Nila Meuchel	Standard	7-1B Davis Buttes	139-95-1
Lexi Barrett	Standard	7-9B Killdeer Mountain	146-96-14
Jared Boltz	Standard	7-8E Fairfield	145-99-2
Tim Sedlacek	Standard	7-1B Davis Buttes	140-95-34
Alan Asay	Standard	7-1B New Hradec	143-95-31
McKenzie Griffiths	Standard	7-1B New Hradec	143-95-31

Six (6) subsequent customers signed up in September and 87 subsequent customers have been added year-to-date. A total of 160 customer quotes have been given year-to-date. SWA had a total of 3030 active subsequent users in September.

2025 COMPLAINTS



Zero (0) complaints were called in during the month of September.

Zero (0) complaints were closed during the month of September.

Open complaints are shown above by area and type.

Open complaint numbers may not include landowner/customer concerns handled in the field.

WAITING LIST UPDATE

Nine (9) water requests have been added to the waiting list during the month of September.

There are currently 753 requests system wide.

BURT, HEBRON SERVICE AREA

To date 3058 sign up packets have been mailed. Of the 3058 packets, 2617 are Rural and 441 are Lake Tschida. 884 signups have been returned. Of the 884 signups, 586 or 66% are Rural and 298 or 34% are Lake Tschida. 453 are Hebron Rural including North Lake Tschida, and 431 are Burt Rural including South Lake Tschida.

SYSTEM WIDE SERVICE REQUESTS

There are currently 753 waiting list requests and 884 Burt Hebron Construction Signups for a total of 1,637 requests system wide.



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County	Waiting List Locations	Standard Service	Pasture Tap Service	High Consumption	Other
Adams	25 locations	12	12	1	0
Billings	69 locations	18	47	2	2
Bowman	77 locations	46	26	4	1
Dunn	84 locations	44	37	1	2
Golden Valley	68 locations	32	32	2	2
Grant	54 locations	43	11	0	0
Hettinger	46 locations	28	15	3	0
Mercer	27 locations	12	15	0	0
Morton	106 locations	57	46	3	0
Oliver	1 location	1	0	0	0
Slope	61 locations	36	20	5	0
Stark	135 locations	118	13	3	1
Grassy Butte (McKenzie County)	0 locations	0	0	0	0
Total Waiting List	753	447	274	24	8

Other: Subdivisions, Additional Capacity, or Higher Usage

Updated through September 25, 2025

WAITING LIST REQUESTS BY CLASSIFICATION						
SERVICE AREA	WAITING LIST START DATE	STD	PT	HC	OTHER	TOTAL
7-1B DAVIS BUTTES	10/3/2022	12	2	0	0	14
7-1B NEW HRADEC		0	0	0	0	0
7-2 NEW ENGLAND*	3/6/2012	128	25	5	0	158
7-2A BELFIELD	3/6/2013	1	0	0	1	2
7-3 JUNG LAKE	3/1/2016	25	7	2	0	34
7-4 BUCYRUS		0	0	0	0	0
7-5 HEBRON**	5/30/2017	3	1	0	0	4
7-6 BURT**	3/15/2012	58	30	1	0	89
7-7 BOWMAN	6/13/2012	73	38	7	1	119
7-8 BEACH	10/5/2011	32	32	2	0	66
7-8 FRYBURG	6/20/2016	7	6	1	3	17
7-8C TOWER HILL/JUNCTION INN/ NORTH CROWN BUTTE	TOWER HILL-7/29/2015 JUNCTION INN-12/1/2015 N. CROWN BUTTE-1/20/2021	43	33	3	0	79
7-8 FAIRFIELD/GRASSY BUTTE POCKET	10/17/2016	16	42	2	1	61
7-9B KILLDEER MOUNTAIN		0	0	0	0	0
7-9E WEST CENTER	7/24/2019	12	17	0	0	29
7-9G DUNN CENTER	10/20/2017	36	39	1	2	78
7-9G HALLIDAY	1/3/2021	1	2	0	0	3
TOTALS		447	274	24	8	753

*Intent forms signed for hydraulic improvement project in this area will decrease waiting list numbers by a total of 111.

**Current signups from Burt and Hebron service areas will decrease waiting list numbers by 93.

Updated through September 25, 2025



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M E M O R A N D U M

To: Jen Murray, Manager/CEO, SWA

From: Ledeanna O'Shields, CFO/Office Administrator, SWA

Subject: NDPERS Annual Open Enrollment - Incidental Information

Date: August 28, 2025

This year's NDPERS Annual Enrollment Season will be from October 20 through November 7, 2025. Annual enrollment gives employees and board members the opportunity to enroll in health and life insurance coverage plans, add dependents or increase coverage levels.

There are two options for health insurance plans: single or family. The cost of a single health plan is \$973.64 per month and the cost of a family health plan is \$2,353.58 per month. The current health insurance company is Sanford Health Plan.

The Basic Life insurance coverage is \$12,000. The monthly premium is \$0.28. The supplemental Life insurance increments are \$5,000 up to a maximum of \$200,000. The first increment is \$15,000 (\$3,000 + basic of \$12,000 = \$15,000). The monthly premium is based on the employee/board member's age. An Evidence of Insurability form will need to be completed for coverage and increases greater than \$5,000. The life insurance company is Voya Financial. NDPERS will update materials as they become available.

Changes to insurance coverage will be effective January 1, 2026. Board members should contact me if they are interested in these plans prior to November 7, 2025.



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Proposed Schedule of Board of Directors Meetings

2026

DATE	TIME	MEETING LOCATION
Monday, January 5	9:00 a.m. MT	SWA O&M Center Office, Dickinson, ND
Monday, February 2	9:00 a.m. MT	SWA O&M Center Office, Dickinson, ND
Monday, March 2	9:00 a.m. MT	SWA O&M Center Office, Dickinson, ND
Monday, April 6	9:00 a.m. MT	SWA O&M Center Office, Dickinson, ND
Monday, May 4	9:00 a.m. MT	SWA O&M Center Office, Dickinson, ND
Monday, June 1	9:00 a.m. MT	SWA O&M Center Office, Dickinson, ND
Monday, July 6	9:00 a.m. MT	SWA O&M Center Office, Dickinson, ND
Monday, August 3	9:00 a.m. MT	SWA O&M Center Office, Dickinson, ND
Tuesday, September 8	9:00 a.m. MT	SWA O&M Center Office, Dickinson, ND
Monday, October 5	9:00 a.m. MT	SWA O&M Center Office, Dickinson, ND
Monday, November 2	9:00 a.m. MT	SWA O&M Center Office, Dickinson, ND
Monday, December 7	9:00 a.m. MT	SWA O&M Center Office, Dickinson, ND

NORTH
Dakota | Environmental Quality
Be Legendary.™



August 11, 2025

SOUTHWEST WATER AUTHORITY
c/o Murray, Jen
4665 2ND ST SW
DICKINSON, ND 58601

PWS ID: ND4501434

Dear Ladies and Gentlemen:

On August 06, 2025, a representative of the Department of Environmental Quality conducted a routine inspection/sanitary survey of the following as required by the Safe Drinking Water Act and/or the Clean Water Act:

Critical Inspection Areas

- ☒ Drinking water source (well[s], spring[s], surface water, consecutive user)
- ☒ Source water protection
- ☒ Water treatment plant
- ☐ Chemical addition equipment for treatment of well water
- ☒ Water distribution system
- ☒ Finished water storage facilities
- ☒ Potable water pumps, pump facilities, and controls
- ☒ System management and operation
- ☒ Operator compliance with certification
- ☒ Required monitoring and reporting, and data verification for drinking water
- ☐ Wastewater collection system
- ☐ Wastewater treatment facility

4201 Normandy Street | Bismarck, ND 58503-1324 | deq.nd.gov

Director's Office
701-328-5150

Division of
Air Quality
701-328-5188

Division of
Municipal Facilities
701-328-5211

Division of
Waste Management
701-328-5166

Division of
Water Quality
701-328-5210

Division of Chemistry
701-328-6140
2635 East Main Ave
Bismarck ND 58501

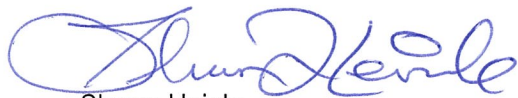
If any defects are noted in the enclosed inspection report, corrective action is required within the time line designated. You must notify this department in writing within forty-five (45) days of the date of this letter regarding the status of the corrected defects, or present a formalized plan to correct the defects.

Violations of the Safe Drinking Water and/or Clean Water Act, which have occurred within the last twelve (12) months, are discussed in the general remarks section of the inspection report, along with appropriate action to be taken by the system. In addition, any deficiencies reported in the critical inspection areas are also discussed with appropriate corrective action.

It is the intent of the department representative to complete a comprehensive inspection. However, factors such as time constraints, lack of appropriate testing, and accessibility may limit the detection of all defects in the system(s).

Please contact Jacob Schafer, the department representative who conducted the inspection at 701.328.6375 or me at (701) 328-6627 if you have any questions regarding the inspection or the enclosed report.

Sincerely,



Shawn Heinle
Environmental Scientist
North Dakota Department of Environmental Quality

SH/:JRS

Enc.

CC: Southwestern District Health Unit Grace Rixen-Handford, Plant Manager, Andrew Erickson Water Distribution Manager

**NORTH DAKOTA DEPARTMENT OF ENVIRONMENTAL QUALITY
DIVISION OF MUNICIPAL FACILITIES
BISMARCK, NORTH DAKOTA**

DATE OF REPORT: August 11, 2025
DATE OF SURVEY: August 06, 2025
PLACE: SOUTHWEST WATER AUTHORITY
OBJECTIVE: Drinking Water Survey
ACCOMPANIED BY: Shawn Munds, Perry Grammond, and Andrew Erickson

DEFECTS, CORRECTIVE ACTIONS, TIME LINES, AND REFERENCES:

Drinking Water

DEFECT: No defects noted at this time.

CORRECTIVE ACTION:

TIME LINE:

REFERENCE:

COMMENT:

I appreciate the time and cooperation shown to me by Shawn Munds, Perry Grammond, and Andrew Erickson, during the recent inspection. If you have any questions or concerns, please contact me at 701.328.6375.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Jacob Schafer', with a long horizontal line extending to the right.

Jacob Schafer
Environmental Scientist
Division of Municipal Facilities



August 11, 2025

OMND Water Treatment Plant
c/o MURRAY, JEN
4665 2 ST SW
DICKINSON, ND 58601

PWS ID: ND2901491

Dear Ladies and Gentlemen:

On August 06, 2025, a representative of the Department of Environmental Quality conducted a routine inspection/sanitary survey of the following as required by the Safe Drinking Water Act and/or the Clean Water Act:

Critical Inspection Areas

- ☒ Drinking water source (well[s], spring[s], surface water, consecutive user)
- ☒ Source water protection
- ☒ Water treatment plant
- ☐ Chemical addition equipment for treatment of well water
- ☒ Water distribution system
- ☒ Finished water storage facilities
- ☒ Potable water pumps, pump facilities, and controls
- ☒ System management and operation
- ☒ Operator compliance with certification
- ☒ Required monitoring and reporting, and data verification for drinking water
- ☐ Wastewater collection system
- ☐ Wastewater treatment facility

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Director's Office
701-328-5150

Division of
Air Quality
701-328-5188

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Municipal Facilities
701-328-5211

Division of
Waste Management
701-328-5166

Division of
Water Quality
701-328-5210

Division of Chemistry
701-328-6140
2635 East Main Ave
Bismarck ND 58501

If any defects are noted in the enclosed inspection report, corrective action is required within the time line designated. You must notify this department in writing within forty-five (45) days of the date of this letter regarding the status of the corrected defects, or present a formalized plan to correct the defects.

Violations of the Safe Drinking Water and/or Clean Water Act, which have occurred within the last twelve (12) months, are discussed in the general remarks section of the inspection report, along with appropriate action to be taken by the system. In addition, any deficiencies reported in the critical inspection areas are also discussed with appropriate corrective action.

It is the intent of the department representative to complete a comprehensive inspection. However, factors such as time constraints, lack of appropriate testing, and accessibility may limit the detection of all defects in the system(s).

Please contact Jacob Schafer, the department representative who conducted the inspection at 701.328.6375 or me at (701) 328-6627 if you have any questions regarding the inspection or the enclosed report.

Sincerely,



Shawn Heinle
Environmental Scientist
North Dakota Department of Environmental Quality

SH/:JRS

Enc.

CC: Custer District Health Unit

**NORTH DAKOTA DEPARTMENT OF ENVIRONMENTAL QUALITY
DIVISION OF MUNICIPAL FACILITIES
BISMARCK, NORTH DAKOTA**

DATE OF REPORT: August 11, 2025
DATE OF SURVEY: August 06, 2025
PLACE: OMND Water Treatment Plant
OBJECTIVE: Drinking Water Survey
ACCOMPANIED BY: Jeff Altringer

DEFECTS, CORRECTIVE ACTIONS, TIME LINES, AND REFERENCES:

Drinking Water

DEFECT: No defects noted at this time.

CORRECTIVE ACTION:

TIME LINE:

REFERENCE:

COMMENT:

I appreciate the time and cooperation shown to me by Jeff Altringer, during the recent inspection. If you have any questions or concerns, please contact me at 701.328.6375.

Respectfully Submitted,



Jacob Schafer
Environmental Scientist
Division of Municipal Facilities



WATER TOPICS OVERVIEW COMMITTEE

Thursday, September 18, 2025
Roughrider Room, State Capitol
Bismarck, North Dakota

- 10:00 a.m. Call to order
Roll call
Comments by the Chairman
Review of the [Supplementary Rules of Operation and Procedure of the North Dakota Legislative Management](#)
- 10:10 a.m. Presentation by the Legislative Council staff of background memorandums on the committee's [statutory duties](#) and the committee's [studies of funding for storm water projects, establishment of a wastewater project fund](#), and assigning management authority for waters based on [watersheds](#)
- 10:50 a.m. Break
- 11:00 a.m. [Presentation](#) by Mr. Reice Haase, Director, Department of Water Resources, regarding the activities, duties, and mission of the department and an update on the agency's studies relating to regional water systems, governance and finance, cost-share policies, and Phase 2 of the Missouri River intake sites study
- 12:00 noon Recess

COMMITTEE STUDIES AND REPORTS

- 12:30 p.m. [Presentation](#) by Ms. Kylee Merkel, Business Banker, Bank of North Dakota, regarding funding sources available to the Bank for wastewater or storm water projects, recently approved projects, and the feasibility and desirability of establishing a wastewater project fund to provide grants for upgrading, constructing, or replacing wastewater infrastructure
- 1:00 p.m. [Presentation](#) by Ms. Elizabeth Tokach Duran, Program Manager, Department of Environmental Quality, regarding the department's current wastewater activities, projects, and funding and the feasibility and desirability of establishing a wastewater project fund to provide grants for upgrading, constructing, or replacing wastewater infrastructure
- 1:30 p.m. Presentation by Mr. Haase regarding the committee's study on the feasibility and desirability of establishing a wastewater project fund to provide grants for upgrading, constructing, or replacing wastewater infrastructure and the committee's study on the funding for storm water projects in the state, including current funding sources, related statutes, and the policies of the State Water Commission
- 1:50 p.m. Break
- 2:00 p.m. [Presentation](#) by Mr. Aaron Carranza, Director, Regulatory Division, Department of Water Resources, regarding the committee's study on the feasibility and desirability of assigning management authority for the waters of the state to the area located in the naturally occurring watershed, rather than assigning management authority based on political subdivision boundaries

2:30 p.m. Presentation by Mr. Michael Anderson, Commissioner, State Water Commission, regarding the activities of the State Water Commission and the commission's role and policy relating to the economic analysis formula for assessment drain projects

3:00 p.m. Comments from interested persons

3:30 p.m. Committee discussion and staff directives

3:45 p.m. Adjourn

A livestream of the meeting will be available to the public at: <https://video.ndlegis.gov>.

Committee Members

Representatives: Steve Swiontek (Chairman), Mike Beltz, Mike Berg, Liz Conmy, Jay Fisher, Jon O. Nelson, Todd Porter, Dan Ruby, Matthew Ruby, Daniel R. Vollmer

Senators: Randy A. Burckhard, Michael Dwyer, Justin Gerhardt, Larry Luick, Ronald Sorvaag, Paul J. Thomas, Mark F. Weber

Staff Contacts: Dustin A. Richard, Counsel
Levi Kinnischtzke, Senior Fiscal Analyst

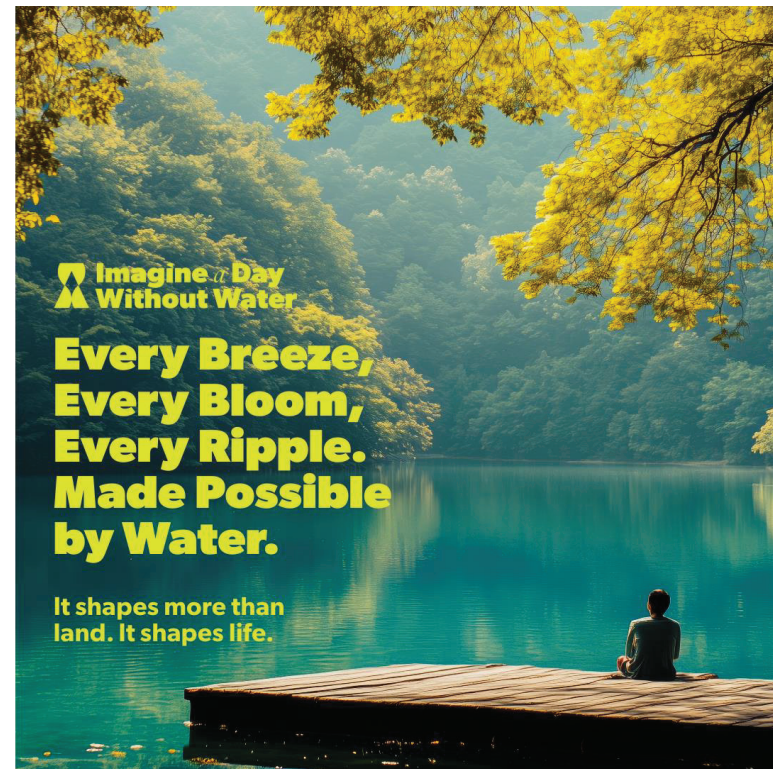
WE'RE TEAM H2O

OCT. 16

 **Imagine *a* Day
Without Water**

THURSDAY

learn more at: thevalueofwater.org/imagineaday



PRACTICE THESE FOUR ESSENTIALS TO STAY SAFER ONLINE



1

UPDATE SOFTWARE



Updating software and devices is the easiest way to stay protected from security threats. Perform updates as soon as they become available or set automatic updates.

2

USE STRONG PASSWORDS



All passwords should be:



LONG:

At least 16 characters



RANDOM:

Use a random string of mixed-case letters, numbers and symbols, like:
Yuc8\$RikA34%ZoPPao98t



UNIQUE:

Never reuse passwords

Keep your passwords safe by using
a **PASSWORD MANAGER!**

3

TURN ON MULTIFACTOR AUTHENTICATION



Multifactor authentication provides an extra layer of security for your accounts. Choose the most secure MFA method available. A physical security key provides the best protection and is easy to use.

4

RECOGNIZE AND REPORT PHISHING SCAMS



Keep an eye out for phishing and other scam attempts in your emails, texts, direct messages or phone calls. Always verify the sender before clicking links or downloading attachments. If you spot a scam, report it!

BUILDING A

CYBER STRONG AMERICA



CYBERSECURITY AWARENESS MONTH

OCTOBER 2025

cisa.gov/cybersecurity-awareness-month

AGENDA

Perkins County Rural Water System Board Meeting

Date: September 11th, 2025 Time: 4:30 PM

PCRWS Office, Bison, SD

- 1. Call to Order.....President**
 - A) Additions and Approval of Agenda**.....Board**
 - B) Minutes of August 14th, 2025**.....Board**
- 2. Financial Report.....**
 - A) Approve paid and unpaid bills**.....Board**
 - B) Financial Reports**.....Board**
- 3. Delegations**
- 4. Bartlett & West.....Nathan Danner**
- 5. Managers Report.....Staff**
- 6. Directors Reports.....Board**
- 7. All Other Matters.....Board**

Adjournment

Next Meeting

Date: October 9th, 2025 Time: 4:30 pm

****BOARD ACTION NECESSARY**

Perkins County Rural Water System, Inc.
104 West Main Street PO Box 160 Bison, SD 57620-0160
Tele: (605)244-5608 Fax: (605)244-5926
E-MAIL: pcrws@sdplains.com WEBSITE: www.pcrws.com

August 14, 2025

The regular monthly meeting was called to order by President Don Melling at 4:36 PM MT at the Perkins County Rural Water Sys. Inc. board room in Bison, SD. Other directors present were Pat Dalzell, Brian Morris, Luke Clements and Lynn Frey. Board members absent were none. Also in attendance were Shiloh Baysinger and Brandi Baysinger, staff.

Agenda

Motion by Luke Clements, seconded by Pat Dalzell, to approve agenda, motion passed.

Minutes

Motion by Lynn Frey, seconded by Pat Dalzell, to approve the July 10th, 2025, minutes, motion passed.

Financial Report

Motion by Lynn Frey, seconded by Brian Morris, to approve paid and unpaid bills with addition, motion passed.

Motion by Brian Morris, seconded by Lynn Frey, to approve financial reports, motion passed.

Delegations

None

Bartlett & West

Shiloh Baysinger and Nathan Danner had conference call with USDA RD about the application and RDs requests.

Managers' Report

Shiloh Baysinger reported on the second quote received from Young Guns for \$66,000 which will be forwarded to Attorney Melling. The VFD will be repaired soon; a phase monitor was replaced at the HWY 20 Booster; control panel was replaced a Lemmon Meter pit; Shiloh's office computer was replaced; PRV pit south of Anderson's on HWY 75 was replaced and a meter pit was replaced. The tin has been purchased but needs to be picked up and there are 7 meters waiting to be installed.

Director's Report

The SDARWS 3rd Quarter meeting is in Aberdeen September 3rd and 4th.

All Other Matters

Meeting adjourned at 5:00 pm MT

Next meeting September 11th, 2025, at 4:30 pm MT.

**Southwest Water Authority
Board of Directors**

**Parking Lot
October 6, 2025**

Item

Date put on Parking Lot

Agenda Date

Planning Agenda

DATE: Monday, November 3, 2025 TIME: 9:00 A.M. MST LOCATION: SWA O&M Center Office
ASSIGNMENTS

☐ Director Eaton ☐ Wendy Serhienko ☐ _____ ☐ _____

Scribe/Flip Chart

Minutes

Reporter

☐ _____ ☐ Director Engelhardt ☐ _____ ☐ _____

Timekeeper

Process Observer

Warm-up

MEETING OBJECTIVE _____

PLAN		ACTUAL CLOCK	AGENDA ITEMS	WHO	METHOD	DESIRED OUTCOMES
TIME	CLOCK START					
			Call to Order – Pledge of Allegiance			Meeting readiness
			Review Agenda			Additions, focus meeting
			Consent Agenda		Voice Vote	Meet legal requirements
			Board Monitoring Policy IV.A. Relationship-Delegation to the Manager/CEO		Monitoring	
			Board Monitoring Policy IV.D. Relationship-Monitoring Organizational Performance		Monitoring	
			Policy II.B. Executive Limitations-Budgeting/Forecasting (Operating Budget) and Manager/CEO Internal Report		Roll Call	
			Review issues pending / Parking Lot / Plan next agenda			
			Monitoring			
			Adjourn			



SOUTHWEST WATER AUTHORITY BOARD OF DIRECTORS' RETREAT OCTOBER 6-7, 2025

Stark County Family & Ag Resource Campus, Dickinson, ND
Facilitator: Jared Huibregtse, Bartlett & West

DAY ONE – Monday, October 6th

9:00 am – 12:00 pm: Regular Board of Directors Meeting

12:00 pm – 1:00 pm: Lunch

1:00 pm – Retreat Begins

Introduction and Agenda Overview

Topic #1: Intake & Raw Water Infrastructure

- Update: Raw Water Intake
- Raw Water Infrastructure Resiliency
 - Short-Term Resiliency
 - Operations
 - Pipe Repair materials
 - Long- Term Resiliency
 - MIC Replacements
 - Close-Intervals Surveys
 - Large-Scale Vulnerabilities and Risks

Break at approximately 2:45 pm

Topic #2: Outside Funding Sources

- Past handling of outside funding
 - Sub Users
 - Developers
 - Industry
- Potential Policy Considerations

Social: 5:30 – 6:00 pm at Astoria Bar and Grill

Dinner: 6:00 pm – 8:00 pm Astoria Hotel & Event Center Breakout Room



Driving Community and Industry Forward, Together.



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BOARD OF DIRECTORS' RETREAT
OCTOBER 6-7, 2025
Stark County Family & Ag Resource Campus, Dickinson, ND
Facilitator: Jared Huibregtse, Bartlett & West**

DAY TWO – Tuesday, October 7th

Hot Breakfast Buffet at the Astoria Hotel – available at 6 a.m.

Stark County Family & Ag Resources building open at 7:30 a.m.

Light Breakfast Items Available at Stark County Family & Ag Resource Campus

8:00 am – Retreat Begins

Day One Summary and Preview Day Two Focus Areas

Topic #3: Three Prong Approach – Overview & Revisit

1. Strategic Improvements
2. Rural Expansion
3. MTL Improvements

Break at approximately 9:45 am

Topic #4: Ownership Discussion

- Historic Board Action
- September 2024 Memorandum from DWR
- Review of Anonymous Survey Responses

Retreat Wrap-Up

Lunch: 12:00 pm



Driving Community and Industry Forward, Together.