"Dry Prairie Rural Water is committed to delivering clean, affordable and dependable drinking water that will improve the quality of life and create economic opportunities throughout northeast Montana."

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Testimony in Support of HB 8
Dry Prairie Rural Water Authority
Long Range Planning Sub-Committee
January 21, 2025

Chairman Fitzpatrick and Members of the Committee:

Joni Sherman, General Manager for Dry Prairie Rural Water Authority. I am here today in support of HB 8.

The Ft. Peck/Dry Prairie Regional Water System was authorized by Congress in 2000, and became the first Regional Water Authority in Montana. When complete, the system is designed to deliver potable water to 31,000 people through 3,200 miles of pipeline in Roosevelt, Daniels, Sheridan and Valley counties.

Dry Prairie is the off-reservation portions of the Project and has 575 miles of pipeline and service to 500 rural customers remaining to complete. Dry Prairie is currently delivering water to 11 towns and over 1,700 rural services.

The on-reservation system (Assiniboine Sioux Regional Water Supply System) is 100% federally funded. The off-reservation Dry Prairie portion of the project is funded by 76% federal, 24% non-federal (State of Montana grants and Dry Prairie local funds through loans and user fees).

The original *total Project* cost was $192 million and had a construction timeline of 10 years. Because of the delay in receiving adequate annual Federal Appropriations and inflationary adjustments, the cost of the Project through October 2024, is now $432 million and the timeline for completion was extended by statute to 2026.

Dry Prairie's Project cost is now $197 million (original cost was $67 million) and an additional $10.5 million in State funding is essential for construction completion. (see Table 1)

Dry Prairie is very appreciative that the State of MT advanced their funding shares while we waited for adequate Federal Funds which allowed construction to begin. However, now that the original 10 year project timeline has been extended by 16 years, and the total Dry Prairie cost has increased by over $100 million, additional funding from the State is essential.

Dry Prairie has expended $36.8 million of the State and Local Share requirement. However, we are still $10.5 million short of the Federally Authorized required non-federal match. A very important last item to note is that the Dry Prairie portion of the Project will be fully completed almost *$30 million under* the Authorized ceiling.

Table 1 is provided to better define the Project's original cost, current 2024 cost, and additional State Share needed.

Table 1
Dry Prairie Portion Only
October 1, 2024
2024 Dollars

DPRWS FEDERAL AND NONFEDERAL FUNDING STATUS			
	Federal	Non-Federal	Total
Authorized Ceiling	$172,651,000	$54,521,368	$227,172,368
Total Costs	149,991,158	47,365,629	197,356,787
Costs through FY 2024	106,817,080	36,866,111	143,683,191
Remaining Funds to Complete	43,174,078	10,499,518	53,673,595
Remaining Funds Available	44,592,069	10,499,518	55,091,587
Projected Surplus Funds	1,417,991	0	1,417,991
Projected Completion Under Ceiling	22,659,842	7,155,740	29,815,582

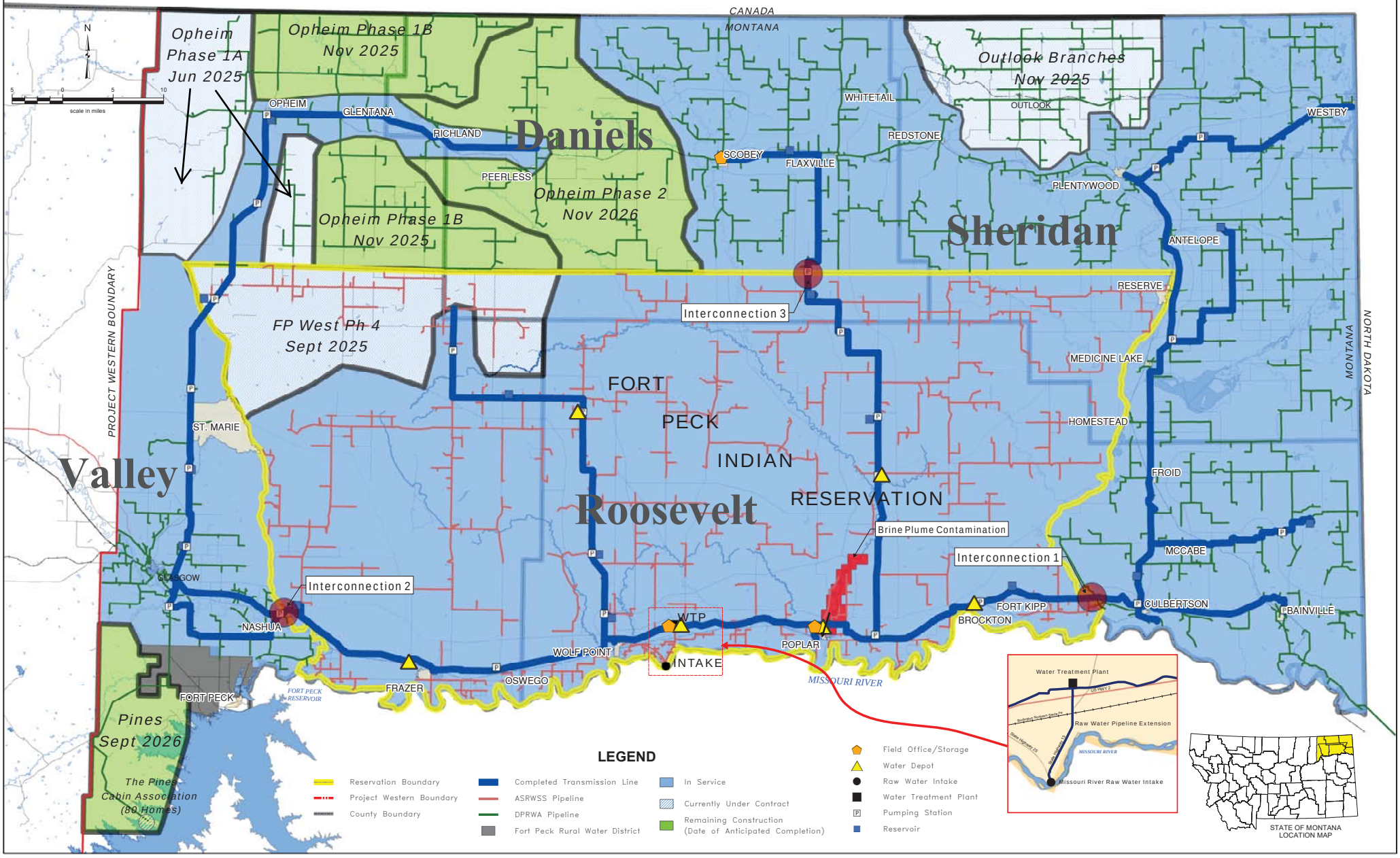
Homeowner Photo in the Town of Plentywood
Before & After Connection to Dry Prairie in 2015

A Picture is Truly Worth a Thousand Words

One of the things we love most about completing a project and placing new customers into service is receiving a thank you from people who feel that rural water has truly made a difference in their lives. We get phone calls, thank you cards, notes with their monthly payments, and even photos expressing their appreciation and sometimes astonishment with their "new" water. Photos like these are proof of the need to continue funding these critical drinking water projects in Montana.

Joni Sherman,
General Manager, Dry Prairie Rural Water

Homeowner Photo in Rural Daniels County
Before & After Connection to Dry Prairie in 2023

Town of Westby Flushing out their Old Water and Bringing in the New Dry Prairie Water in 2021

ASSINIBOINE AND SIOUX AND DRY PRAIRIE RURAL WATER SYSTEMS