



Ulteig

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Putting the North Dakota **PRAIRIE DOG BILL (HB 1066)** to Work for You

North Dakota Governor Doug Burgum signed a historic bill in March 2019 that provides \$250 million in critical infrastructure funding for non-oil and minor producing counties. Known as the Prairie Dog bill, HB 1066 helps fund projects with Bakken oil and gas tax revenue “buckets” for critical infrastructure in counties, cities and townships throughout North Dakota.

CRITICAL INFRASTRUCTURE FUNDING AVAILABLE IN 2021

Starting with the 2021-23 biennium, these buckets can fill to \$250 million total, distributing up to \$115 million to cities, \$115 million to counties and townships and \$20 million for airport infrastructure. The bill preserves the allocations for oil-producing areas and removes the sunset on the hub city designation that directs additional oil tax revenue to Dickinson, Minot and Williston.



HB 1066 WAS NICKNAMED THE “PRAIRIE DOG” BILL

as the rodents are extraordinary when it comes to building infrastructure, according to Senate Majority Leader Rich Wardner (R-Dickinson), which is how he wants the bill to work statewide.

SOLID REVENUE STREAM FOR YOUR INFRASTRUCTURE NEEDS

This bill provides a regular funding stream to help address infrastructure needs to help enhance the quality of life in communities throughout the state. Distributions to cities are determined by a formula using populations and valuations, with three varying base funding levels for cities with more than 1,000 residents. Funding recipients may decide to save their money for projects years out, which provides certainty for small towns which are not currently set up to save funds for critical, future projects.

As an additional option, the yearly allocations may be leveraged against a bond or bank loan. This option allows a city or county to complete a large project in a given year in which they would otherwise be unable to afford. The yearly Prairie Dog allocation could be used to pay off the loan.

THE CONCERN WITH FLUCTUATING OIL PRICES

When the Prairie Dog bill became law, North Dakota oil production was around 1.4 million barrels per day with the price averaged about \$60 a barrel. But what if oil prices drop? If there's a decline in oil prices or production and the buckets don't fill as expected, funding through the Prairie Dog bill would be pro-rated.

Infrastructure “buckets” may fill to \$250 million total, distributing up to \$115 million to cities, \$115 million to counties and townships and \$20 million for airport infrastructure.

UNDERSTANDING NORTH DAKOTA'S CRITICAL INFRASTRUCTURE

Critical infrastructure refers to capital projects which are necessary for the function of a county or city. Funding cannot be used for playgrounds, pools, or other non-critical projects. The list below details ways in which funding could be used:

- Water treatment plants
- Wastewater treatment plants
- Sewer lines and water lines, including lift stations and pumping systems
- Water storage systems, including dams, water tanks, and water towers
- Stormwater infrastructure, including curb and gutter construction
- Road and bridge infrastructure, including paved and unpaved roads and bridges
- Airport infrastructure
- Electricity transmission infrastructure
- Natural gas transmission infrastructure
- Communications infrastructure

HAZEN SURGE PROJECT

City of Hazen, ND

Ulteig worked with the City of Hazen to determine the best use of surge funding approved through SB 2103. They received \$1,083,157, which had to be used for beneficial city infrastructure, including streets, water projects, sewer projects, and other developments. Hazen chose these three projects:

Hotel Site Expansion

(SW Intersection of Main Street W and 11th Ave NW)

Construction at the proposed hotel site included new water main and sanitary sewer main to facilitate the construction of a hotel at this site.

Lift Station 5

(3rd Street NW and 5th Ave NW)

Construction of Lift Station 5 included decommissioning a lift station and constructing a new lift station approximately 300 feet to the south. The new force main was installed and connected to the existing segment.

10th Street

Construction along 10th Street included decommissioning a lift station and constructing a new lift station, new water main, sanitary sewer main, and new construction of 10th Street East to County Road 18. The water distribution network and sanitary sewer collection system were upgraded in this area to facilitate a new RV Park, which was constructed along 10th Street.

LEGISLATIVE KNOWLEDGE & EXPERTISE

The professionals at Ulteig thoroughly understand North Dakota legislation and can help you navigate through the bureaucracy to claim your infrastructure funding.

We'll work closely with you to understand your community's vision for the future, as well as your objectives, resources and unique characteristics. We work with municipal and community leaders, serving as a trusted advisor in creating strategic solutions to meet the best interests of your community, both now and for the years ahead.

Our engineers have years of experience working with legislative funding to provide smart uses for valuable bucket revenues.

Our wide range of clients include:

- Municipals
- Local, City, State and Federal Government (Government Agencies)
- Public Utilities
- Co-ops
- IOUs (Investor Owned Utilities)
- Developers

ULTEIG: PROUDLY SERVING NORTH DAKOTA COMMUNITIES FOR 75 YEARS

Our corporate headquarters has been based in Fargo, North Dakota, since we started operating in 1944. Today, we have ten offices across the Midwest, including Bismarck, Minot and Williston. With seven-plus decades of experience in the engineering industry, you can confidently rely on Ulteig to improve the design and reliability of your critical infrastructure and deliver vital engineering, program and technical solutions.

On average, Ulteig engineers manage over 1,300 technical and field service projects a year.

Services provided by Ulteig:

- Determining best use of funds
- Design of the project, including water main, sanitary sewer main, sanitary force main, and sanitary lift station
- New street design and layout
- Plans, specifications, and special provisions

Plus, construction administration:

- On-site construction inspection
- Record keeping
- Project coordination
- Recommending contract pay estimates and as-built plans.



CONTACT US NOW for a FREE consultation with one of our City or County municipal engineers.

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