



# 2024

# ANNUAL REPORT

THE FUTURE OF WATER IN NORTH DAKOTA

# EXECUTIVE LETTER



**Thank you for taking a look at the 2024 Garrison Diversion Conservancy District (Garrison Diversion) Annual Report. We are excited to share what Garrison Diversion accomplished across our 28-county district over the following pages. Here is a preview of what you will find:**

## AGRICULTURE AND NATURAL RESOURCES

Garrison Diversion remains committed to our role in irrigation development to benefit North Dakota's agriculture sector. We provide assistance through funding, as well as facilitating the use of water for irrigation from the McClusky Canal. This year we also supported the efforts of the ND Irrigation Association to complete a statewide study to identify potential areas for future irrigation development. Additionally, we continue to promote natural resource conservation through maintenance assistance at important Bureau of Reclamation wildlife areas.

## MUNICIPAL, RURAL, AND INDUSTRIAL (MR&I)

The federal Municipal, Rural and Industrial (MR&I) water supply program is a key funding source for water projects in North Dakota. Jointly administered by Garrison Diversion and the Department of Water Resources (DWR), the program supports the delivery of high-quality

water statewide. In 2024, Garrison Diversion distributed more than \$21 million for municipal, rural, and other MR&I initiatives, and more than a quarter of a million dollars via our Water Supply Assistance Grant Program. Garrison Diversion is also pleased to report \$1.5 million was secured for the Eastern North Dakota Alternate Water Supply Project.

## RED RIVER VALLEY WATER SUPPLY PROJECT (RRVWSP)

2024 was a banner year for transmission pipeline installation on the RRVWSP, a drought mitigation project that will ultimately deliver an emergency and supplemental water supply to about half the state's population. Garrison Diversion invested \$69.1 million in the Project this year. A series of meetings with potential RRVWSP participants resulted in seven cities signing Memorandums of Commitment to join the project.



## OUR COMMITMENT

Garrison Diversion is unwavering in our commitment to provide a reliable, high quality and affordable water supply for the benefit of North Dakota.

**We are proud to play a vital role in the future of our state.**

## OPERATIONS AND MAINTENANCE (O&M)

Garrison Diversion’s skilled Operations & Maintenance (O&M) team includes a variety of high-level professionals with specific expertise. Under an Operations, Maintenance & Replacement (OM&R) contract with the Bureau of Reclamation, Garrison Diversion performs annual maintenance and special projects on key GDU infrastructure, including the McClusky Canal. Our crew continued a multi-year reconstruction project on the canal’s sideslopes. The team also supported the RRVWSP by maintaining the Sheyenne River Discharge Structure near Cooperstown, ND and the Washburn Intake Structure located near Washburn, ND.

## RECREATION

The Garrison Diversion Matching Recreation Grant Program offers a 25% matching grant to eligible recreation projects within the 28-county district. In 2024, Garrison Diversion provided more than \$2.1 million to new and previously approved projects. Thirty-seven new projects received grant awards this year.

## FINANCIAL OVERVIEW

Garrison Diversion’s financial statements are included in each Annual Report to provide readers with an overview of our financial health and annual expenditures. As a public entity, we are happy to share this information because we believe transparency is important.

Thank you for looking through the Garrison Garrison Diversion’s financial statements are included in each Annual Report to provide readers with an overview of our financial health and annual expenditures.

Thank you for checking out the Garrison Diversion 2024 Annual Report. Our board members and staff are grateful for the opportunity to serve North Dakotans through our various initiatives.



**Duane DeKrey**  
Garrison Diversion  
General Manager



**Alan Walter**  
Garrison Diversion  
Board Chairman

# GARRISON DIVERSION BOARD OF DIRECTORS



## **BACK ROW L-R**

Jay Anderson, Ransom County; Larry Kassian, Burleigh County; Dave Johnson, Benson County; Bruce Klein, LaMoure County; Jason Siegert, Traill County; Mike Tweed, Eddy County; Kyle Blanchfield, Ramsey County; Mark Cook, Renville County

## **MIDDLE ROW L-R**

Greg Bischoff, Barnes County; Ward Koeser, Williams County; Kelly Klosterman, Richland County; Jeff LeDoux, Cass County; Don Zimbleman, Sargent County; Ken Vein, Grand Forks County; Dave Anderson, Pierce County; Jim Pellman, Sheridan County; Steve Metzger, Foster County

## **FRONT ROW L-R**

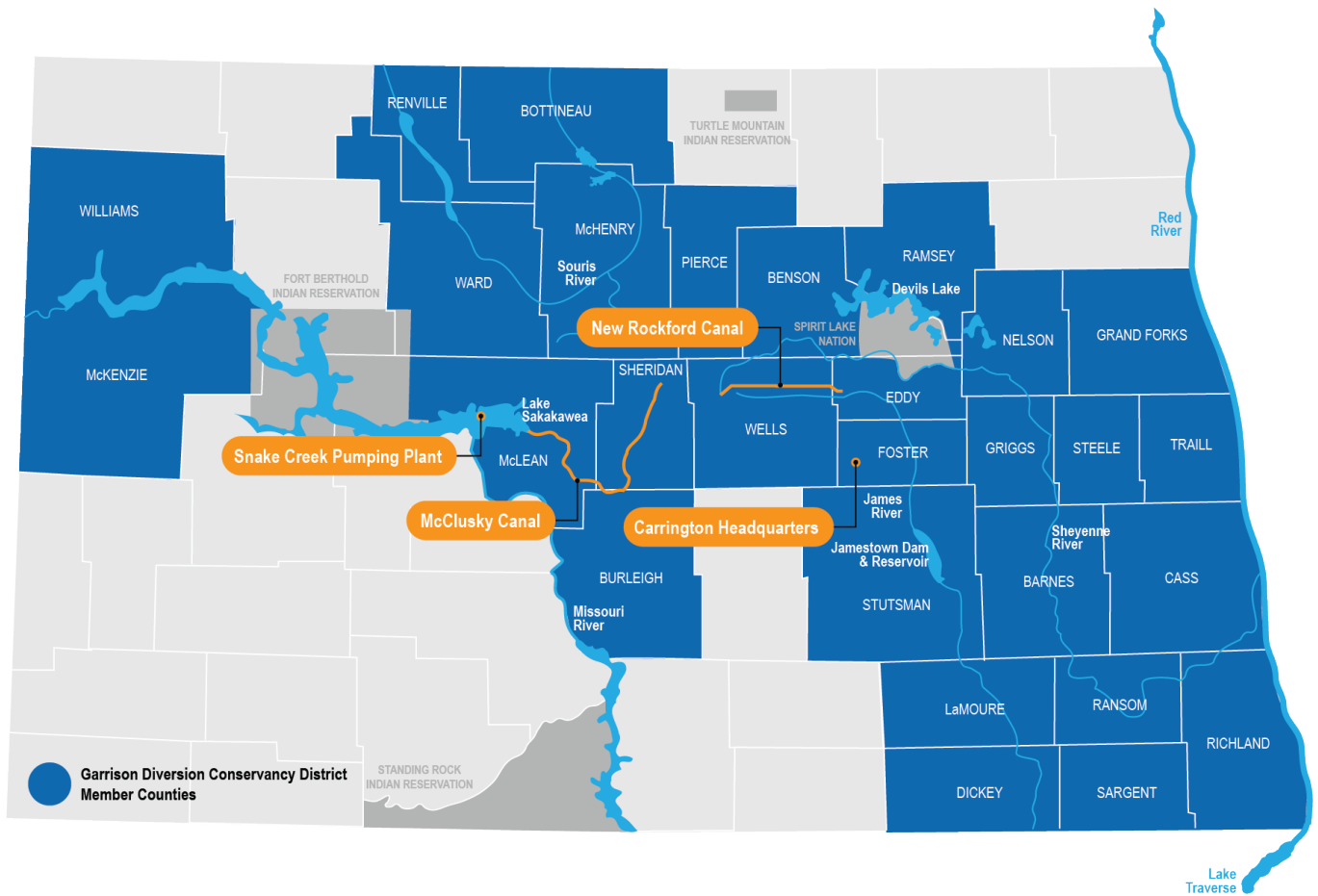
Bill Ongstad, Wells County; Steve Forde, Nelson County; Brian Orn, Sargent County; Geneva Kaiser, Stutsman County; Margo Knorr, McLean County; Alan Walter, Ward County; Kenny Rogers, Bottineau County; Cliff Hanretty, McHenry County

Not Pictured: Nikki Boote, Griggs County; Richard Cayko, McKenzie County; Brandon Krueger, Steele County



## OUR MISSION

To Provide a Reliable, High Quality and Affordable Water Supply to Benefit the People of North Dakota





## AGRICULTURE & NATURAL RESOURCES


**Agriculture plays a critical role in North Dakota’s economy, and Garrison Diversion is committed to advancing agricultural initiatives and irrigation development to ensure the state’s continued success.**

In 2024, Garrison Diversion provided \$5,000 for irrigation development. Additionally, the North Dakota Irrigation Association (NDIA) received \$25,000 to support its efforts.

Garrison Diversion has long supported the Oakes Irrigation Research Site (OIRS). As part of a phased funding transition finalized in 2021, Garrison Diversion committed funds for a new building at the property. In 2024, \$302,848 was expended and the construction finalized on the building. Additionally, the OIRS land was transferred to NDSU.

Garrison Diversion bolsters efforts of the NDIA, and supported their efforts to complete an Irrigation Feasibility Study, a statewide study to identify the locations and areas of North Dakota croplands that have potential for future irrigation development using Missouri River Water and groundwater.

The McClusky Canal has been an important feature for irrigation development in central North Dakota. In 2024, 7,900 acres were irrigated from the McClusky Canal.

In addition to its agricultural efforts, Garrison Diversion continues to support natural resource conservation through maintenance assistance at Audubon and Arrowwood National Wildlife Refuges, the Lonetree Wildlife Management Area, and other mitigation projects in coordination with Reclamation. 

### 2024 IRRIGATION FUNDING OVERVIEW

**\$302,848**  
Irrigation Trials



**\$5,000**  
Irrigation Development



**\$25,000**  
ND Irrigation Association Support

# MUNICIPAL, RURAL & INDUSTRIAL (MR&I)



The federal Municipal, Rural and Industrial (MR&I) water supply program is a key funding source for water projects in North Dakota. Jointly administered by Garrison Diversion and the Department of Water Resources (DWR), the program supports the delivery of high-quality water statewide.

In 2024, Garrison Diversion distributed \$8.5 million in MR&I funding to help municipal and rural systems meet growing water demands. An additional \$12.7 million was awarded to MR&I projects across the state.

Garrison Diversion also advanced its Water Supply Assistance Grant Program. This initiative helps offset costs for new rural water system hookups and supports municipal systems with critical operations, maintenance, and replacement (OM&R) projects that impact water delivery, public health, or infrastructure integrity.

“The Water Supply Assistance Grant Program is a relatively new program but continues to gain momentum and popularity with each construction season. We are very proud this program has become life changing for some individuals and families that couldn’t afford to install rural water without financial assistance,” says Geneva Kaiser, Chair of Garrison Diversion’s MR&I Committee.

In 2024, \$266,019 in grant funding was awarded to the following systems:

- **All Seasons Water Users District**  
\$20,000 for two customer hookups
- **Barnes Rural Water District**  
\$42,078 for five customer hookups

- **Cass Rural Water District**  
\$33,656 for five customer hookups
- **Central Plains Water District**  
\$10,000 for one customer hookup
- **East Central Regional Water District**  
\$39,500 for four customer hookups
- **McKenzie County Water Resource District**  
\$35,265 for seven customer hookups
- **McLean-Sheridan Rural Water District**  
\$3,424 for two customer hookups
- **North Prairie Regional Water District**  
\$2,129 for one customer hookup
- **Southeast Water Users District**  
\$41,997 for eleven customer hookups
- **Stutsman Rural Water District**  
\$36,890 for seven customer hookups

Garrison Diversion also secured \$1.5 million for the Eastern North Dakota Alternate Water Supply Project. Collaboration with the DWR, ND Rural Water Systems Association, and ND League of Cities continues to ensure a strong and effective MR&I program. 💧

## 2024 MR&I FUNDING

**\$8.5 M**

Distributed To Help  
Systems Deliver  
Water To:



Homes



Businesses



Farms



**\$12.7 M**

Awarded to Other  
MR&I Projects  
Across the State



# RED RIVER VALLEY WATER SUPPLY PROJECT (RRVWSP)

**The RRVWSP is an important drought mitigation project and economic development initiative that will utilize the Missouri River to benefit North Dakotans. The emergency and supplemental water supply will protect communities and economies in central and eastern North Dakota from devastating effects of drought.**

## CONSTRUCTION PROGRESS

“2024 was an efficient construction season and we saw the most pipe installed to date since construction began on the 72-inch transmission pipeline,” says Kip Kovar, Garrison Diversion Conservancy District Engineer.

In mid-November, construction wrapped up on the RRVWSP transmission pipeline with the most pipe installed in one construction season. Crews from Oscar Renda Contracting, Carstensen Contracting Inc., and Garney Construction were blessed with an exceptionally mild fall without any snowfall until late that month. Crews installed a total of 12 miles for Contracts 5B, 5C and 5D in 2024.

Carstensen Contracting Inc was awarded Contract 6A for \$52,258,500. The 6A contract includes construction of a 7.1-mile transmission pipeline from the James River to Eastman Township in Foster County, as well as two 96-inch diameter trenchless highway crossings and one 96-inch diameter trenchless wetland crossing.

## FINANCIAL INVESTMENT

Garrison Diversion invested a total of \$69.1 million in the RRVWSP in 2024, out of the \$244 million budget allocated to the Project’s 2023-2025 Biennium Work Plan. The Project’s budget for the biennium included \$180 million approved

in the Department of Water Resources Budget, \$61.5 million from local RRVWSP users, and \$4.5 million from the Municipal Rural and Industrial (MR&I) Program. Garrison Diversion staff participated in regular meetings with the Bank of North Dakota regarding RRVWSP finances throughout the year and supported the Cities of Fargo and Grand Forks, the largest RRVWSP users, in cost allocation.

Landowner relationships and land restoration are a major priority for Garrison Diversion. In 2024, Garrison Diversion issued \$140,095 in crop damages payments to impacted landowners. The right-of-way efforts also continued in Griggs, Foster, Wells and Sheridan Counties. As of December 2024, 80% of the easements needed for the RRVWSP were acquired.

Garrison Diversion approved a financing resolution pertaining to the Conservancy District’s \$11,302,440 Water Revenue Bond, Series 2023.

## USER OUTREACH

More than 71 meetings were held with potential RRVWSP participants in 2024. Seven cities signed Memorandums of Commitment to join the RRVWSP. These cities include Carrington, Cooperstown, Fargo, Grand Forks, Hillsboro, Mayville, and Valley City.





## OPERATIONS & MAINTENANCE (O&M)

Established by the North Dakota Legislature, Garrison Diversion is responsible for the development, operation, and maintenance of the Garrison Diversion Unit (GDU). With deep expertise in canal maintenance, earthmoving, and construction, the organization also supports federal and state agencies on a variety of infrastructure projects.

Garrison Diversion's skilled Operations & Maintenance (O&M) team includes a professional engineer, master electricians, certified diesel mechanic, painting and coating specialists, vegetative management experts, and heavy equipment operators—most of whom hold commercial driver's licenses (CDLs). A dedicated safety coordinator oversees a comprehensive safety program to ensure a secure work environment.

Under an OM&R contract with Reclamation, Garrison Diversion performs annual maintenance and special projects on key GDU infrastructure, including the McClusky Canal, New Rockford Canal, and Snake Creek Pumping Plant (SCPP).

### MCCLUSKY CANAL RECONSTRUCTION

As a major GDU feature, the McClusky Canal requires ongoing attention. In 2024, crews continued a multi-year reconstruction of the canal's

sideslopes, with an estimated 2.4 million cubic yards of material to be moved over five to six years. Approximately 207,000 cubic yards were removed between Mile Markers 20 and 22 to stabilize the slope. Erosion control measures, including silt fencing and seeding, were implemented, and two trenchless crossings were completed.

The canal delivered approximately 17,000 acre-feet of water in 2024 for livestock, wildlife mitigation, water quality, irrigation, recreation, and fish and wildlife purposes.

### IRRIGATION SYSTEM MAINTENANCE

Garrison Diversion maintained 13 irrigation systems within the McClusky Canal Irrigation Project. This included spring pump installation, fall dewatering, winter storage, and in-season operational support.

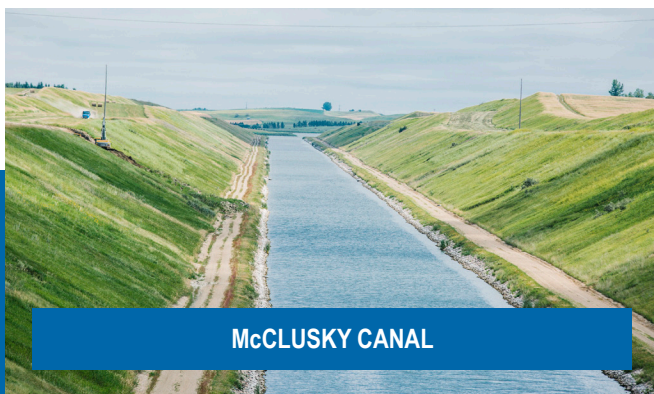
## ADDITIONAL O&M PROJECTS

The team also supported the Red River Valley Water Supply Project (RRVWSP) by maintaining the Sheyenne River Discharge Structure near Cooperstown, ND, and the Washburn Intake Structure located near Washburn, ND.

Collaborative efforts with agencies such as the DWR, Reclamation, ND Game and Fish, and U.S. Fish and Wildlife Service yielded impactful results. Notable projects include engaging

as a Cooperator in the USACE Snake Creek Embankment Dam Modification Study; completed the annual work plan for Devils Lake Outlet maintenance; and completed a shore stabilization project at New Johns Lake.

Garrison Diversion remains committed to maintaining the integrity of the GDU and supporting North Dakota's water infrastructure through expert operations and collaborative partnerships. 💧





## RECREATION

Enhancing recreational opportunities is a key initiative for Garrison Diversion. Through strategic investments in the development and improvement of facilities, the organization helps ensure long-term access and enjoyment of North Dakota’s natural and community spaces.

Since 1990, the Matching Recreation Grant Program has provided 25% matching grants to eligible projects within Garrison Diversion’s 28-county district. In 2024, \$1,144,122 was awarded to 37 new projects, with an additional \$1,046,709 expended on previously approved initiatives.

### BEYOND GRANT FUNDING

Garrison Diversion also supports ongoing maintenance of the Chain of Lakes Recreation Area, a central North Dakota destination offering diverse outdoor activities. These efforts reflect the organization’s broader commitment to enhancing quality of life through recreation. 💧

### 2024 RECREATION FUNDING OVERVIEW

**\$1,144,122**

New Projects



**\$1,046,709**

Previously  
Approved Projects



**\$11.5 M**

Recreation Grants  
Since 1990

“Our requests for the spring funding session were at an all-time high, and we were able to provide grant funds to a large number of deserving projects both big and small,” says committee chairman Larry Kassian. “Garrison Diversion is thrilled to give back to our member counties and help build recreation projects that will reach thousands of people across North Dakota.”

## 2024 MATCHING RECREATION GRANT RECIPIENTS

### BARNES COUNTY

- Updates to the Valley City Park Playground

### BOTTINEAU COUNTY

- Purchase of a snow system at Bottineau Winter Park
- Improvements to the Maxbass Community Park
- Gazebo construction at the Newburg City Park

### BURLEIGH COUNTY

- Development of the Municipal Ballpark Master Plan in Bismarck

### CASS COUNTY

- Rheault Farm Playground development
- Improvements to Fargo's Anderson Softball Complex
- Update playground equipment at the Argusville Park

### DICKEY COUNTY

- Dickey County Community Recreation facility

### GRAND FORKS COUNTY

- Grand Valley Development Park Playground
- Improvements at the Manvel Community Park
- Equipment updates at the Riverside Park Playground

### LAMOURE COUNTY

- Installation of an ADA bathroom at the Marion Community Park
- Twin Lakes vault toilet installation

### MCHENRY COUNTY

- New swingsets at the Anamoose Park

### MCKENZIE COUNTY

- Kent Pelton Nature Park All-Inclusive Playground development

### MCLEAN COUNTY

- New picnic tables at Lake Brekken
- Sportsmens Centennial Park vault toilet project

### RENVILLE COUNTY

- Mohall Adult Recreation Complex development

### SARGENT COUNTY

- Development of Hero's Park in Gwinner

### STEELE COUNTY

- Addition of a pickleball court to the Golden Lake Recreation Area
- Construction of an event center in Hope

### STUTSMAN COUNTY

- Community recreation center in Medina
- All Abilities Playground at Nickeus Park in Jamestown
- Renovations to the youth tee-ball fields at Jamestown's McElroy Park
- Update playground equipment at the Jamestown Reservoir Playground
- Install chain link fencing for youth baseball fields in Jamestown

### TRAILL COUNTY

- Installation of a new park gazebo in Reynolds

### WARD COUNTY

- New equipment at the ND State Fairgrounds West Park Playground
- Construct a pickleball court at Pony Tracks Park in Surrey
- Installation of multi-sport courts in Sawyer's city park
- Installation of a new playground at the South Hill Softball Complex in Minot

### WELLS COUNTY

- Comfort station at the Manfred Park
- Installation of a new swimming pool in Harvey

### WILLIAMS COUNTY

- Complete Phase 3 of the Coyote Clay Target Range in Williston
- Installing a Pre-K playground at Grenora Park
- Enhancement of the existing frisbee golf course and update the bathrooms at Spring Lake Park in Williston



## OVERVIEW OF FINANCIAL STATEMENTS

The financial statements provide readers with a broad overview of Garrison Diversion's finances, in a manner similar to a private-sector business.

The financial report provides a general overview of Garrison Diversion's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

**Garrison Diversion  
Conservancy District  
P.O. Box 140  
Carrington, ND 58421**

The Statement of Net Position (to the right) presents information on all of Garrison Diversion's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in the net assets may serve as a useful indicator of whether the financial position of Garrison Diversion is improving or deteriorating.

\* NET OF ACCUMULATED DEPRECIATION

ASSETS	2024	2023
Cash	\$16,521,539	\$8,951,907
Investments	\$11,555,093	\$14,878,455
Land	\$341,176	\$341,176
Land improvements*	\$167,309,965	\$446,626
Construction in progress	\$401,308	\$87,683,712
Buildings*	\$1,089,644	\$1,046,551
Equipment*	\$1,506,437	\$1,030,172
Pumping Equipment	\$1,491,049	\$1,623,639
Intake Equipment	\$33,573	\$55,735.00
Pipeline*	\$11,423,756	\$11,679,056
Discharge Structure	\$2,840,253	\$2,878,852
<b>TOTAL ASSETS</b>	<b>\$214,513,793</b>	<b>\$130,615,881</b>
LIABILITIES		
Bond payable	\$33,582,894	\$13,086,556
Note payable	\$10,842	\$22,205
<b>TOTAL LIABILITIES</b>	<b>\$33,593,736</b>	<b>\$13,108,761</b>
NET ASSETS		
Net investment in capital assets	\$152,843,425	\$93,676,758
O&M emergency fund	\$750,000	\$750,000
Deficiency fund	\$750,000	\$750,000
Project development fund	\$915,593	\$915,593
Operations, Maint. & Replacement	\$499,518	\$473,268
Red River Valley Water Supply	\$-	\$-
Irrigation Fund	\$83,470	\$-
Unrestricted fund	\$25,078,051	\$20,941,501
<b>TOTAL NET ASSETS</b>	<b>\$180,920,057</b>	<b>\$117,507,120</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$214,513,793</b>	<b>\$130,615,881</b>

## STATEMENT OF ACTIVITIES

REVENUES	2024	2023	2022
Taxes	\$4,890,887	\$4,583,060	\$4,338,295
Interest on Investments	\$1,045,828	\$343,120	\$66,318
Non-Project Income	\$375,892	\$692,617	\$267,092
Program Income	\$-	\$-	\$-
Contract Revenue	\$77,354,350	\$48,562,199	\$53,537,468
Leases	\$-	\$-	\$2,303
Miscellaneous	\$4,831	\$178,063	\$6,588
<b>TOTAL REVENUE</b>	<b>\$83,671,788</b>	<b>\$54,359,059</b>	<b>\$58,218,064</b>
EXPENDITURES			
<b>CURRENT</b>			
Directors	\$233,544	\$271,960	\$235,482
Personnel	\$3,741,690	\$3,554,357	\$3,350,364
Contractual Services	\$11,652,014	\$20,060,077	\$28,194,891
Irrigation Development	\$537,150	\$230,780	\$881,347
Maintenance	\$906,893	\$1,262,306	\$1,187,208
Recreation Grant Program	\$1,142,802	\$811,968	\$546,502
Water Supply Projects	\$204,462	\$224,683	\$98,614
Other Charges	\$495,303	\$461,410	\$453,517
Irrigation District Expense	\$-	\$-	\$-
<b>CAPITAL OUTLAY</b>	<b>\$80,726,184</b>	<b>\$32,364,961</b>	<b>\$28,941,082</b>
<b>DEBT SERVICE</b>			
Principal	\$609,400	\$713,148	\$480,484
Interest and Fiscal Charges	\$270,451	\$166,603	\$68,657
<b>TOTAL EXPENDITURES</b>	<b>\$100,519,893</b>	<b>\$60,122,253</b>	<b>\$64,438,148</b>
<b>REVENUE OVER (UNDER) EXPENSES</b>		<b>\$(5,763,194)</b>	<b>\$(6,220,084)</b>
<b>OTHER FINANCING SOURCES</b>			
Debt Issuance	\$21,094,375	\$7,148,577	\$5,670,240
Transfers In	\$1,354,933	\$2,127,712	\$2,276,011
Transfers Out	\$(1,354,933)	\$(2,127,712)	\$(2,276,011)
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>\$21,094,375</b>	<b>\$7,148,577</b>	<b>\$5,670,240</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$4,246,270</b>	<b>\$1,385,383</b>	<b>\$(549,844)</b>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<b>\$23,830,362</b>	<b>\$22,444,979</b>	<b>\$22,994,823</b>
<b>FUND BALANCES, END OF YEAR</b>	<b>\$28,076,632</b>	<b>\$23,830,362</b>	<b>\$22,444,979</b>

The Statement of Activities (above) presents information on all of Garrison Diversion's direct expenses and program revenues for the activities of Garrison Diversion. It shows how the fund balances changed during the year.