

U.S. Senate Committee on Homeland Security and Governmental Affairs Subcommittee on Federal Spending Oversight

Senator Rand Paul, M.D. (Kentucky), Chairman

WASTE REPORT for July 20, 2015 The Smell of Waste, in More Ways Than One

You may have seen Rob Port's WatchDog.org article on the sewer debacle in Ray, ND. Expecting a population explosion from the Bakken oil boom, the town of about 600 people nearly tripled their sewer capacity at a cost of \$2.5 million. But then oil prices dropped, the boom cooled, and the population in Ray never took off as expected. Now the city does not have enough waste to run its plant and is importing, well, sewage from surrounding areas.1

A little town made a big gamble and is now importing sewage. Kind of a funny story; that is, until you learn that the federal taxpayer footed much of the bill for the sewer upgrade. That's right, through the EPA's Clean Water State Revolving Fund, federal dollars passed through the state and on to Ray as low interest loans, of which more than \$760k was later forgiven.² And, that is not counting other federal funds that may have come in to the local water authority.

But this was not just an unforeseen error. No, Ray and the state seemed to have gotten caught up in the excitement of a boom and missed the forest for the trees. Ray's 2015 comprehensive plan forecast its population to grow by a minimum of 396 percent by the end of this decade.³ But Williams County (where Ray is located), projected only 22 percent population growth county-wide by 2020, with a peak of 32 percent in 2025, in its 2012 comprehensive plan.4 Those figures more closely match historic boom era norms, including in Ray.

So, it is curious how this project ever got approved. While Ray will probably see some population growth over the next decade due to oil, it is at somewhat of a geographic disadvantage. Ray is between two larger cities, that are better positioned to grow to serve the oil industry, Tioga (pop est. 3000), ⁵ 15 miles to the east and in a higher concentration of wells; and the county seat of Williston (pop est. 30,000), 35 miles to the southwest, is simply more attractive to the influx of oil workers because of its size.⁶

Tax Dollars, Flushed Down the Toilet...And Imported to Ray, ND

¹ Port, Rob; \$h!t show: North Dakota town, sewage companies battle over poop, WatchDog.org: North Dakota, May 2015

² Clean Water Revolving Fund, EPA.gov., USA Spending, and information obtained from the State of North Dakota.

City of Ray: Comprehensive Plan; Prepared by CTA, Red Lodge, MD; Ray, ND; 2014

⁴ Williams County Comprehensive Plan 2035; Williston, ND, December; 2012

⁵ Community Statistics, City of Tioga, ND; 2015

⁶ Rent in Williston, N.D. tops averages in New York City and Los Angeles, New York Daily News Via AP; New York, NY; Feb. 2014