

LAKE AGASSIZ WATER AUTHORITY

BOARD OF DIRECTORS

**Ramada Plaza & Suites
Fargo, North Dakota
December 18, 2015**

A meeting of the Lake Agassiz Water Authority (LAWA) was held at the Ramada Plaza & Suites, Fargo, North Dakota, on December 18, 2015. The meeting was called to order by Chair Mahoney at 11 a.m.

MEMBERS PRESENT

Chair Tim Mahoney
Vice Chair Ken Vein
Director LaVonne Althoff
Director Rick Bigwood
Director Mark Johnson
Director Ralf Mehnert-Meland
Director Keith Nilson
Director Carol Siegert
Director Bob Werkhoven
Secretary Duane DeKrey

MEMBERS ABSENT

Director Clark Cronquist

OTHERS PRESENT

Staff members of the Garrison Diversion Conservancy District were present along with others. The registration sheet is attached to these minutes as Annex I.

The meeting was recorded to assist with compilation of the minutes.

APPROVAL OF AGENDA

Motion by Director Johnson to approve the board meeting agenda. Second by Director Nilson. Upon voice vote, motion carried.

CONSIDERATION OF THE MINUTES

Motion by Director Siegert to approve the October 16, 2015, minutes as distributed. Second by Director Althoff. Upon voice vote, motion carried.

OFFICER AND COMMITTEE REPORTS

None

RED RIVER VALLEY WATER SUPPLY PROJECT (RRVWSP) UPDATE

Status Report - - Kip Kovar, District Engineer, Garrison Diversion, referred to the engineering update dated December 3, 2015, and reviewed the status and current cost estimate for each of the task orders. These include: 1) Missouri River Bank Filtration Investigation, 2) Discharge System (Baldhill Creek Investigation), 3) Pipeline Alignment, 4) Hydraulic and Pump Analysis, 5) draft Horizontal Collector Well Conceptual Design, 6) draft Land Services, 7) draft Needs Assessment and 8) draft Water Treatment Plant Analysis. A copy of the update is attached to these minutes as Annex II.

Planning Level Budget - - Mr. Kovar distributed a planning level budget table and reviewed the current cost estimates for each task order in the conceptual engineering and preliminary engineering phases from July 2015 through June 2017. Administration, legal support and financing estimates are included as well. The table also shows the percent complete on initiated task orders and when it is anticipated that the funds will be spent.

Water Treatment Plant Analysis - - Mr. Kovar said in order to have an accurate conceptual design and estimate, a water treatment plant analysis needs to be done. It will look at a range of treatment levels. In addition, the analysis will look at the pros and cons of the levels as well as the costs. The scope of work is just beginning, and up to \$600,000 is required for this task order.

Motion by Director Vein to authorize negotiation and execution of the task order for water treatment plant analysis up to \$600,000. Second by Director Nilson. Upon roll call vote, the following directors voted aye: Althoff, Bigwood, Johnson, Mahoney, Menhert-Meland, Nilson, Siegert, Vein and Werkhoven. Those voting nay: none. Absent and not voting: Cronquist. Motion carried.

Pipeline Alignment - - Mr. Kovar presented a map illustrating the pipeline alignment for the RRVWSP. There have been discussions about revising the alignment so that it does not cross the Continental Divide until it gets closer to the James River.

Motion by Director Althoff to support the revised pipeline alignment for the RRVWSP. Second by Director Bigwood. Upon roll call vote, the following directors voted aye: Althoff, Bigwood, Johnson, Mahoney, Menhert-Meland, Nilson, Siegert, Vein and Werkhoven. Those voting nay: none. Absent and not voting: Cronquist. Motion carried.

Water System Visits - - Merri Mooridian, Administrative Officer, Garrison Diversion, referred to the map included with the meeting information showing the prospective water services of the RRVWSP. She stated that meetings will be set up with the water systems shown on the map to determine what their needs are and if they wish to be a part of the project. Information will be mailed out to the systems and followed up with the system visits.

Schedule - - Ms. Mooridian reviewed the RRVWSP schedule, stating the goal is to develop a conceptual design for the RRVWSP by the spring of 2016, a preliminary design by the spring of 2017, complete final engineering by 2018 and begin construction in 2019.

FINANCIAL REPORT

2015 Budget Analysis Statement - - Ms. Mooridian referred to the Budget Analysis Statement for the period of January 1, 2015, to November 30, 2015, a copy which is attached to these minutes as Annex III.

Total income for 2015 is \$49,666. Expenses are \$35,227. The total bank balance is \$771,490.

Ms. Mooridian stated that Garrison Diversion has spent approximately \$1.8 million on the RRWSP this year. Lake Agassiz's share of that is 10 percent. With year-end approaching, Lake Agassiz will soon be billed for their share of those expenses.

Motion by Director Mehnert-Meland to accept the budget analysis statement for the period of January 1, 2015, to November 30, 2015. Second by Director Johnson. Upon roll call vote, the following directors voted aye: Althoff, Bigwood, Johnson, Mahoney, Menhert-Meland, Nilson, Siegert, Vein and Werkhoven. Those voting nay: none. Absent and not voting: Cronquist. Motion carried.

Summary of Dues Paid - - Ms. Mooridian referred to the table showing 2015 membership fees submitted. To date, \$24,300 has been received in dues payments.

UNFINISHED BUSINESS

Project Participation Agreement - - Tami Norgard, Vogel Law, informed the board that the project participation agreement has been drafted and an initial agreement will be circulated. This is being called a development agreement. The concept is to have a two-page agreement that will reference two different documents. One would be a construction agreement or an actual project participation agreement. This will indicate that the user wishes to be a part of the project and will pay their share of the construction costs. There will be another agreement that is called a water supply agreement that will cover the terms of obtaining the water once it is available.

Ms. Norgard said for right now, the focus will be on getting a short agreement to send out to the systems that is going to determine: 1) who is in and who is out and 2) what the user's nomination will be.

Ms. Norgard stated that once current funds are expended, we need to find a way to raise the additional 10 percent for the planning studies. The nominations will also let us know at what level the engineers need to design the project.

Ms. Norgard said she would like to have a subcommittee put together that could review the draft agreement and help put it into final form before it is presented to the board for consideration. The subcommittee will consist of attorneys from some of the water districts and cities of Fargo, Grand Forks and Moorhead.

Technical Advisory Committee - - Mr. Kovar said he would like to hold a meeting in January to present engineering data that has been prepared. Meeting notices will be sent out to those who previously served on the Technical Advisory Committee. If anyone else wishes to participate, please let him know. Previously, this committee consisted of rural water system managers, city engineers and public work directors.

Alternate Designation - - Chair Mahoney referred to list of alternates that were selected to represent each of the board members and act on their behalf when they are unable to attend board meetings. The list is provided for the board's information.

NEW BUSINESS

National Legal Counsel - - Ms. Norgard reported that national legal counsel is being sought that would have contacts with the Environmental Protection Agency, Secretary of State's office and Bureau of Reclamation, as well as experience with NEPA and the Clean Water Act. A request for proposals was sent to a number of firms, and a few firms have responded.

Ms. Norgard asked if Lake Agassiz would identify a few board members that can meet with Garrison Diversion and review proposals and meet with representatives from the firms and be prepared to make a recommendation to the Garrison Diversion board by January 8 to hire national legal counsel to assist with legal issues associated with the RRWSP.

Chair Mahoney and Director Mehnert-Meland will represent Lake Agassiz, and Ken Vein and Roger Fenstad will represent Garrison Diversion to assist with selecting legal counsel.

ND Missouri River Advisory Council - - Ms. Mooridian reported that the ND Missouri River Advisory Council has replaced the Missouri River Stakeholders group. She informed the board that Chair Mahoney is the designate on the council for Lake Agassiz and the alternate will be Bruce Grubb.

Future Meetings - - Chair Mahoney suggested the next meeting be held in February with a date to be determined.

OTHER

There being no further business to come before the board, the meeting adjourned at 11:46 a.m.

Timothy Mahoney, Chair

Duane DeKrey, Secretary

REGISTRATION

LAWA Board Meeting
Fargo, North Dakota
December 18, 2015

NAME	ADDRESS
Kim Kuly Cook	GDCB
Steve Burian	AE ₂ S
Todd Feland	City of Grand Forks
Jerry Blomeke	Cass RWD
Kristofer Knutson	Moorhead Public Service
Roger Bischoff	GDCD
John Leininger	GDCD
Geneva Kaiser	GDCD - Stutsman County
Jay Paul Anderson	GDCD - Ransom County
Roger Fenstad	GDCD - Cass Co.
Dave Piepgrin	Fargo City Comm.
Brian Reilly	Walsh Rural Water
Mike Dwyer	ND Water Users
Stephanie Ashburn	Vogel law firm
Randy Rasmussen	City of East Grand Forks
Jeff Blakely	AMERICAN Pipe
Lisa Schaffer	BSCU

RRVWSP Engineering Update December 3, 2015

Goal

Spring 2016 complete Conceptual design and cost estimate
Winter 2016 complete Preliminary design and cost estimate
Year-End 2017 complete Final design and cost estimate
2018-2024 Phased Bidding and Construction

Total draft budget to complete Conceptual, Preliminary and Final design is \$33.7 million and is currently being revised. ND legislation appropriated \$12.3 million for the RRVWSP this past session.

Current Task Order Development consists of: 1) Missouri River Intake, 2) Baldhill Creek Discharge, 3) Horizontal Alignment, 4) Hydraulic and Pump Analysis, 5) draft Horizontal Collector Well Conceptual Design, 6) draft Land Services, 7) draft Needs Assessment and 8) draft Water Treatment Plant Analysis.

Conceptual Design

1) Missouri River Intake Investigation Task Order – A Missouri River bank filtration intake near Washburn is proposed to reduce the amount of federal permits for the RRVWSP. Results of two previous studies indicated only the Washburn area may support 122 cfs and recommended further study up to four sites. Work includes well pumping tests to determine yield of horizontal collector wells at the sites and the recommended number and spacing of the horizontal collector wells at each site. The previous work was contracted through the SWC and CH2M Hill. The proposed work in this task order is contracted through GDCD and CH2M Hill. Cost of the work is \$1,306,790.

Status – All field work has been completed. Currently, the draft report is being generated, and a briefing meeting is being scheduled for early December.

2) Discharge System (Baldhill Creek Investigation) Task Order – Utilizing the Baldhill Creek as a water conveyance to Lake Ashtabula could eliminate the need for 13 miles of pipeline and provide a savings of \$30 million. Studies include creek capacity and the interaction of Baldhill Creek with groundwater aquifers and impacts, if any, to adjacent lands. Estimated cost is \$806,000.

Status – Of the 27 hydraulic structures, 22 have been granted access, 49 of 96 channel cross sections have been granted access, and 51 of 71 surveys have been completed. Seven monitoring sites were active this fall and have been shut down for the year due to ice formation. A draft report is expected in February.

3) Pipeline Alignment Task Order - The original RRVWSP alignment went from the McClusky Canal to Lake Ashtabula; however, the intake will now be moved to the Missouri River near Washburn. An alignment needs to be established from Washburn to Highway 200 connecting to the original alignment. Also, the original alignment needs to be refined to minimize permitting. Estimated cost is \$960,000.

Status – A two day kick-off meeting was held August 13-14. Items covered were WOTUS, review of the 2009 jurisdictional determination, previous criteria for the original alignment and discharge points. The items above were followed up with a site tour of the existing alignment and the proposed new alignment. The alignment is being refined to minimize permits. The alignment team held two workshops in November to discuss the latest refinements.

4) Hydraulic and Pump System Task Order – The intake site has moved from the McClusky Canal to the Missouri River near Washburn, including a new segment of pipeline connecting the two. This task order will build on existing data and expand and refine the hydraulic operational characteristics of the pump stations and control facilities required to successfully operate the RRVWSP. The specific goals will be to provide an updated hydraulic analysis of the entire project, a conceptual layout of pumping facilities and a conceptual level cost estimate of those pumping facilities. Estimated cost is \$480,000.

Status – To kick off this task order, a day workshop was held in mid-November. The team discussed a range of pumping flows, placement of a water treatment plant, closed system versus open system using break tank, and hydraulic differences with each option.

5) Horizontal Collector Well Conceptual Design Task Order – The information collected from the Missouri River intake studies will be used to develop conceptual design and cost estimates. Estimated cost is \$400,000.

Status – No work has been completed to date. Missouri River intake studies need to be completed prior to work.

The team is anticipating kickoff meetings in mid-December after the draft aquifer results are shared.

6) Land Services Task Order - The original RRVWSP alignment went from the McClusky Canal to Lake Ashtabula; however, the intake will now be moved to the Missouri River near Washburn. An alignment needs to be established from Washburn to Highway 200 connecting to the original alignment. This task order will prepare ROW data and documents for acquiring new easements. Estimated cost is \$470,000.

Status – No work has been completed to date.

7) Needs Assessment Task Order – The original capacity of the RRVWSP was 122 cfs. Staff will begin updating users of the current State proposed project. Water users in the Valley will be asked to review their needs to see if 122 cfs is an appropriate size. Furthermore, Central North Dakota will be canvassed to see if other users can be served from the State project. The task order will assist GDCD staff in this effort. Estimated cost is \$150,000.

Status – No work has been completed to date.

8) Water Treatment Plant Analysis Task Order – The federally proposed WTP used pre-treatment, filtration and disinfection processes located near the McClusky Canal. The State project will be using Missouri River water through a horizontal collector well near Washburn. The location and level of treatment needs to be reviewed. A range of treatment processes will be developed to compliment the RRVWSP Concept design and estimate.

Status – No work has been completed to date. A workshop was held December 10 discussing task order development, scope and fee details.

DRAFT



2015 Budget Analysis
For the period of January 1, 2015 - November 30, 2015

Income	2015 Budget	Actual as 11/30/15	Balance of Budget
Dues Income	\$ 27,000.00	\$ 21,750.00	\$ 5,250.00
Interest Income	\$ 30.00	\$ 69.48	\$ (39.48)
Miscellaneous	\$ 69.00	\$ 69.00	\$ -
Voluntary Assessment	\$ -	\$ 27,778.00	\$ (27,778.00)
Total Income	\$ 27,099.00	\$ 49,666.48	\$ (22,567.48)

Expenses

Dues Expenses	\$ 1,250.00	\$ 1,000.00	\$ 250.00
Accounting	\$ 5,400.00	\$ 5,400.00	\$ -
Directors Expense	\$ 40.00	\$ 40.00	\$ -
Insurance	\$ 482.00	\$ 482.00	\$ -
Service Fees	\$ 66.00	\$ 60.50	\$ 5.50
Water Quality Sampling	\$ 40,000.00	\$ 28,245.27	\$ 11,754.73
Right-of-Way	\$ -	\$ -	\$ -
Engineering	\$ 271,000.00	\$ -	\$ 271,000.00
Total Expenses	\$ 318,238.00	\$ 35,227.77	\$ 283,010.23

Account Activity

Beg. Bank Balance 1-1-15		\$ 757,051.40
Income Received		\$ 49,666.48
Total Funds Available		\$ 806,717.88
Service Fees	\$ 60.50	
#1107 Void	\$ -	
#1108 Garrison Diversion	\$ 40.00	
#1109 Water Coalition	\$ 1,000.00	
#1110 EideBailly	\$ 4,800.00	
#1111 Garrison Diversion	\$ 9,778.59	
#1112 EideBailly	\$ 600.00	
#1113 Garrison Diversion	\$ 7,550.21	
#1114 Insure Forward	\$ 482.00	
#1115 Garrison Diversion	\$ 10,916.47	
Total Expenses	\$ 35,227.77	
Ending Bank Balance		\$ 771,490.11