

**LAKE AGASSIZ WATER AUTHORITY**

**BOARD OF DIRECTORS**

**Radisson Hotel  
Fargo, North Dakota  
February 4, 2014**

A meeting of the Lake Agassiz Water Authority (LAWA) was held at the Radisson Hotel of Fargo, North Dakota, on February 4, 2014. The meeting was called to order by Chair Furness at 2:40 p.m.

**MEMBERS PRESENT**

Chair Bruce Furness  
Vice Chair Keith Burley  
Director LaVonne Althoff  
Director Clark Cronquist  
Director Winston Johnson  
Director Ralf Mehnert-Meland (arrived at 2:55 p.m.)  
Director Carol Siegert  
Director Ken Vein  
Alternate Gordon Johnson  
Secretary Dave Koland

**MEMBERS ABSENT**

Director Bob Werkhoven

**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**

The agenda stood approved as presented.

**CONSIDERATION OF THE MINUTES**

**Motion by Director Vein to approve the December 17, 2013, minutes as distributed. Second by Director Cronquist. Upon voice vote, motion carried.**

**CONSIDERATION OF COMMUNICATIONS**

None

## **COMMITTEE REPORTS**

None

## **FINANCIAL REPORT**

**2013 Budget Analysis Statement** - - Dave Koland, Secretary, referred to the Budget Analysis statement for the period of January 1 to December 31, 2013, a copy which is attached to these minutes as Annex II.

Total income for 2013 is \$13,565. Expenses were \$34,393.

**Motion by Director Cronquist to accept the budget analysis statement for the period of January 1 to December 31, 2013. Second by Director Althoff. Upon roll call vote, the following directors voted aye: Althoff, Burley, Cronquist, Furness, W. Johnson, Siegert and Vein. Alternates voting aye: G. Johnson. Those voting nay: none. Absent and not voting: Mehnert-Meland and Werkhoven. Motion carried.**

**2014 Budget Analysis Statement** - - Mr. Koland referred to the Budget Analysis statement for the period of January 1 to January 31, 2014, a copy which is attached to these minutes as Annex III.

Total income for 2014 is \$31,150. Expenses are \$1,000.

**Motion by Director Johnson to accept the budget analysis statement for the period of January 1 to January 31, 2014. Second by Director Seigert. Upon roll call vote, the following directors voted aye: Althoff, Burley, Cronquist, Furness, W. Johnson, Siegert, and Vein. Alternates voting aye: G. Johnson. Those voting nay: none. Absent and not voting: Mehnert-Meland and Werkhoven. Motion carried.**

**Summary of Dues Paid** - - Mr. Koland said at the last board meeting, the board voted to send a combined dues statement for 2013 and 2014 dues. As a result, he referred to the list displaying who has paid dues for 2013 and 2014. This is provided for the board's information. The amount collected to date for 2013 dues is \$23,200 and \$21,500 for 2014.

## **RED RIVER VALLEY WATER SUPPLY PROJECT UPDATE**

**Plan B Alternative** - - Chair Furness commented that most of those in attendance here were at the Water Topics Overview Committee meeting this morning and heard the discussions held regarding Plan B.

Chair Furness said the situation with the Red River Valley Water Supply Project (RRVSWP) is quite promising. This board and the governor feel the project could be a state and local partnership.

**Value Engineering Study** - - Mr. Koland stated that the governor has requested that an impartial look be taken at the suggested alternative to answer whether this is the right corridor to move water from the Missouri River to the Valley. The State Water Commission has retained CH2M Hill, a national engineering firm, to conduct a value engineering study reviewing the corridor selected.

Mr. Koland referred to the Request for Proposal (RFP), which requests the value engineering team specifically address five questions and lists the process to be followed in five steps. A copy of the RFP is attached to these minutes as Annex IV.

Mr. Koland said there is a tremendous amount of information that was developed regarding the alternative selection. A Garrison Diversion value engineering team of experts has been put together that will work with CH2M Hill as they quiz our team as to the selection and why certain things were done.

Mr. Koland stated that a number of meetings will be held that will result in a report from CH2M Hill answering the five questions and recommending which corridor they feel is best. The expected date of the report is the end of April or first part of May.

### **UNFINISHED BUSINESS**

Mr. Koland said as the RRVWSP moves forward toward construction, it poses the question of whether the users who have subscribed to the project are still on board at the same cfs commitment that they made in their preliminary, nonbinding commitment. It may require a review of what each user's needs are. It will also require a review of the financing plan with the financial consultants.

Mr. Koland said the ND Water Coalition is going through a process of determining what the funding requests are expected to be in the next biennium and in the future bienniums. The proposal being discussed would have us requesting \$150 million a biennium over the next four bienniums. That is \$600 million of state money coupled with \$200 million of local money.

**Voluntary Assessment** - - Mr. Koland said \$11 million was allocated to the RRVWSP by the legislature. LAWA would need to raise \$1 million as a local cost-share.

Mr. Koland said at the direction of the board, a table has been developed establishing a voluntary assessment amount based on 2050 population, cfs capacity and the 2008 voluntary assessment, a copy which is attached to these minutes as Annex V. He referred to the table and reviewed it with the board.

Chair Furness asked the board for their thoughts.

The board discussed how to best raise the \$1 million. It was the consensus of the board to use cfs capacity.

Chair Furness asked when and how would the money be collected.

Mr. Koland answered that the payment could probably be spread over a period of two years, 2014-2015.

Director Vein recommended revisiting the capacity and getting a recommitment from each entity.

Mayor Walaker suggested this be called a cost-share instead of voluntary assessment.

**Motion by Director Cronquist to approve the draft 2014 cost-share based on cfs capacity. Second by Alternate G. Johnson. Upon roll call vote, the following directors voted aye: Burley, Cronquist, Furness, W. Johnson, Mehnert-Meland, Siegert, and Vein. Alternates voting aye: G. Johnson. Those voting nay: Althoff. Absent and not voting: Werkhoven. Motion carried.**

Mr. Koland stated that a letter will be prepared and sent with a statement for the cost-share amount. At that time, the entity will be asked if the cfs amount is correct or does it need to be changed for their city/system.

**NEW BUSINESS**

None

**OTHER**

**Next Meeting - -** The next board meeting will be held in April or May in Fargo.

There being no further business to come before the board, the meeting adjourned at 3:45 p.m.

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Bruce Furness, Chair

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Dave Koland, Secretary