LAKE AGASSIZ WATER AUTHORITY Board of Directors Meeting

Fargo City Commission Chambers Fargo, North Dakota

December 18, 2024

DRAFT AGENDA

11:00 a.m.	I.	Call to Order & Roll Call – Chair Mahoney	
11:01 a.m.	II.	Introductions - Chair Mahoney	
11:02 a.m.	III.	>Approval of Agenda – Chair Mahoney	
11:03 a.m.	IV.	>Series D Small Systems Amendment Approvals	
		i. >*Carrington	
		ii. >*Cooperstown	
		iii. >*Valley City	
		iv. >*Hillsboro	
		v. *Mayville	
		vi. >*Fargo	
		vii. *Grand Forks	
11:20 a.m.	V.	Adjourn	
	Вс	old = Action Item	te

INTERIM FINANCING AGREEMENT SERIES D SMALL SYSTEMS AMENDMENT

BY AND BETWEEN
GARRISON DIVERSION CONSERVANCY DISTRICT

AND

LAKE AGASSIZ WATER AUTHORITY

AND

CITY OF CARRINGTON, NORTH DAKOTA

AND

CITY OF COOPERSTOWN, NORTH DAKOTA

AND

CITY OF FARGO, NORTH DAKOTA

AND

CITY OF GRAND FORKS, NORTH DAKOTA

AND

CITY OF HILLSBORO, NORTH DAKOTA

AND

CITY OF MAYVILLE, NORTH DAKOTA

AND

AND CITY OF VALLEY CITY, NORTH DAKOTA

Dated as of _____, 2024

INTERIM FINANCING AGREEMENT SERIES D - SMALL SYSTEMS AMENDMENT

THIS INTERIM FINANCING AGREEMENT SERIES D - SMALL SYSTEMS AMENDMENT (the "Small Systems Amendment"), is entered this , 2024 (the "Effective Date"), by and between GARRISON DIVERSION CONSERVANCY DISTRICT, a governmental agency, body politic and corporate of the State of North Dakota ("Garrison Diversion"); LAKE AGASSIZ WATER AUTHORITY, a governmental agency, body politic and corporate of the State of North Dakota ("LAWA"); CITY OF CARRINGTON, NORTH DAKOTA, a municipal corporation and political subdivision of the State of North Dakota ("Carrington"); CITY OF COOPERSTOWN, NORTH DAKOTA, a municipal corporation and political subdivision of the State of North Dakota ("Cooperstown"); CITY OF FARGO, NORTH DAKOTA, a municipal corporation and political subdivision of the State of North Dakota ("Fargo"); CITY OF GRAND FORKS, NORTH DAKOTA, a municipal corporation and political subdivision of the State of North Dakota ("Grand Forks"); CITY OF HILLSBORO, NORTH DAKOTA, a municipal corporation and political subdivision of the State of North Dakota ("Hillsboro"); CITY OF MAYVILLE, NORTH DAKOTA, a municipal corporation and political subdivision of the State of North Dakota ("Mayville"); CITY OF VALLEY CITY, NORTH DAKOTA, a municipal corporation and political subdivision of the State of North Dakota ("Valley City") (collectively, "D2 Participants"). This Small Systems Amendment adds Parties to the Interim Financing Agreement Series D, dated November 1, 2023 ("Series D Agreement"), and obligates D2 Participants to share in the funding of the 2023-2025 RRVWSP Work Plan. Unless otherwise amended or referenced herein, all terms and conditions of the Series D Agreement remain valid and in full effect.

- 1. The initial Series D Participants entered into the Series D Agreement on November 1, 2023, which is an agreement to finance 81.16% of the 25% local cost share of Garrison Diversion 2023-2025 Biennium Work Plan. The initial Series D Participants agreed to obtain financing for the local share of the Work Plan in two tranches, with the first financing only obligating Fargo and Grand Forks through the Series D1 Financing. A second round of debt financing for the remaining 18.84% of the Local Project Costs was to be separately issued as a "Series D2 Financing" once the D2 Participants were identified. This Small Systems Amendment requires the undersigned D2 Participants to finance the remaining 18.84% of the 25% Local Project Costs, granting to each the rights and obligations pursuant thereto, as if they had all originally signed the Series D Agreement.
- 2. This Small Systems Amendment identifies all D2 Participants' respective nominations for a water supply. Through signatures on this Small Systems Amendment and a previously or contemporaneously executed Memorandum of Commitment, each D2 Participant nominates the water supply identified on Attachment 1, which is hereby added as Exhibit C to the Series D Agreement.
- 3. The undersigned agrees to pay their respective portions of the Local Project Costs in the amounts identified in Attachment 2, pursuant to and in the manner described in Paragraph 3.06 of the Series D Agreement and from legally available revenues that are irrevocably pledged to payment thereof. The undersigned will execute debt instruments for their respective financial obligations for the Series D2 Financing, up to the amounts identified in Attachment 2, plus financing costs. These payments are made on behalf of LAWA. Attachment 2 includes an Amended Exhibit B, which replaces the Series D Agreement Exhibit B.

- 4. Once this Small Systems Amendment is fully executed by each of the D2 Participants, Garrison Diversion may proceed to issue the Series D2 Financing.
- 5. The undersigned agree that the funds they pay pursuant to this Small Systems Amendment and Series D2 Financing are non-refundable in any and all cases except in the event Garrison Diversion does not award a contract for the construction of the intended infrastructure. If no construction contract is issued or if the Project is delayed indefinitely, as determined in good faith by Garrison Diversion and LAWA after consultation with and input from the D2 Participants, Garrison Diversion will return any remaining unused funds to each Series D Agreement and Small Systems Amendment signor, in relative proportion to the total payment made by each in support of the Series D Agreement, as amended.
- 6. Series D Agreement Section 3.09 is replaced with the following language:

SECTION 3.09 ASSIGNMENT. Each Project Participant's nominations and financial obligations under the Series D Agreement and the Small Systems Amendment may be assigned or transferred to another LAWA member capable of assuming the duties on any financial or other terms it considers appropriate with the prior written consent of Garrison Diversion and LAWA. No Project Participant may otherwise pledge, hypothecate, or encumber its interests in the Series D Agreement or the Small Systems Amendment without the prior written consent of Garrison Diversion and LAWA. The written approval required of Garrison Diversion and LAWA pursuant to this Section will not be unreasonably withheld.

- 7. The Parties specifically intend that the D2 Participants have the same rights and responsibilities as Fargo and Grand Forks in the Series D Agreement Sections 4.04, 4.05, 6.03 and 8.05. Each Party hereto is bound to all terms of the Series D Agreement and incorporates any required representations as if it were an original signer of the Series D Agreement.
- 8. In addition to the addresses identified in Series D Agreement Section 8.02, any notices required to be sent to the undersigned D2 Participants should be sent to the following:

If to Carrington:

Attn: City Auditor 103 10th Ave N P O Box 501

Carrington, ND 58421

If to Cooperstown:

Attn: City Auditor 611 9th St NE PO Box 712

Cooperstown, ND 58425

If to Hillsboro:

Attn: City Auditor 9 South Main Street

P.O. Box 400

Hillsboro, ND 58045

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If to Mayville:

Attn: City Auditor

21 1st St NE

Mayville, ND 58257

If to Valley City:

Attn: City Auditor 254 2nd Avenue NE Valley City, ND 58072

- 9. The Parties, having been represented by counsel or having waived the right to counsel, have carefully read and understand the contents of this Small System Amendment, and agree they have not been influenced by any representations or statements made by any other Parties.
- 10. The undersigned confirms it has the legal right and ability to enter into this Small Systems Amendment and the Series D Agreement.
- 11. This Small Systems Amendment may be executed in two or more counterparts, each of which together shall be deemed an original, but all of which together shall constitute one and the same instrument. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the Party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page was an original thereof.

IN WITNESS WHEREOF, Garrison Diversion, LAWA, Carrington, Cooperstown, Fargo, Grand Forks, Mayville, Hillsboro, and Valley City caused this Series D Agreement – Small Systems Amendment to be executed.

(Remainder of page intentionally left blank.)

Signature Page for the Garrison Diversion Conservancy District

The governing body of the Garrison Diversion	n Conservancy District approved this Series D
Agreement- Small Systems Amendment on the _	day of, 2024.
	GARRISON DIVERSION CONSERVANCY DISTRICT, a governmental agency, body politic and corporate
	By:Alan Walter, Chair
ATTEST:	
Secretary	

Signature Page for the Lake Agassiz Water Authority

The governing body of the Lake Agassi	z Water Authority app	roved this Series D Agreement -
Small Systems Amendment on the	day of	, 2024.
		ASSIZ WATER AUTHORITY, a tal agency, body politic and
	By:	nothy Mahoney, Chair
ATTEST:		
Secretary		

Signature Page for Carrington

Systems Amendment on the day	rington approved this Series D Agreement – Small of, 2024.
	City of Carrington, a governmental agency, body politic and corporate.
	By:
ATTEST:	
Secretary	

Signature Page for Cooperstown

Systems Amendment on the day of	perstown approved this Series D Agreement – Small f, 2024.
	City of Cooperstown, a governmental agency, body politic and corporate.
	By:
ATTEST:	
Secretary	

Signature Page for the City of Fargo

The governing body of the City of Fargo a Amendment on the day of	o approved this Series D Agreement – Small Systems, 2024.		
	City of Fargo, a governmental agency, body politic and corporate		
ATTEST:	By:		
Secretary			

Signature Page for the City of Grand Forks

, 2024.		
City of Grand Forks, a governmental agency, body politic and corporate		
By: Brandon Bochenski, Mayor		

Signature Page for Hillsboro

The governing body of the City of H Amendment on the day of	illsboro approved this Series D Agreement – Small Systems, 2024.
	City of Hillsboro, a governmental agency, body politic and corporate.
	Ву:
ATTEST:	
Secretary	

Signature Page for Mayville

Amendment on the day of	Mayville approved this Series D Agreement – Small Systems, 2024.
	City of Mayville, a governmental agency, body politic and corporate.
	Ву:
ATTEST:	
Secretary	

Signature Page for Valley City

The governing body of the City of Valley City Systems Amendment on the day of	
	City of Valley City, a governmental agency, body politic and corporate.
	Ву:
ATTEST:	
Secretary	

Attachment 1 - New Exhibit C

EXHIBIT C

RRVWSP Nominations

Series B2 Participant	Nomination	Nemination	Nomination
Carrington / Carrington JDA	0.00 cfs	0.50 cfs	0.50 cfs
Cooperstown	0.00 cfs	0.20 cfs	0.20 cfs
Hillsboro	0.00 cfs	0.50 cfs	0.50 cfs
Mayville	0.00 cfs	0.50 cfs	0.50 cfs
Valley City	1.00 cfs	1.00 cfs	2.00 cfs
Grand Forks / East Grand Forks	13.80 cfs	14.30 cfs	28.10 cfs
Fargo / West Fargo / Cass Rural	66.30 cfs	17.40 cfs	83.70 cfs
Total	81.10 cfs	34.40 cfs	115.50 cfs

Attachment 2 - Amended Exhibit B

EXHIBIT B

Local Project Participant Cost Distribution

Legislatively Approved State Grant: \$180 million

Local Cost Share Required: \$60 million

Local Cost Responsibility for Series D Small Systems Amendment – D2 Financing:

Series D2 Participants	Series D Small Systems Allocation Percentage*		Series D2 Principal
Carrington / Carrington JDA	0.8050%	\$	90,979
Cooperstown	0.5183%	\$	
Hillsboro		_	58,582
Mayville	1.1948%	\$	135,046
Valley City	1.1948%	\$	135,046
	5.4507%	\$	616,064
Grand Forks / East Grand Forks	16.1325%	\$	
Fargo / West Fargo / Cass Rural	74.7038%	\$	1,823,370
Total	108,08%		8,443,353

Local Cost Responsibility in initial Interim Financing Agreement Series D:

Fargo

\$40,048,873

Grand Forks \$8,648,687

Signature Page for Carrington

The governing body of the City of Carrington approved this Series D Agreement – Small Systems Amendment on the 4th day of 2024.

City of Carrington, a governmental agency, body politic and corporate.

By: Nomas Edmann Mayor

ATTEST:

Signature Page for Cooperstown

The governing body of the City of Cooperstown approved this Series D Agreement – Small Systems Amendment on the day of 2024.

City of Cooperstown, a governmental agency, body politic and corporate.

By: 194 / 1 1 1 the

ATTEST:

Aristino Ocean

Signature Page for the City of Fargo

The	governing	body o	of the	City of	Fargo	approved	this Serie	s D	Agreement	- Smali	Systems
Ame	ndment on	the _0		_ day of	1	ecem	ber.	2024	l.		

City of Fargo, a governmental agency, body politic and corporate

By Dr. Timothy Mahoney, Mayor

ATTEST:

Secretary

Signature Page for Hillsboro

The governing body of the City of Hillsboro approved this Series D Agreement – Small Systems Amendment on the Hot day of Nec., 2024.

City of Hillsboro, a governmental agency, body politic and corporate.

By:

ATTEST:

B-7

Signature Page for Valley City

The governing body of the City of Valley City approved this Series D Agreement – Small Systems Amendment on the day of Dec, 2024.

City of Valley City, a governmental agency,

body politic and corporate.

ATTEST:

Secretary -

Deputy Auditor