

LAKE AGASSIZ WATER AUTHORITY**BOARD OF DIRECTORS****City Commission Chambers****Fargo, North Dakota****June 27, 2024**

A meeting of the Lake Agassiz Water Authority (LAWA) board of directors was held at the City Commission Chambers, Fargo, ND, on June 27, 2024. The meeting was called to order by Chair Mahoney at 2:00 p.m.

MEMBERS PARTICIPATING

Chair Timothy Mahoney
Vice Chair Brandon Bochenski
Director LaVonne Althoff
Director Rick Bigwood (by video conference)
Director Bill Bohnsack
Director Dave Carlsrud
Director Tom Erdmann (by video conference)
Director Mark Johnson
Director Jim Schmaltz
Director Travis Schmidt
Alternate Geneva Kaiser for Director Ann Broussard (by video conference)
Alternate Brian Reilly for Director Keith Nilson (by video conference)
Associate Member Bernie Dardis
Secretary Duane DeKrey

MEMBERS ABSENT

Associate Member Jim Moe
Associate Member Brett Lambrecht
Associate Member Carol Siegert

Garrison Diversion staff and others attended. A copy of the registration sheet is attached to these minutes as Annex I.

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

INTRODUCTION AND ANNOUNCEMENTS

Chair Mahoney announced that Mayor Brandon Bochenski, City of Grand Forks, is replacing Director Ken Vein on the LAWA Board of Directors. He thanked Mr. Vein for his hard work and efforts on behalf of the board over the years and welcomed Mayor Bochenski to the board.

Mayor Bochenski said he was happy to be on board at this crucially important time for the RRVWSP.

APPROVAL OF AGENDA

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

CONSIDERATION OF MINUTES

Motion by Director Bohnsack to approve the January 16, 2024, LAWA Board minutes and the March 1, 2024, Special LAWA Board minutes as distributed. Second by Director Schmaltz. Upon voice vote, motion carried.

USER ENGAGEMENT AND SIGN-UP UPDATE

User Engagement Status - - Chair Mahoney reported there have been great user meetings so far. There has been concern over how to move forward with the users. Mr. Burian will present a table today showing how the users are responding to these meetings.

Steve Burian, Burian & Associates, commented a series of regional meetings have been held and completed with the exception of Fargo, who has asked to also have one. In addition, Grand Forks is considering some type of hybrid for that type of meeting as well.

Mr. Burian said because they asked the users at the regional meetings to be prepared for the Memorandum of Commitment (MOC) and documents associated with that, there have been a lot of phone calls for follow-up meetings or follow-up information so it has been very busy.

Mr. Burian presented an updated map and table showing all the users who have been reached out to they are categorized and color coded according to their status of interest in the RRVWSP.

Mr. Burian stated only 1.2 cfs of full declination has been received on a 159.2 cfs project. The three who have declined are South Central Regional Water District, Central Plains Water District and the City of McVile. For those who are either looking at significant reductions or are on the fence, there is about 19 cfs that we are still working through. Lastly, about 142 cfs is still believed to be quite positive.

Mr. Burian reminded the board the RRVWSP provided two major benefits. One is to drought proof the region. If there is a severe drought in the future, it is anticipated Missouri River water will need to be delivered to back feed Lake Ashtabula.

When the RRVWSP went to a state only project, instead of having to convince the BOR that we needed water for industry, the green light was given to meet with the users to determine how much water they thought they needed for industry.

Mr. Burian shared a graphic showing regional industrial capacity broken out into seven regions and cfs nominations. He tried to aggregate the similar regions, where either users got their supply from the same spot or they were partnered with others nearby. A caveat would be wastewater for the big cities (Fargo and Grand Forks), which they should be able to use in the future while still meeting the project objectives. Fargo/Cass and Grand Forks are asterisked because the effective capacity is much larger if looking at their water return flows. He believes

they could have over 50 cfs of industrial capacity if they combine the project with some return flow capture.

The breakdowns are:

Northeast-West, Devils Lake & Greater Ramsey	3.40 CFS
McLean-Sheridan	.44 CFS
Jamestown, Valley City, Stutsman & Barnes	18.50 CFS
Southeast	9.44 CFS
Fargo/Cass*	17.40 CFS
Dakota Rural	.95 CFS
Grand Forks*	19.70 CFS
Northeast-East, Grafton, Park River & Walsh	4.50 CFS

Mr. Burian also reviewed the current anticipated nomination total:

Original nominated capacity	159.23 CFS
Current declinations	<u>1.20 CFS</u>
Net	157.03 CFS
Potential new users	<u>2.75 CFS</u>
Current net	159.78 CFS* **

*Some additional declinations are anticipated

**Some existing user increases are anticipated

Non-allocated capacity will be distributed to remaining users and will not be available for future nominations.

Duane DeKrey, Secretary, commented he has attended most of the user meetings, and they have been very positive.

Mr. Burian said an idea was brought up by legal counsel who indicated within state statute there is the availability to use four mills of economic development money by county. When working with some of the regions, they have actively engaged some of their counties, and he is going to speak at a five-county area meeting today to see if they would be interested in using part of their mill levy. The only caveat would be if the counties have already used their four mills, there would be no more capacity for that.

Memorandum of Commitment/Series D Small System User Amendment - - Tami Norgard, Vogel Law Firm, referred to the MOC and Series D Small System User Amendment. The MOC was sent to all the system users last week. The MOC has also been reviewed by bond counsel and some of the larger system users attorneys. One of the first things the MOC says is the user intends to sign the Project Participation Agreement (PPA) when it is in final form. The MOC is a system's intent to commit and identify their nomination.

Ms. Norgard said the nomination amounts are needed for the final paper work and final calculations to include in the PPA. When looking at the 2023-2025 Work Plan, only about 82 percent is based on Series D Interim Finance Agreement, which was funded by Fargo and Grand Forks. Once the smaller systems are determined, they will need to sign the small system

user amendment to Series D. By signing this agreement, the system user is committing to pay their share of this biennium's work plan.

Ms. Norgard added even though the MOC is not binding the system users to participate in the PPA, it is binding the entities to pay their fair share.

Ms. Norgard also is suggesting to prepare a cooperative nomination agreement or a joint nomination agreement. For example, if there are a couple cities and a rural water district, the three could sign a joint nomination agreement and sign one MOC binding the three together. In signing the joint agreement, the three will work together in how the nomination amount will be used.

The cooperative nomination agreement could be two cities and a rural water system and each user in their group has its own nominating agreement with its own nomination amount; however, if a new water user locates in their area, then perhaps some of the water could be drawn from each city/system's nomination. It is more of a sharing agreement stating they will cooperate together to share water.

Ms. Norgard concluded these forms have also been sent out to get people talking to one another about how they can meet some regional goals.

COMMITTEE REPORTS

Technical Advisory Committee

Kip Kovar, Deputy Program Manager, RRVWSP Engineering, reported the LAWA Technical Advisory Committee (TAC) met on June 19, 2024, to receive a 2024 pipeline construction update, consider two change orders and an amendment, and hear updates on user meetings, wetland crossings, Contract 6A bidding and facility and pipeline design. An Operational Planning Subcommittee Report was also provided.

Contract 5B

Task Order 5532 – Change Order No. 4, Dewatering, Tunneling and Differing Site Conditions

Mr. Kovar referred to Change Order No. 4, stating there are 11 negotiated change order items wrapped up into the summary table shown below. He reviewed the change order items, highlighting the dewatering (\$965,478) and differing site conditions for the tunnel (\$822,284), which are the larger items. A copy of the task order is attached to these minutes as Annex II.

Mr. Kovar stated LAWA TAC reviewed and recommended approval of this change order. There is also a memorandum from Black & Veatch (BV) providing background information and a recommendation on each item attached to these minutes as Annex III.

Mr. Kovar said 12 miles of piping was installed for dewatering, along with multiple pumping stations at different locations. To avoid crop damages, the water is pumped to a small creek or larger lake which could be two to three miles away.

Director Schmaltz asked why is the owner responsible for any of the dewatering costs.

Mr. Kovar replied Contract 5B was the first major pipeline contract approved. The contractor had to account for dewatering to some degree in their pipe install price. He does not believe BV or any of the contractors who bid on the project understood the volume of water that was going to come out of the construction site or the amount of effort it would take for dewatering. Everyone was caught off guard. In all contracts moving forward, the dewatering discharge sites will be called out as a bid line item.

Mr. Kovar informed the board another dewatering change order is expected for 2024.

**CONTRACT 5B TRANSMISSION PIPELINE
NEGOTIATED CHANGE ORDER ITEMS - GARNEY CONSTRUCTION**

NO.	DESCRIPTION	ADD/DEDUCT	COST
1	2023 Dewatering Discharge Off Site	Additive	\$965,478.62
2	Bid Items 30 & 40 Quantities Adjustment – Remove/Stockpile Topsoil	Additive	\$28,300.00
3	Topsoil Weed Control and Stabilization	Additive	\$94,510.90
4	Drain Tile Modifications Alternative 2	Deductive	\$(5,783.35)
5	Canadian Pacific Railway Work Zone Flooding	Additive	\$72,359.16
6	Canadian Pacific Railway Tunnel Changes Differing Site Conditions	Additive	\$822,284.65
7	Shoefly Elimination at 74 th Ave NE	Deductive	\$(13,878.19)
8	GDCD Crop Damage Payments	Deductive	\$(33,437.15)
9	Bid Item 5 Quantity Adjustment – 96" Trenchless Crossing w/ Steel Casing	Additive	\$36,513.00
10	Bid Item 31 Quantity Adjustment – Remove/Stockpile Subsoil	Additive	\$1,713.00
11	Bid Item 41 Quantity Adjustment – Remove/Stockpile Subsoil	Additive	\$30.00
TOTAL			\$1,966,377.64

Paul Boersma, BV, commented when doing dewatering, tunnel designs and open cut pipeline design like this around the country, typically there are specifications used on the first go around to simply have the contractor discharge the water someplace such as a drainage ditch. That works 99 percent of the time because a drainage ditch is a rural road, and it drains someplace away from the site to bigger waterways. In the context of a more urban area, the water is put into a storm sewer. In this particular area and context, there is a lot of water, and the land is so flat that the contractors could not simply flip a hose 100 feet into a drainage zone. In this case, the water had to be pumped many miles.

As Garney's claim was reviewed, BV asked themselves could Garney have reasonably ascertained, with the information available to them at bid time, how far they would have to pump the water. BV came to the conclusion, even though Garney had worked in the area on Contract 5A, they probably could not have anticipated the number of miles of discharge piping they would have to lay. This is a unique area and, in hindsight, BV thinks they saw with more clarity that they could have told Garney how far it would be to a blue line stream. Future contracts will have that specificity.

Director Schmaltz asked if BV is going to help with the cost.

Mr. Boersma said the point he is making is this is not a new cost. The cost of running the discharge piping had to be done as part of this project. If this ambiguity had been noted in the contract documents, BV would have specified this, and Garney would have included this change order cost in the original cost. It is not a cost due to a mistake that had to be reworked or corrected. It is simply enough of a changed condition to justify paying Garney the extra money. With projects this big and complex, more is learned about the specifications every time one of the pipeline segments is executed. Specifications are constantly being modified to improve the project. He does not believe this is a mistake or something that BV would pay for.

Mr. Kovar provided photos of the area with differing site conditions regarding tunneling and explained how the engineers conduct samples and notify the contractor as to what to expect when bidding the project; however, sometimes a four-inch boring misses rock chambers.

Mr. Kovar reported once the contractor started digging the launch shaft and receiving pits, they ran into a large chasm of rocks. He reviewed the baseline conditions compared to actual site conditions encountered, and the rocks exceeded the expectations. The cost of this change order item is for hitting the rocks/boulders, sheet pile and slide rail obstructions and deeper digging.

Mr. Kovar said moving forward, the contractors may be allowed more control over the method they choose to use when encountering cobbles and boulders. In this case, the contractor probably would have used the slide rail system, but it was not approved at the beginning.

Mr. Boersma said there was more time to review this information at the LAWA TAC meeting, but when we look at the total amount of work contracted to date, more than \$200 million worth, these change orders are a tiny fraction of that amount. Even though, in aggregate, you may be looking at a couple big change orders, there have been a number of deductive change orders along the way. Overall, the amount of money being spent is within a fraction of a percent of the contracted amount.

Motion by Vice Chair Bochenski to approve RRWSP Task Order 5532, Transmission Pipeline East Contract 5B, Change Order No. 4, in the amount of \$1,966,377.64. Second

by Director Johnson. Upon roll call vote, the following directors voted aye: Althoff, Bigwood, Bochenski, Bohnsack, Carlsrud, Erdmann, Johnson, Mahoney, Schmaltz and Schmidt. Alternates voting aye: Kaiser and Reilly. Those voting nay: none. Motion carried.

Task Order 5632 – Amendment No. 1, Construction Phase Services

Mr. Kovar referred to Amendment No. 1, stating this amendment is for additional engineering support and on-site resident project representation during construction of the nine-mile segment of transmission pipeline. The cost of the amendment is \$1,070,000. A copy of the task order's executive summary is attached to these minutes as Annex IV.

Mr. Kovar said the final completion date for Contract 5B was December 2023. Because this was not anticipated, this amendment will cover the field people conducting construction phase services, such as inspectors and surveyors. A new topographic survey of topsoil is included in the amendment as well as extending project management and administration by 19 months. The cost of the amendment is \$1,070,000.

Motion by Director Carlsrud to approve RRVWSP Task Order 5632, Transmission Pipeline East Contract 5B, Amendment No. 1 Construction Phase Services, in the amount of \$1,070,000. Second by Director Althoff. Upon roll call vote, the following directors voted aye: Schmidt, Schmaltz, Mahoney, Johnson, Erdmann, Carlsrud, Bohnsack, Bochenski, Bigwood and Althoff. Alternates voting aye: Kaiser and Reilly. Those voting nay: none. Motion carried.

Contract 5D

Task Order 5534 – Change Order No. 1, Tunnel Removal

Mr. Kovar referred to Change Order No. 1 stating, originally, an avoidance strategy was to be used when crossing a jurisdictional wetland by either going around or tunneling underneath the wetland. A couple months ago Vogel Law Firm, BV and Ulteig Engineering looked into using a non-notify permit strategy, meaning if you follow the criteria during construction, the work will be covered under the Corps of Engineers' Nationwide Permit.

Mr. Kovar said LAWA and Garrison Diversion leadership agreed with this change under Contract 5, removing the trenchless crossing, doing an open cut and using the non-notify strategy. This has now been worked through the system, which resulted in a change order reducing the contract price by \$2.3 million.

Copies of the change order and BV's letter of recommendation are attached to these minutes as Annexes V and VI respectively.

Motion by Director Schmaltz to approve RRVWSP Task Order 5534, Transmission Pipeline East, Contract 5D, Change Order No. 1, tunnel removal, in the amount of (\$2,310,780). Second by Director Bohnsack. Upon roll call vote, the following directors voted aye: Althoff, Bigwood, Bochenski, Bohnsack, Carlsrud, Erdmann, Johnson, Mahoney, Schmaltz and Schmidt. Alternates voting aye: Kaiser and Reilly. Those voting nay: none. Motion carried.

RED RIVER VALLEY WATER SUPPLY PROJECT UPDATE

Construction Update - - Mr. Kovar stated the RRVWSP Work Plan Update dated June 3, 2024, is included in the meeting packet. This is a summary of the RRVWSP construction contracts, consisting of completed and ongoing projects.

Mr. Kovar reviewed the consolidated financial performance of project construction as follows:

>Board Approved

Original Contract Price	\$218,071,791.88
Change Order Amount	<u>\$(1,057,922.49)</u>
Revised Contract Price	\$217,013,869.39
% Change	(0.5%)

FINANCIAL REPORT

2023 Budget Analysis Statement - - Ashley Reisenauer, Accountant, Garrison Diversion, reviewed the Budget Analysis Statement for the period of January 1, 2024, to May 31, 2024, a copy which is attached to these minutes as Annex VII.

Ms. Reisenauer stated total income through May is \$33,300. Expenses are \$21,132.

The total bank balance at the end of May 31 was \$393,019.

Ms. Reisenauer also reviewed the bills paid since the last board meeting.

Motion by Director Schmaltz to approve the Budget Analysis Statement for the period of January 1, 2024, through May 31, 2024. Second by Director Johnson. Upon roll call vote, the following directors voted aye: Althoff, Bigwood, Bochenski, Bohnsack, Carlsrud, Erdmann, Johnson, Mahoney, Schmaltz and Schmidt. Alternates voting aye: Kaiser and Reilly. Those voting nay: none. Motion carried.

DC Lobbyist Cost-Share - - Chair Mahoney stated Brownstein Hyatt Farber Schreck (BHFS) is a lobbyist firm in Washington, DC, hired to assist with federal funding for the Eastern North Dakota Alternate Water Supply (ENDAWS). Garrison Diversion and LAWA have each been paying 50 percent of these fees. Since Garrison Diversion has items other than ENDAWS that BHFS is assisting with, LAWA has asked if it could lower its percentage to 25 percent.

Motion by Director Bochenski requesting Garrison Diversion consider lowering LAWA's cost share percentage for fees paid to BHFS for lobbying services from 50 percent to 25 percent. Second by Director Schmidt. Upon roll call vote, the following directors voted aye: Althoff, Bigwood, Bochenski, Bohnsack, Carlsrud, Erdmann, Johnson, Mahoney, Schmaltz and Schmidt. Alternates voting aye: Kaiser and Reilly. Those voting nay: none. Motion carried.

Summary of Membership Dues - - Chair Mahoney stated the table illustrating membership dues received for 2024 can be found in the meeting packet.

UNFINISHED BUSINESS

Subconsultant Selection Process - - Chair Mahoney said this board had a previous discussion regarding the use of more consultants on the RRVWSP. BV provided a report on the different consultants utilized. It was also presented to the LAWA TAC for reconsideration and discussion. He asked for a motion to formally approve the subconsultant selection.

Chair Mahoney added he and Mr. DeKrey have agreed to improved communications between LAWA and Garrison Diversion boards so both boards are informed of any similar actions in the future.

Motion by Director Johnson to approve the selection of subconsultants for the RRVWSP. Second by Vice Chair Bohnsack. Upon roll call vote, the following directors voted aye: Schmidt, Schmaltz, Mahoney, Johnson, Erdmann, Carlsrud, Bohnsack, Bigwood and Althoff. Alternates voting aye: Kaiser and Reilly. Those voting nay: Bochenski. Motion carried.

NEW BUSINESS

Legislative Strategy Support Agreement - - Chair Mahoney stated there has been discussion among a variety of board members concerning LAWA becoming more involved in the RRVWSP since, as local users, they are the ones paying for the project. He referred to the Legislative Strategy Support Agreement distributed to the board today. This agreement would be between LAWA and Brent Bogar, Advanced Engineering and Environmental Services (AE2S). Mr. Bogar would represent LAWA and assist in their leadership role related to legislative relationships and requests, strategy development and s for the RRVWSP. The total cost of the agreement, including expenses, is not to exceed \$145,778. A copy of the draft agreement is attached to these minutes as Annex VIII.

Vice Chair Bochenski agreed the end users need to be supported, and he thinks LAWA and Garrison Diversion are two separate entities. LAWA should not just be a shell for what Garrison Diversion is trying to do. It is important, as the project moves forward, that LAWA has administrative support too, and the users need to feel they are supported by LAWA.

John Shockley, Ohnstad/Twicheil, asked if the board approves the agreement, it should be contingent upon final review by legal counsel to assure it is in compliance with North Dakota law.

Motion by Director Schmidt to approve the Legislative Strategy Support Agreement contingent upon final review by legal counsel. Second by Director Bochenski. Upon roll call vote, the following directors voted aye: Schmidt, Schmaltz, Mahoney, Johnson, Erdmann, Carlsrud, Bohnsack, Bochenski, Bigwood and Althoff. Alternates voting aye: Kaiser and Reilly. Those voting nay: none. Motion carried.

LAWA Bylaws Revisions - - Chair Mahoney commented another thing the board discussed was a review of the LAWA bylaws and LAWA's role in the RRVWSP. They may want to redefine what LAWA does. The LAWA TAC and LAWA Financial Advisory Committee (FAC) consist of a lot members, but they do not all show up. How many should be at each meeting and which people should be in the room? The other issue is looking at weighted voting.

Chair Mahoney said a draft of the revised bylaws is being distributed today for the board to review, and the first reading will be done at the next meeting.

Chair Mahoney also stated the board may need to start meeting on a monthly basis since things are beginning to get active with the project.

Mr. Shockley provided a high-level overview of the bylaw revisions page-by-page, calling attention to weighted voting, including super majority, and the hiring of consultants and engineers. He also explained the possible make up and appointments to standing committees. Chair Mahoney asked the board members to review the draft revisions and provide feedback to him or the vice chair prior to the first reading next month. The second reading will be in August.

Chair Mahoney said he would like to see the LAWA FAC and TAC be more functional. The RRVWSP is now a \$1.1 billion project, and he thinks the board needs to be redefined. He also asked for help from the board with suggestions for the LAWA FAC and TAC.

Hoeven/ENDAWS Update - - Chair Mahoney said there are some bills being prepared at the federal level, including Senator Hoeven's work on funding for ENDAWS.

Mr. DeKrey said work is ongoing with Senator Hoeven's office, the Bureau of Reclamation, the tribes and Natural Resources Trust in an attempt to put a bill together that would include federal funding for water projects, including ENDAWS. If that happens, Senator Hoeven's staff has indicated it could be dropped in the hopper after July 4.

BHFS has been working on this bill for over a year. The amount included for the RRVWSP is \$454 million.

The meeting adjourned at 3:10 p.m.

Timothy Mahoney, Chair

Duane DeKrey, Secretary

REGISTRATION

LAWA Board Meeting
Fargo Commission Chambers
June 27, 2024

NAME	ADDRESS
Kimberly Cook	GDCD
Steve Burin	Burin + Associates
Jay Paul Anderson	WPCD
Erg Bischoff	GDCD
Keith Mykseth	EGF with L
SHAWN GADDIE	AGDS
Dave Piepkor	Fargo
Brent Johnson	WPCD
DAN PORTLOCK	FARGO
Brent Brinkman	CRWD
Terry Effertz	BISMARCK (GDCD)
On-Line: Steve Hansen	Southeast Water District
Paul Boersma	Black & Veatch
Kurt Ronnekamp	Black & Veatch
Jeff LeDoux	Garrison Diversion
Dave Anderson	Garrison Diversion
Ashley Reisenauer	Garrison Diversion
Jarret Bauer	Garrison Diversion
Sabrina Scherr	Garrison Diversion
Jason Siegert	Garrison Diversion
Julie Prescott	Department of Water Resources
Rick Bigwood	LAWA
Maureen Storstad	City of Grand Forks
Tom Erdmann	LAWA
Jeremy Schuler	Northeast Regional Water Dist.
Brian Reilly	Walsh Rural Water District
Troy Hall	City of Fargo
Ken Vein	Garrison Diversion
Samuel Devries	Department of Water Resources

CHANGE ORDER

Change Order No. 4

DATE OF ISSUANCE June 17, 2024 EFFECTIVE DATE _____

Owner: Garrison Diversion Conservancy District
 Contractor: Garney Companies
 Project: Red River Valley Water Supply Project, Transmission Pipeline East
 Owner's Contract No.: 5B
 Owner's Task Order No.: 5532

The Contract is modified as follows upon execution of this Change Order:

Change Order Requests (CORs) Description:

1. COR3 – 2023 Dewatering Disch Off Site	\$965,478.62	7. COR10 – Shoefly Elim at 74 th Ave NE	(\$13,878.19)
2. COR4 – Bid Items 30 & 40 Quantities Adj	\$28,300.00	8. GDCD Crop Damage Payments	(\$33,437.15)
3. COR6 – Topsoil Weed Control and Stab	\$94,510.90	9. Bid Item 5 Quantity Adjustment	\$34,800.00
4. COR7 – Drain Tile Mods Bid Alt 2	(\$5,783.35)	10. Bid Item 31 Quantity Adjustment	\$1,713.00
5. COR8 – CPR Work Zone Flooding	\$72,359.16	11. <u>Bid Item 41 Quantity Adjustment</u>	<u>\$30.00</u>
6. COR9 – CPR Tunnel Changes DSC	\$822,284.65	Total	\$1,966,377.64

Attachments:

- | | |
|---|---|
| 1. Garney COR3 – Dewatering Conveyance Methods R1 dated May 1, 2024
2. BV Letter COR 4 – Topsoil Quantity Under Runs for Bid Alternates Nos. 1 and 2 dated March 26, 2024
3. Garney COR6 – Topsoil Weed Control and Stabilization dated May 1, 2024
4. Garney COR7 – Drain Tile Modifications dated April 30, 2024 | 5. Garney COR8 – ROW Flooding (CPR Work Zone Flooding) dated April 19, 2024
6. Garney COR9 – CPR Bore Changes – Differing Site Conditions dated June 17, 2024
7. Garney COR10 – 74 th Ave NE Temporary Detour Removal dated April 19, 2024
8. BV Crop Damages Notification Letter dated June 4, 2024 and GDCD Revised Offer |
|---|---|

CHANGE IN CONTRACT PRICE:

Original Contract Price:

\$45,961,700.00

Decrease from previously approved Change Orders No. 1 to 3:

\$(1,029,021.76)

Contract Price prior to this Change Order:

\$44,932,678.24

Increase of this Change Order:

\$1,966,377.64

Contract Price incorporating this Change Order:

\$46,899,055.88
(2.0% Increase Over Original Contract Price)

ACCEPTED:

By: _____
Owner (Authorized Signature)

Printed: _____

Title: _____

Date: _____

CHANGE IN CONTRACT TIMES:

Original Contract Times:

Substantial Completion: September 30, 2023
 Ready for final payment: November 29, 2023
 (days or dates)

Increase from previously approved Change Orders No. 1 to No. 3:

Substantial Completion: 25
 Ready for final payment: 25
 (days)

Contract Times prior to this Change Order:

Substantial Completion: October 25, 2023
 Ready for final payment: December 24, 2023
 (days or dates)

Increase of this Change Order:

Substantial Completion: 60
 Ready for final payment: 60
 (days)

Contract Times with all approved Change Orders:

Substantial Completion: December 24, 2023
 Ready for final payment: February 22, 2024
 (days or dates)

ACCEPTED:

By: _____
Contractor (Authorized Signature)

Printed: _____

Title: _____

Date: _____

Change Order Request No. 3
Dewatering Discharge Piping and Pumping
Adder



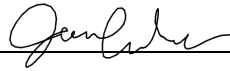
PROJECT: RRVWSP TPE Contract 5B
 OWNER: Garrison Diversion Conservancy District
 ENGINEER: Black & Veatch
 CONTRACTOR: Garney Construction

PROJECT NUMBER
TO5532
408872
7385

SUMMARY OF CHANGE ORDER REQUEST VALUES FROM ATTACHED TABULATIONS

		Requested Additional Calendar Days:				50
Item #	Engineering Directive #	Description	Quantity	Unit	Unit Cost	Total
001		Garney - Kelly Creek Offsite Discharge	1	LS	\$ 115,836.70	\$ 115,836.70
002		Garney - Lake George Tributary Offsite Discharge	1	LS	\$ 71,231.03	\$ 71,231.03
003		Northern Dewatering - CPRR Tunnel Offsite Discharge	1	LS	\$ 34,424.31	\$ 34,424.31
004		Northern Dewatering - Stage 1 Offsite Discharge	1	LS	\$ 300,715.91	\$ 300,715.91
005		Northern Dewatering - Stage 2 Offsite Discharge	1	LS	\$ 216,788.82	\$ 216,788.82
006		Northern Dewatering - Stage 3 Offsite Discharge	1	LS	\$ 106,828.93	\$ 106,828.93
007		Northern Dewatering - Stage 4 Offsite Discharge	1	LS	\$ 119,652.92	\$ 119,652.92
TOTAL:						\$ 965,478.62

Contractor: Garney Companies Inc.
 Date: April 19, 2024

By: 
 Jarrod Weber

By: _____
 Date

By: _____
 Date

Approved for Payment by
 [OWNER]

Approved for Payment by
 [ENGINEER]



BLACK & VEATCH CORPORATION
8400 WARD PARKWAY
KANSAS CITY, MO 64114 USA
913-458-3571 | RONNEKAMPKA@BV.COM

Wednesday, June 19, 2024

Garrison Diversion Conservancy District
401 Hwy 281 NE
Carrington, ND 58421

RRVWSP TO 5532 TPE CT 5B
BV Project 409654
BV File 60.1350.4

Attention: Kip Kovar, Deputy Program Manager – Engineering

Subject: Task Order 5532 / Change Order No. 4 Recommendations

Information Referenced:

- Garney COR3 – Dewatering Conveyance Methods
- Garney COR4 – Topsoil Quantity Under Runs for Bid Alternates Nos. 1 and 2
- Garney COR6 – Topsoil Weed Control and Stabilization
- Garney COR7 – Drain Tile Modifications
- Garney COR8 – ROW Flooding (CPR Work Zone Flooding)
- Garney COR9 – CPR Bore Changes – Differing Site Conditions
- Garney COR10 – 74th Ave NE Temporary Detour Removal
- BV Crop Damages Notification Letter with Revised Offer

In reference to the above identified Change Order Requests (CORs) from Garney Construction (Contractor) and crop damage notification, Black & Veatch (BV, Engineer) provides a background discussion for each item appearing in Change Order No. 4 along with a BV recommendation. The net result of Change Order No. 4 is an increase to the Contract Price by \$1,966,377.64 and a 60-calendar day extension to the Contract Time. Details of each change are included in the following paragraphs.

1. Garney COR3 – Dewatering Discharge Off Site

- A. Background. The contract documents clearly define trench dewatering requirements, including the Contractor's responsibility to retain a professional engineer to develop a dewatering plan prior to the start of construction. The contract documents also require that all water pumped or diverted shall be directed to natural drainageways in such a way that no channelization, erosion, or damage occurs to areas outside of the limits of work. The Contractor submitted COR3 requesting additional payment for pipe and pumping for offsite dewatering discharges to Kelly Creek, Lake George Tributary, for the CPR tunnel, and for Dewatering Plan Stages 1-4. After exchanging several letters and meeting multiple times on this issue, it was agreed that it may have been difficult to determine the extent of discharge piping required during the bid period so that the discharge would not impact adjacent property owners. Only the pipe beyond what should have reasonably been included in the Contractor's base bid was considered for this change request.
- B. BV Recommendation. BV has reviewed back-up documentation provided by the Contractor detailing cost breakdowns for the items requested through COR3 and found them to be reasonable. BV recommends that Garrison Diversion increase the Contractor's Contract Price by \$965,478.62 as compensation for

addressing the off-site disposal of dewatering operations. Additionally, BV recommends Garney be granted a 50-calendar day Contract Time extension.

2. Garney COR4 – Bid Items 30 and 40 Quantity Adjustment

- A. Background. BV estimated the quantity of topsoil in cubic yards to be stripped and stockpiled for these two bid items prior to installation of the pipeline. These quantities were listed in the Bid Form. Actual quantities of topsoil removed by the Contractor were measured to be 58 and 49 percent of the quantities estimated and appearing in the Bid Form for Bid Items 30 and 40, respectively. Because of this underrun, the Contractor is due a change in unit price. Supplementary Conditions paragraph SC-13.03 – Unit Price Work provides relief to the Contractor when quantities vary by 25% from the estimate.
- B. Recommendation. BV recommends the unit prices be increased and the sum of the extended price paid for these two items equal the extended price of the Bid Form. Therefore, there is no net increase in Contract Price associated with this change; the \$28,300 change shown in Change Order No. 4 will be offset by a \$(28,300) underage in the unit price schedule.

3. Garney COR6 – Topsoil Weed Control and Stabilization

A. Background

- i. 2023 Topsoil Stockpiles Weed Control. Topsoil was stripped and stockpiled by the Contractor along the pipeline easement miles ahead of pipe laying operations. Weeds grew on these stockpiles as they sat for months without pipe installation getting to those locations. In addition to the stockpiles, inaccessible areas were left between the pipeline easement and the field drives (e.g., east of Bordulac Road) where weeds grew, which was undesirable for landowners. Garrison Diversion requested the Contractor spray these areas. Weed control following restoration activities was address in the contract documents. However, weed control in areas of active construction was not specifically addressed. On the direction of, and agreement with, Garrison Diversion, the Contractor hired local T&B Farms to spray these areas at a cost of \$11,830.17.
- ii. 2023 Topsoil Stockpile Stabilization. The State of North Dakota in the project stormwater permit requires soil stockpiles left undisturbed for 14-calendar days to be stabilized to protect against wind and water erosion. BV advised the Contractor to implement measures to protect stockpiled soils in accordance with the permit, but the Contractor refused to comply without additional compensation as they considered stabilization to not be a requirement of the contract documents. BV disagreed and issued a Defective Work Notice for Contractor's failure to stabilize soils in accordance with stormwater permit. To settle this difference of opinion, the Contractor offered to split the cost of the soil stabilization. Garrison Diversion accepted the Contractor's offer as it desired to get the work completed in a timely manner prior to any soil loss. The split cost to address soil stockpile stabilization during the 2023 construction season was \$27,644.31.

- iii. **Topsoil Stabilization over 2023/2024 Winter.** Topsoil retention and protection is a project critical success factor. Consequently, there was concern by the construction services team about protection of topsoil from primarily wind erosion over the winter. A work change directive (WCD No. 4) was drafted and issued to the Contractor directing them to blanket the topsoil piles over the winter and authorizing an expenditure of no more than \$123,363.85 to complete the work. The WCD included a caveat that Garrison Diversion reserved the right to negotiate the final pricing of this change since the work would not have been required had the Contractor finished the project within the Contract Time. Like how the soil stockpile stabilization issue was addressed, Garrison Diversion offered to pay half the cost of this change to resolve the issue, which the Contractor accepted. The resultant cost of Garrison Diversion’s share of this change is \$55,036.42.
 - B. **Recommendation.** BV recommends Garrison Diversion accept these three items of COR6 as negotiated with the Contractor and that a change order in the amount of \$94,510.90 be processed and approved for weed control on, and protection of, topsoil.
- 4. **Garney COR7 – Drain Tile Modifications**
 - A. **Background.** Bid Item No. 43 of Alternate No. 2 required removal/replacement of 250 linear feet of 4” drain tile at a unit cost of \$190 per foot, with an extended price of \$47,500. The Contractor offered the full credit of \$(47,500) to eliminate this bid item in its entirety from the contract documents. In its place, the Contractor offered to complete repairs and replace 400 linear feet of 10” drainpipe and 20,000 linear feet of 4” drain tile at a cost of \$41,716.65. The drain tile repair and installation work were completed by well-known local contractor, Ellingson Water Management. The net credit offered for this change to the contract is \$(5,783.35).
 - B. **Recommendation.** This change provides significantly more value to Garrison Diversion at roughly the same cost as the extended cost in the Bid Form. BV therefore recommends this change to the contract documents and its associated credit be accepted.
- 5. **Garney COR8 – CPR Work Zone Flooding**
 - A. **Background.** On June 8, 2023, a landowner, Mr. Doug Zink, immediately north of the Contractor’s worksite west of the Canadian Pacific Railway crossing, drained a slough on the Zink property into another location on his property that was not contained. The diverted flow ended up flooding Garrison Diversion’s easement and the associated worksite used by the tunneling subcontractor, Minger Construction. The Contractor mobilized staff and equipment to drain the flooded area so work could resume. After these initial landowner actions, the landowner continued to pump from the slough and newly installed drain tile in such a manner and at a discharge location that required the Contractor to pump the flow around its work site so construction could continue. These operations began on June 8th and continued round the clock until the CPR trenchless crossing was completed on December 6th. The Contractor submitted COR No. 8 on December 27, 2023, seeking compensation in the amount of \$72,359.16 for their efforts to recover from the initial work zone flooding and the cost of the

continued pumping around the worksite claiming this was a change in conditions. BV reviewed the COR and its opinion is that this is an issue between the Contractor and the landowner. It could also be an insurance claim, but ultimately Garrison Diversion should not be responsible for the actions of a third party. In consideration of the parties involved in this situation and the potential for legal action and negative publicity, Garrison Diversion agreed to pay the Contractor the requested amount.

- B. Recommendation. BV will incorporate COR₈ in the amount of \$72,359.16 into CO No. 4 for processing and approval by the Board of Directors.

6. Garney COR9 – CPR Tunnel Changes Differing Site Conditions

- A. Background. During the launch pit excavation for the trenchless crossing 05-TC-06-RR under the railroad, nested cobbles and boulders were encountered causing sheetpile driving challenges. These nested cobbles and boulders were not baselined, and the Contractor could not reasonably complete the launch pit excavation using sheet piles even with pre-drilling. The Contractor proposed an alternative excavation method using a sliderail system. They also proposed moving the tunnel 10 feet deeper to avoid the nested cobbles and boulders during tunneling operations. These changes resulted in a total materials and markup costs in the amount of \$822,285.30.
- B. Recommendation. BV will incorporate COR9 in the amount of \$822,285.30 into CO No. 4 for processing and approval by the Board of Directors. Additionally, BV recommends Garney be granted a 10-calendar day Contract Time extension for this additional work.

7. Garney COR10 – Shoefly Elimination at 74th Avenue NE

- A. Background.
 - i. BV designed the crossing of 74th Avenue NE (Bordulac Road) at 1st Street NE with a shoefly detour to accommodate traffic on Bordulac Road during construction. The crossing was designed this way because Foster County required it. This road crossing design was subsequently incorporated into the contract documents by BV to obtain Foster County's approval to open-cut the crossing. Following the construction notice to proceed, the Contractor sought approval from Foster County to open-cut the road without providing a shoefly detour, which Foster County subsequently approved. Upon BV request, the Contractor provided a credit for taking this modified approach offering Garrison Diversion a \$(9,067.66) credit for elimination of the detour.
 - ii. The contract documents detailed the use of controlled low strength material (CLSM; sometimes referred to as flowable fill) be used for pipe embedment at the Bordulac Road crossing. The Contractor, via a request for information (RFI), asked BV to allow the use of Class 5 aggregate in lieu of CLSM. The primary reason for the request for a substitution was the cure time for the CLSM, which would be longer than the crossing duration allowed by Foster County. BV approved this substitution, which allowed a less costly material, and requested a credit. The Contractor offered a \$(4,810.53) credit to use the Class 5 aggregate in lieu of CLSM.

B. Recommendation. BV recommends Garrison Diversion accept these changes and a credit totaling \$(13,878.19) for these two modifications to the contract documents. This credit is equitable compensation for elimination of this work from the contract documents, so BV recommends it be accepted.

8. Garrison Diversion 2023 Crop Damage Payments

BV notified the Contractor on March 27, 2024, of crop damage payments Garrison Diversion made directly to landowners for events that Garrison Diversion determined to be the responsibility of the Contractor. These events occurred during the 2023 construction season. Letters were exchanged between BV and the Contractor providing additional backup and explanation and seeking additional information and clarification for the crop damage claims. On June 17, 2024, Garrison Diversion and the Contractor reached agreement on a reimbursement amount \$33,437.15 for 2023 crop damages that were determined to be the Contractor's responsibility. BV supports Garrison Diversion's approach to resolving this Owner claim.

9. Bid Items 5, 31, and 41 – Quantity Adjustments

A. Background. BV estimated the quantities for these three bid items prior to construction. These quantities were listed in the Bid Form. Actual quantities installed or completed by the Contractor were slightly higher than the quantities estimated and appearing in the Bid Form. No adjustment in unit price is warranted as the overage was less than 25% for the three items. Those items being:

- i. Bid Item No. 5 – 96-inch Trenchless Crossing w/ Steel Casing. The scheduled quantity was 108 linear feet; the actual quantity installed was 112 linear feet. This represents a difference of 4 linear feet or 3.7%. The net increase is \$34,800 at the \$8,700 per linear foot price.
- ii. Bid Item No. 31 – Remove/Stockpile Subsoil of Bid Alternate 1. The scheduled quantity was 10,500 cubic yards; the actual quantity removed and stockpiled was 12,213 cubic yards. This represents a difference of 1,713 cubic yards or 16.3%. The net increase is \$1,713 at the \$1 per cubic yard price.
- iii. Bid Item No. 41 – Remove/Stockpile Subsoil of Bid Alternate 2. The scheduled quantity was 9,600 cubic yards; the actual quantity installed was 9,630 cubic yards. This represents a difference of 30 cubic yards or 0.3%. The net increase is \$30 at the \$1 per cubic yard price.

B. Recommendation. Contractor should be paid for actual material installed and work completed per the Unit Prices of the Bid Form. Reconciling these three bid items to actual quantities measured in the field adds an additional amount of \$36,543 to the Contract Price.

BV recommends Garrison Diversion process a change order approving these changes. The overall result of this scope of work change is an increase in the Contract Price in the amount of \$1,966,377.64 resulting in a revised Contract Price of \$46,899,055.88.

If you have any questions about the changes in the scope of work or the proposed change in Contract Price, please let us know. In anticipation of Garrison Diversion agreement to this change, Change Order No. 4 has been prepared and it is attached for signature and execution.

Sincerely,
BLACK & VEATCH



Kurt A. Ronnekamp
Sr Project Manager

Attachments: Change Order No. 4 dated June 17, 2024

cc: Mark Funston, BV
Vance Miller, BV

**RRVWSP Task Order 5632 – Transmission Pipeline East Contract 5B
 Construction Phase Services Amendment No. 1**

Task Order Effective Date: July 1, 2024

TASK ORDER EXECUTIVE SUMMARY

REQUEST

Consideration and approval of a construction phase services task order amendment in the amount of \$1,070,000. The amendment is for additional engineering support and on-site resident project representation during construction of the 9-mile segment of transmission pipeline.

Services under the original authorization began in February 2022 and were to be completed by December 2023 when the project was to be complete and ready for final payment. This amendment extends those professional services from December 2023 through July 2025 – an additional 19 months – because of the Contractor’s inability to get the work done on time.

Contractor is obligated to complete the work on the set project schedule and is subjected to liquidated damages per its agreement with Garrison Diversion for its inability to meet the schedule. Currently the Contractor is projected to finish a year late on Substantial Completion with liquidated damages accruing to \$730,000 should that be the actual completion schedule.

The fee maximum shown below is a labor and expenses estimate based on the scope and nature of the work and an anticipated 22 weeks of active pipeline installation remaining and 26 weeks of preparatory, restoration, cleanup, closeout, etc. activities where part-time services will be provided. The anticipated construction cost based upon processed, pending, and anticipated change orders is \$50 million.

TASK ORDER SUMMARY

The additional services to be provided by the engineering team (Black & Veatch, AE2S, Prairie Soil Consulting, Braun Intertec, and American Engineering Testing) are described in the original task order and the additions to those services are described in the attached amendment. The following summarizes each of the major tasks.

Basic Services: The estimated hourly fees and expenses for standard and customary construction phase services are as follows:

	Fee	% of Construction
Task Order Management and Administration	\$74,445	
Special and Third-Party Meetings	(\$15,095)	
Field and Factory Services	(\$19,930)	
Engineering Services during Construction	\$195,897	
Resident Project Representation	\$834,683	
Subtotal	\$1,070,000	2.1%
Original Task Order Upper Limit	\$4,034,000	8.1%
Revised Task Order Upper Limit	\$5,104,000	10.2%

Special Services: There are no unique or special services identified for this Task Order at this time.

CHANGE ORDER

Change Order No. 1

DATE OF ISSUANCE _____ EFFECTIVE DATE April 18, 2024

Owner: Garrison Diversion Conservancy District
Contractor: Carstensen Contracting, Inc.
Project: Red River Valley Water Supply Project, Transmission Pipeline East
Owner's Contract No.: 5D
Owner's Task Order No.: 5534

The Contract is modified as follows upon execution of this Change Order:

Description: Remove Trenchless Crossing at Station 6074+50

Attachments: BV Request for Change Proposal No. 1 – Remove Trenchless Crossing at Station 6074+50 dated February 7, 2024.

Carstensen Contracting, Inc. Change Proposal No. 1 - Remove Trenchless Crossing at Station 6074+50 dated March 21, 2024.

CHANGE IN CONTRACT PRICE:

Original Contract Price

\$61,677,275.00

No previously approved Change Orders

\$0.00

Contract Price prior to this Change Order:

\$61,677,275.00

Decrease of this Change Order:

\$(2,301,780.00)

Contract Price incorporating this Change Order:

\$59,375,495.00

CHANGE IN CONTRACT TIMES:

Original Contract Times:

Milestone Completion October 31, 2025
Substantial Completion: May 29, 2026
Ready for final payment: July 31, 2026
(days or dates)

No previously approved Change Orderse

Milestone Completion: 0
Substantial Completion: 0
Ready for final payment: 0
(days)

Contract Times prior to this Change Order:

Milestone Completion October 31, 2025
Substantial Completion: May 29, 2026
Ready for final payment: July 31, 2026
(days or dates)

Increase of this Change Order:

Milestone Completion: 0
Substantial Completion: 0
Ready for final payment: 0
(days)

Contract Times with all approved Change Orders:

Milestone Completion October 31, 2025
Substantial Completion: May 29, 2026
Ready for final payment: July 31, 2026
(days or dates)

ACCEPTED:

By: _____
Owner (Authorized Signature)

Printed: _____

Title: _____

Date: _____

ACCEPTED:

By: _____
Contractor (Authorized Signature)

Printed: _____

Title _____

Date: _____



BLACK & VEATCH CORPORATION
8400 WARD PARKWAY
KANSAS CITY, MO 64114 USA
913-458-3571 | RONNEKAMPKA@BV.COM

Thursday, April 4, 2024

Garrison Diversion Conservancy District
401 Hwy 281 NE
Carrington, ND 58421

RRVWSP TO 5534 TPE CT 5D
BV Project 415094-5D
BV File 60.1350.4

Attention: Kip Kovar, Deputy Program Manager – Engineering

Subject: Task Order 5534 / CO No. 1 Recommendation

Information Referenced: Change Proposal No. 1 – Remove Tunnel at Station 6074+50

In reference to Request for Proposal No. 1 dated February 7, 2024, Black & Veatch (BV) received the attached credit proposal from Carstensen Contracting (Carstensen) dated March 21, 2024. The proposal provides a credit for deletion of a single tunnel in the amount of \$2,301,780.

A. Comments and Recommendation

1. The Carstensen proposal correctly identifies the items to be deleted (steel carrier and casing pipes and launching and receiving shafts) and identifies the addition of the same length of open cut pipe installation. All quantities and unit prices for these items are in accordance with the Bid Form submitted by Carstensen with its Bid and a part of the Agreement.
2. The Carstensen proposal also identifies an addition cost of \$155,000 for open-cut construction through the wetland using the proper non-notify construction methods. These methods include the following items:
 - a. Contractor must place and work from mats or timbers while operating equipment in the approved jurisdictional determination wetland (AJD) / preliminary jurisdictional determination wetland (PJD) area. They cannot drive on the existing ground as is the case with non-jurisdictional determination wetland (NJD) areas.
 - b. The Contractor must provide pre-construction and post-construction survey's documenting the natural lines and grades were maintained.
 - c. Excavated soil stockpiles must be replaced or removed within 90 days of commencement of work in the wetland.
 - d. Contractor cannot stage or store prohibited material, including embedment and aggregate trench backfill, in the wetland. Contractor must haul material from stockpiles outside of the wetland.
 - e. Natural flow through the wetland must be maintained during construction.
 - f. Trench excavation and backfill material cannot create a drain to the wetland.
 - g. We also note that there are additional conditions and considerations that will need to be met and documented to follow nationwide permit conditions.

BV Recommendation

The requirements outlined above, in our opinion, justify the proposed additional cost of \$155,000 for the open-cut pipeline and properly credit Garrison Diversion for deletion of the tunnel at Station 6074+50. BV therefore recommends Garrison Diversion process a change order approving this change. The overall result of this scope of work change is a reduction in the Contract Price in the amount of \$2,301,780 resulting in a revised Contract Price of \$59,375,495.

If you have any questions about the change in the scope of work or the proposed change in Contract Price, please let us know. In anticipation of Garrison Diversion agreement to this change, Change Order No. 1 has been prepared and it is attached for signature and execution.

Sincerely,
BLACK & VEATCH



Kurt A. Ronnekamp
Sr Project Manager

Attachments: BV Request for Change Proposal No. 1 dated February 7, 2024
Carstensen Proposal dated March 21, 2024
Change Order No. 1 dated April 18, 2024

cc: Brad Carstensen, CC
Mark Funston, BV
Vance Miller, BV

REQUEST FOR CHANGE PROPOSAL

Project: <u>RRVWSP TPE Contract 5D</u>	Project Number: _____
Owner: <u>Garrison Diversion Conservancy District</u>	<u>TO5534</u>
Contractor: <u>Carstensen Contracting, Inc.</u>	_____
Engineer: <u>Black & Veatch</u>	<u>415094</u>

Request No: <u>001</u>	Description: <u>Remove trenchless crossing at Sta. 6074+50</u>
Specification: <u>NA</u>	_____
Drawing No: <u>14-C-104</u>	_____

Reference Document:

Request for Information No: _____ Shop Drawing No: _____

Work Change Directive No: _____ Contract Document: _____

The Owner requests that the Contractor prepare a Change Proposal for the changes in the Contract Documents described in this Request for a Change Proposal. The compensation offered for this Change Proposal is to be the full, complete, and final compensation for all costs the Contractor may incur as a result of or relating to this change whether said costs are known, unknown, foreseen, or unforeseen at this time, including without limitation, any cost for delay, extended overhead, ripple or impact cost, or any other effect on changed or unchanged Work as a result of this Contract Amendment. Requested changes in Contract Times are to be the complete and final adjustments for direct impacts to the ability of the Contractor to complete the Work within the Contract Times and are the only adjustments to which the Contractor will be entitled. Authorization to proceed with changes must be approved by the Owner in accordance with the Contract Documents.

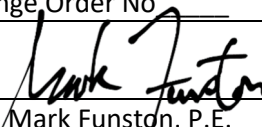
Owner requests a Change Proposal for the following modifications to the Contract Documents:
 Remove 345 LF trenchless crossing between stations 6072+65 and 6076+10 and install pipeline using open-cut construction methods. Revised profile for open-cut installation is shown on revised sheet 14-C-104. This change results in the following Bid Form adjustments:
 -Eliminate Bid Items 6 and 7
 -Reduce quantity for Bid Items 4 and 5 from 575 LF to 230 LF.
 -Increase quantity for Bid Item 2 from 50,570 LF to 50,915

Purpose of Change Proposal:
 GDCD and the Design Team have decided to cross the jurisdictional wetland at station 6074+50 using open-cut construction under the terms of a non-notify nationwide permit. The removal of this trenchless crossing is expected to save a significant amount of construction cost.

Attachments:
 Revised 14-C-104

Status:
 Change Proposal No _____ Received Cancelled

Action Required:
 None Include in Change Order No _____ Revise and Resubmit Cancelled

Requested by:  **Date:** 02/07/2024
 Mark Funston, P.E.



Integrity. Solutions. Results.

PROPOSAL

800 East Quartzite Street
Dell Rapids, SD 57022

3/21/2024

QUOTE TO Black & Veatch
Attn: Mark Funston
8400 Ward Parkway
Kansas City, MO 64114

CONTACT Mark Funston
469-513-3191

JOB	WORK OFFERED	PLAN DATE
Red River Contract 5D	Remove Trenchless Crossing at Sta. 6074+50	3/21/2024

ITEM	DESCRIPTION	QTY	UNIT	UNIT PRICE	EXT PRICE
1	Bid item 2 - 72" Steel Pipe (Class 200) Open Cut Installation	345	LF	626.00	215,970.00
2	Bid item 4 - Trenchless Crossing 72" Steel Carrier	-345	LF	800.00	-276,000.00
3	Bid item 5 - Trenchless Crossing 96" Casing Pipe	-345	LF	5,150.00	-1,776,750.00
4	Bid item 6 - Tunnel Launching Shaft - Sta. 6076+10	-1	EA	400,000.00	-400,000.00
5	Bid item 7 - Tunnel Launching Shaft - Sta. 6072+65	-1	EA	220,000.00	-220,000.00
6	Additional Wetland Requirements	1	EA	155,000.00	155,000.00
TOTAL:					\$-2,301,780.00

Proposal for removal of trenchless crossing at Sta. 6074+50

Proposal includes removal of trenchless crossing of 345' at Sta. 6074+50 and credit for removal of tunnel shafts. This area will be completed by open cut installation. The additional line item is justified by a 75 percent credit back of the shafts for additional risk placed on CCI. Including wet conditions and following Ulteig Non-PCN Conditions for Wetlands and to maintain minimum disturbance of wetland area. Pipe installation requirements is to match adjoining pipeline and the possibility for trench bottom stabilization is to remain as owner directed and will be processed as it would be on the rest of the contracted alignment. Bore subcontractor mobilization is to remain unchanged.

INCLUSIONS: All labor, equipment, and materials needed to complete scope.

Brett Baerenwald
Carstensen Contracting, Inc.
507-215-0067



2024

For the period of January 1, 2024 - May 31, 2024

Income	2024	Actual as	5.31.24	Balance of Budget
Dues Income	\$ 30,000.00	\$ 33,300.00		\$ (3,300.00)
Miscellaneous	\$ -	\$ -		\$ -
Cost Share-Interim Finance	\$ 50,000.00			\$ 50,000.00
Total Income	\$ 80,000.00	\$ 33,300.00		\$ 46,700.00

Expenses

Dues Expenses	\$ 6,500.00	\$ 6,000.00		\$ 500.00
Accounting	\$ 6,500.00	\$ -		\$ 6,500.00
Directors Expense	\$ 500.00	\$ -		\$ 500.00
Insurance	\$ 550.00	\$ -		\$ 550.00
Construction	\$ -	\$ -		\$ -
Engineering	\$ 50,000.00	\$ -		\$ 50,000.00
Property Acquisition/Easements	\$ -	\$ -		\$ -
Adm/Legal/Financial	\$ 141,500.00	\$ 15,132.00		\$ 126,368.00
Total Expenses	\$ 205,550.00	\$ 21,132.00		\$ 184,418.00

Net Income (Loss)	\$ (125,550.00)	\$ 12,168.00		\$ (137,718.00)
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Account Activity

Beg. Bank Balance 1-1-2024		\$ 380,851.56
Income Received		\$ 33,300.00
Total Funds Available		\$ 414,151.56

Ck#1243 Ohnstad Twichell	\$ 4,800.00	
Ck#1244 ND Water Coalition	\$ 1,000.00	
Ch#1245 ND Water Users	\$ 5,000.00	
Ch#1246 Ohnstad Twichell	\$ 4,675.50	
Ch#1247 Ohnstad Twichell	\$ 5,656.50	
Total Expenses	\$ 21,132.00	

Ending Bank Balance		\$ 393,019.56
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June 27, 2024

Chairman Tim Mahoney
c/o Duane DeKrey, Secretary
Lake Agassiz Water Authority
PO Box 140
Carrington, North Dakota 58421

RE: LAWA 2024-2025 Strategy Support

Dear Chairman Tim Mahoney,

Thank you for the opportunity to assist the Lake Agassiz Water Authority (LAWA) in developing legislative strategies to advance the Red River Water Supply Project (RRVWSP). The overall objective of this agreement is to assist LAWA in their leadership role related to legislative relationships, requests, strategy development, and updates for the RRVWSP.

Specific activities envisioned in this task order include:

- Supporting LAWA leadership in coordinating with the Garrison Diversion Conservancy District (GDCCD) in development of strategies for outreach with legislators, agencies, administration, and federal delegation;
- Facilitating the development of outreach strategies; and
- Establishing and maintaining a regular meeting schedule and agenda to ensure open communications and support leadership in relationships with legislators and partners.

It is expected that a significant part of the role will be to attend, participate, and at times lead meetings related to the project. As such, the budget includes time and expenses for travel, when appropriate, to attend meetings in person in Fargo, Grand Forks, Carrington, and other locations as determined by the client.

To facilitate the role as defined, a close working relationship with Terry Effertz (lobbyist for GDCCD), Merri Mooridian (Deputy Program Manager for RRVWSP Administration), and Duane DeKrey (GDCCD General Manager), will be critical to ensure coordination between, LAWA and GDCCD staff and board members.

Additional detail on the scope of services, fees, LAWA's responsibilities, standard terms and conditions, and schedule are detailed in the following sections.

Scope of Services

Advanced Engineering and Environmental Services, LLC d/b/a AE2S Communications (AE2S) proposes to work with Lake Agassiz Water Authority (CLIENT) to provide Communications Services between July 1st, 2024 and June 30th, 2025. This agreement sets forth the terms and conditions under which the CLIENT and AE2S shall be governed regarding the Assignment.

Scope:

- Project management and coordination with CLIENT.
- Establish and attend regular meetings with CLIENT and partners, including board, committee, and leadership meetings.
- Support and Advise CLIENT on strategies for leading and coordinating the successful completion of the project.
- Development of legislative priorities for CLIENT leading outreach efforts for the project.
- Coordinate with CLIENT in leading partners in implementing legislative priorities.
- Facilitate meetings specific to legislative priorities with CLIENT and partners for development of strategies to successfully complete the project.
- Support CLIENT with preparation, organization, and directing activities related to the legislative priorities including working with partners on behalf of CLIENT.
- Prepare communications and information related to the legislative priorities to be used with local, state, and federal elected leaders or the representatives.

Fees

AE2S will provide services on an hourly basis in accordance with the Hourly Fee Schedule attached as Exhibit B, up to a limit of \$140,778. The total fee, including expenses, is not to exceed \$145,778.00 without written permission from Lake Agassiz Water Authority.

CLIENT'S Responsibilities

CLIENT shall do the following in a timely manner, so as not to delay the services of AE2S:

- Designate a person to act as CLIENT's representative with respect to the services to be rendered under this Agreement. Such person shall have complete authority to transmit instructions, receive information, and interpret and define CLIENT's policies and decisions with respect to services for the Assignment.
- Provide relevant information and content regarding requirements for the Assignment. AE2S shall be entitled to use and rely upon all information provided by CLIENT or others in performing AE2S's services under this Agreement.

CLIENT shall, so long as AE2S is not in default, promptly pay AE2S for such professional services as have been performed satisfactorily hereunder in accordance with the fee schedule set forth herein.

CLIENT shall bear all costs incident to compliance with its responsibilities pursuant to this section.

Standard Terms and Conditions

Standard terms and conditions of this Agreement between CLIENT and AE2S are specified in Exhibit A.

Performance Schedule

Services and deliverables will be completed in a reasonable time in coordination with the CLIENT.

Contract Documents

The Contract Documents consist of the following:

- This letter agreement;
- The attached Terms and Conditions;
- All other attached Exhibits; and
- Any duly executed amendments.

There are no Contract Documents other than those listed above.

If this Agreement sets forth your understanding of our agreement, including the scope of work desired, fees, terms, and conditions, please sign both this original and the enclosed copy in the space provided. Please retain the original for your files and return the copy to AE2S. Thank you for the opportunity to assist in this project and we look forward to working with you.

Sincerely,

Brent Bogar
Project Manager
AE2S Communications

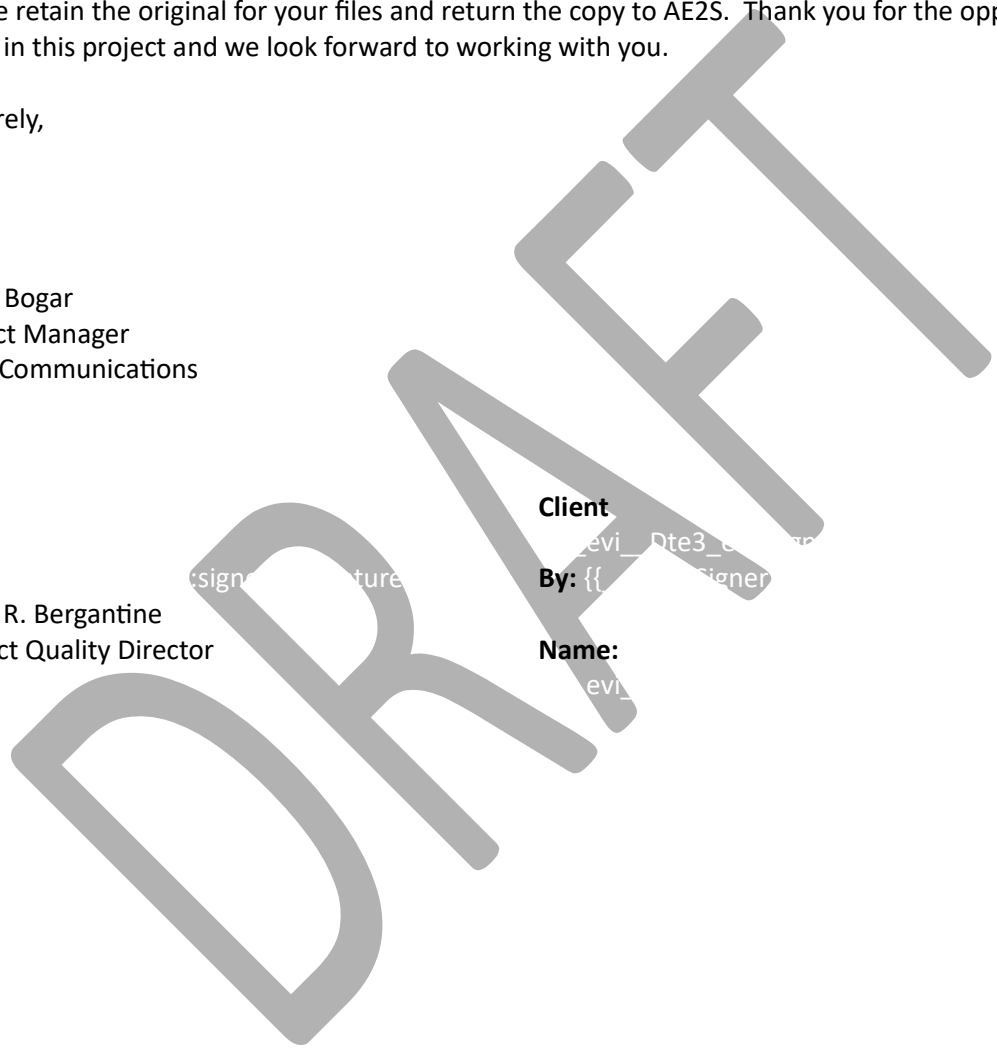
AE2S

Brian R. Bergantine
Project Quality Director

Client

By: {{signature}}

Name:



This is EXHIBIT A, consisting of 1 page, referred to in and part of the Agreement between CLIENT and AE2S dated June 27, 2024.

Standard Terms and Conditions

The Agreement is supplemented to include the following:

1. **TERM.** This Agreement shall commence on the Effective Date.
2. **SCOPE OF SERVICES**
 - 2.1.1 CONSULTANT will devote the required amount of time necessary to perform the Services for CLIENT as stated herein. CONSULTANT will have discretion in selecting the dates and times it performs the Services giving due regard to the requirements of the project and schedule of CLIENT.
 - 2.1.2 CLIENT will provide CONSULTANT with materials and information necessary to perform the scope of services proposed.
 - 2.1.3 The relationship between CLIENT and CONSULTANT created by this Agreement is that of independent contractor, and CONSULTANT is not and shall not be deemed to be an employee of CLIENT for any purpose.
3. **INVOICES AND PAYMENTS.** CONSULTANT will invoice CLIENT for time and reimbursable expenses monthly. Payments to CONSULTANT will be made within 30 days of CLIENT's receipt of an invoice documenting the services performed by CONSULTANT. If CLIENT fails to make any payment due AE2S for services and expenses within 30 days, the amounts due AE2S will be increased at the rate of 1.0% per month (or the maximum rate of interest permitted by law, if less) from said thirtieth day. In addition, AE2S may, after giving seven days written notice to CLIENT, suspend services under this Agreement until AE2S has been paid in full all amounts due for services, expenses, and other related charges.
4. **TERMINATION**
 - 4.1 If, for any reason, either party fails to fulfill in a timely and proper manner its obligations under this Agreement, or if either party shall violate any of the covenants, agreements, or stipulations of this Agreement, the first party shall thereupon have the right to terminate the Agreement by giving written notice to the other party of such termination and specifying the effective date thereof. This Agreement may be terminated by either party ("the Terminating Party") upon a breach by the other party ("the Breaching Party") of any representation or obligation imposed hereby, provided that Terminating Party has given written notice of the breach to the Breaching Party and such breach has not been cured within ten (10) days of the date of such notice.
 - 4.2 Either party may terminate this Agreement at any time without cause by giving at least 30 days' notice in writing to the other party.
 - 4.3 If the Agreement is terminated as provided herein, CONSULTANT will be paid for the time provided and expense incurred up to the termination date.
5. **STANDARD OF CARE.** CONSULTANT shall exercise the same degree of care, skill, and diligence in the performance of the Services as is provided by a professional of like experience, knowledge and resources, under similar circumstances.
6. **EXCLUSION OR SPECIAL INCIDENTAL, INDIRECT, AND CONSEQUENTIAL DAMAGES.** To the fullest extent permitted by law, and notwithstanding any other provision in the Agreement, AE2S and AE2S's officers, directors, partners, employees, agents, and Consultants, or any of them, shall not be liable to CLIENT or anyone claiming by, through, or under CLIENT for any special, incidental, indirect, or consequential damages whatsoever arising out of, resulting from, or in any way related to this Agreement, from any cause or causes, including but not limited to any such damages caused by the negligence, professional errors or omissions, strict liability, breach of contract or warranties, express or implied, of AE2S or AE2S's officers, directors, partners, employees, agents, or AE2S's Consultants, or any of them.
7. **LIMIT OF LIABILITY.** To the fullest extent permitted by law, notwithstanding any other provision of this Agreement, the total liability, in the aggregate, of AE2S and AE2S's officers, directors, partners, employees, agents, and AE2S's Consultants, and any of them, to CLIENT and anyone claiming by, through, or under CLIENT for any and all claims, losses, costs, or damages whatsoever arising out of, resulting from or in any way related to the Project or the Agreement from any cause or causes, including but not limited to the negligence, professional errors or omissions, strict liability or breach of contract, or warranty express or implied of AE2S or AE2S's officers, directors, partners, employees, agents, or AE2S's Consultants, or any of them, shall not exceed total compensation received by AE2S as part of this Agreement.
8. **CONFIDENTIALITY.** All of reports, information, and data, prepared or assembled by CONSULTANT under this Agreement are confidential and CONSULTANT agrees that they shall not be made available to any individual or organization without the prior written approval of CLIENT.
9. **COPYRIGHT.** No printed or digitally designed documents produced in whole or in part under this Agreement shall be the subject of an application for copyright by or on behalf of CONSULTANT.
10. **COMPLETE AGREEMENT.** This Agreement with its exhibit, attached, constitutes the complete agreement and sets forth the entire understanding and agreement of the parties as to the subject matter of this Agreement and supersedes all prior discussions and understandings in respect to the subject of this Agreement, whether written or oral.
11. **MODIFICATION.** No modification, termination, or attempted waiver of this Agreement, or any provision thereof, shall be valid unless in writing and signed by the party against whom the same is sought to be enforced.
12. **BINDING EFFECT.** This Agreement shall be binding on, and shall inure to the benefit of the parties and their respective successors in interest.
13. **GOVERNING LAW.** This Agreement shall be governed by the laws of the State of North Dakota.
14. **EXECUTED IN COUNTERPARTS.** This Agreement may be executed in counterparts, each of which together will constitute one and the same instrument. Delivery of an executed counterpart of this Agreement shall constitute effective delivery of this Agreement. Each party agrees that the delivery of the Agreement by facsimile or electronic mail shall have the same force and effect as delivery of original signature and that each party may use such facsimile or electronic mail signatures as evidence of the execution and delivery of the Agreement by the parties to the same extent that an original signature could be used.

This is EXHIBIT B, consisting of 2 pages, referred to in and part of the Agreement between CLIENT and AE2S dated July 1st, 2024.

Hourly Fee and Expense Schedule

Reimbursable Expenses and Standard Hourly rates in effect on the date of the Agreement are set forth below. Rates are subject to annual adjustment effective January 1.

Labor Rates*

Administrative 1	\$67.00	I&C 2	\$182.00
Administrative 2	\$82.00	I&C 3	\$205.00
Administrative 3	\$99.00	I&C 4	\$218.00
		I&C 5	\$228.00
Communications Specialist 1	\$109.00		
Communications Specialist 2	\$127.00	IT 1	\$135.00
Communications Specialist 3	\$146.00	IT 2	\$182.00
Communications Specialist 4	\$176.00	IT 3	\$223.00
Communications Specialist 5	\$194.00		
		Land Surveyor Assistant	\$99.00
Construction Services 1	\$130.00	Land Surveyor 1	\$119.00
Construction Services 2	\$159.00	Land Surveyor 2	\$144.00
Construction Services 3	\$176.00	Land Surveyor 3	\$163.00
Construction Services 4	\$195.00	Land Surveyor 4	\$179.00
Construction Services 5	\$216.00	Land Surveyor 5	\$197.00
Engineering Assistant 1	\$88.00	Operations Specialist 1	\$104.00
Engineering Assistant 2	\$103.00	Operations Specialist 2	\$130.00
Engineering Assistant 3	\$130.00	Operations Specialist 3	\$161.00
Engineer 1	\$140.00	Operations Specialist 4	\$184.00
Engineer 2	\$168.00	Operations Specialist 5	\$206.00
Engineer 3	\$197.00		
Engineer 4	\$228.00	Project Coordinator 1	\$120.00
Engineer 5	\$244.00	Project Coordinator 2	\$135.00
		Project Coordinator 3	\$150.00
Engineering Technician 1	\$87.00	Project Coordinator 4	\$166.00
Engineering Technician 2	\$109.00	Project Coordinator 5	\$187.00
Engineering Technician 3	\$131.00		
Engineering Technician 4	\$146.00	Project Manager 1	\$213.00
Engineering Technician 5	\$167.00	Project Manager 2	\$233.00
		Project Manager 3	\$249.00
Financial Analyst 1	\$116.00	Project Manager 4	\$264.00
Financial Analyst 2	\$132.00	Project Manager 5	\$282.00
Financial Analyst 3	\$159.00	Project Manager 6	\$295.00
Financial Analyst 4	\$173.00		
Financial Analyst 5	\$193.00	Sr. Designer 1	\$185.00
		Sr. Designer 2	\$205.00
GIS Specialist 1	\$109.00	Sr. Designer 3	\$220.00
GIS Specialist 2	\$132.00		
GIS Specialist 3	\$156.00	Sr. Financial Analyst 1	\$218.00
GIS Specialist 4	\$174.00	Sr. Financial Analyst 2	\$239.00
GIS Specialist 5	\$194.00	Sr. Financial Analyst 3	\$259.00
I&C Assistant 1	\$104.00	Technical Expert 1	\$335.00
I&C Assistant 2	\$129.00	Technical Expert 2	Negotiable
I&C 1	\$154.00		

Reimbursable Expense Rates

Transportation	\$0.75/mile
Survey Vehicle	\$0.95/mile
Laser Printouts/Photocopies	\$0.30/copy
Plotter Printouts	\$1.00/s.f.
UAS - Photo/Video Grade	\$100.00/day
UAS – Survey	\$50.00/day
Total Station – Robotic	\$35.00/hour
Mapping GPS	\$25.00/hour
Fast Static/RTK GPS	\$50.00/hour
All-Terrain Vehicle/Boat	\$100.00/day
Cellular Modem	\$75.00/month
Web Hosting	\$26.00/month
Legal Services Reimbursement	\$280.00/hour
Outside Services	cost *1.15
Geotechnical Services	cost *1.30
Out of Pocket Expenses	cost*1.15
Rental Car	cost*1.20
Project Specific Equipment	Negotiable

* Position titles are for labor rate grade purposes only.

These rates are subject to adjustment each year on January 1.