

LAKE AGASSIZ WATER AUTHORITY

BOARD OF DIRECTORS

**By Video Conference
November 12, 2025**

A meeting of the Lake Agassiz Water Authority (LAWA) board of directors was held November 12, 2025, by video conference. The meeting was called to order by Chair Mahoney at 1:05 p.m.

MEMBERS PRESENT

Chair Timothy Mahoney
Vice Chair Brandon Bochenski (departed early)
Director LaVonne Althoff
Director Rick Bigwood
Director Ann Broussard
Director Dave Carlsrud
Director Bernie Dardis
Director Tom Erdmann
Director Alan Idso
Director Don Moen
Director Jim Schmaltz
Director Travis Schmidt
Alternate Todd Feland for Vice Chair Brandon Bochenski
Alternate Brian Reilly for Director Keith Nilson
Secretary Duane DeKrey

MEMBERS ABSENT

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

A copy of the registration sheet is attached to these minutes (Annex I).

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

APPROVAL OF AGENDA

Motion by Vice Chair Bochenski to approve the board meeting agenda with Assurance Policy as an additional item. Second by Director Schmidt. Upon voice vote, motion carried.

CONSIDERATION OF MINUTES

Motion by Director Broussard to approve the October 14, 2025, LAWA Board minutes and October 16, 2025, Special LAWA Board minutes as distributed. Second by Director Dardis. Upon voice vote, motion carried.

ASSURANCE POLICY

Chair Mahoney reported he attended a Finance Committee earlier today where the Assurance Policy was discussed, and he learned there is no documented Assurance Policy even though some of the smaller users signed on with the understanding the Assurance Policy did exist. He then called on Vice Chair Bochenski to explain the strategy behind the Assurance Policy and the reasons for delay.

Vice Chair Bochenski explained the Assurance Policy originated from one of the early meetings in this process as a way to help share risk among the smaller users and to ensure their continued engagement in the Project while they worked through the details. He emphasized the policy is still of interest. He and Chair Mahoney need to finalize the details, but progress has been slowed down.

He does not know how else to explain it, but they were working with a third party, and he believed there was some level of deception from Garrison Diversion's attorney and consultants regarding existing water rights and certain 2075 demand projections. When reviewing those projections and comparing them to similar cities, such as Sioux Falls and Rapid City, which are comparable in size to Fargo and Grand Forks, inconsistencies were found. For example, those comparison cities typically show growth multiples of 1.5 to 1.8 over a several-decade timeline. If a city currently uses 10 billion gallons per day, projections for 2050 would typically place them at around 15 to 18 billion gallons.

It was discovered the projection used for Grand Forks was a multiple of more than three and more than four for Fargo. Under those assumptions, a city using 10 billion gallons today was shown to require 41 billion gallons in 50 years, with Fargo projected above 30 billion gallons. He stressed that they want to ensure alignment with Fargo regarding their final nominations and how they intend to share capacity with smaller groups. These are the conversations underway, and transparency is a priority. They still intend to provide an Assurance Policy for the smaller users, but the details need to be worked through to ensure everyone is comfortable.

Chair Mahoney asked for a motion to further explore an Assurance Policy and bring it back to the board next month.

Motion by Director Carlsrud to investigate the development of an Assurance Policy. Second by Director Althoff. Upon roll call vote, the following directors voted aye: Althoff, Bigwood, Bochenski, Broussard, Carlsrud, Dardis, Erdmann, Idso, Mahoney, Meyer, Schmaltz and Schmidt. Alternates voting aye: Reilly. Those voting nay: none. Motion carried.

FINANCIAL REPORT

Budget Analysis Statement - - Ashley Reisenauer, Lead Accountant, Garrison Diversion Conservancy District, reviewed the Budget Analysis Statement for the period of January 1, 2025, to October 31, 2025, (Annex II).

The income budget for the year is \$42,044. Total income received through October is \$59,786, resulting in a budget balance of (\$17,742).

The expense budget is \$372,245. Actual expenses through October are \$262,256, leaving \$109,988 remaining in expenses.

The total bank balance at the end of October 2025 is \$48,950.

Ms. Reisenauer noted bills paid since the October board meeting are highlighted in the Budget Analysis Statement with copies of the invoices included in the board packet.

Budget Revisions - - Ms. Reisenauer presented the 2025 LAWA budget revisions, RV2, (Annex III). Under Miscellaneous Income, the increase is \$140,000. This includes \$90,000 from the previous budget revision, which did not get listed under income at that time, plus an additional \$50,000. This results in a revised income budget of \$182,044. Revised expenses include increases to Adm/Legal/Financial for Ohnstad Twichell of \$50,000 and Garrison Diversion - BHFS of \$256.25, bringing the total revised expense budget to \$422,501.25.

Ms. Reisenauer referenced the negative anticipated bank balance shown under anticipated bank activity. After the proposed revisions, the anticipated bank balance at year end is \$11,158.

Motion by Director Broussard to approve: 1) the Budget Analysis Statement for the period of January 1, 2025, through October 31, 2025, and 2) 2025 Budget Revisions RV2. Second by Director Bigwood. Upon roll call vote, the following directors voted aye: Althoff, Bigwood, Bochenski, Broussard, Carlsrud, Dardis, Erdmann, Idso, Mahoney, Meyer, Schmaltz and Schmidt. Alternates voting aye: Reilly. Those voting nay: none. Motion carried.

Chair Mahoney pointed out there is a table in the meeting packet showing dues and cost share paid by LAWA members for the board's information.

Consultant Billing Summary - - Kurt Ronnekamp, Black & Veatch (BV), referenced the Program Billing summary for the period of January 1 through October 31, 2025 (Annex IV). The firm totals are \$13,752,590 distributed among BV and 17 related consultants, with approximately 49% of the billings attributed to BV. He noted the billings through October align with the commitments that have been made per contract.

Vice Chair Bochenski asked, for context, whether the effort to bring BV's work onshore has been progressing well in 2025, or if more of that transition is expected to occur in 2026.

Mr. Ronnekamp said, yes, BV is on track as far as commitments made, and they do look to increase the level of involvement by the subconsultants on the program.

Vice Chair Bochenski clarified his intent was to ensure the work was being performed by American labor.

Paul Boersma, BV, explained there is a natural wind-down occurring because pipeline design work has been completed. This process was already underway when the discussion began, and as a result, the use of BV professionals based in other countries has also decreased.

Chair Mahoney informed the board members the proportion of work performed by BV is trending toward 40%, with local consultants taking on a larger share.

Mr. Boersma replied that BV has been in ongoing discussions with Advanced Engineering & Environmental Services (AE2S) regarding this shift. He noted the invoices currently being seen largely reflect work completed prior to the Series E contracts. The target ratio is being pursued under the Series F contracts currently in progress, and by the end of 2026, the effects of the changes implemented this year will be more apparent.

PROJECT AGREEMENT UPDATE AND PLAN

Interim Financing Agreement Series F

Chair Mahoney referenced the Interim Financing Agreement Series F, which was emailed to the board members prior to the meeting. He reminded the board that the document had been approved at the previous meeting, contingent upon text changes reviewed and approved by legal counsel and the chair. He then called on John Shockley of Ohnstad Twichell to review the recent updates incorporated in response to Garrison Diversion's comments.

Mr. Shockley explained the proposed changes relate to the pledge language in Section 3.04, Payment by Member Entities. Over the past several weeks, he has worked with counsel for the Bank of North Dakota (BND) to revise language that Fargo and Grand Forks' bond counsel viewed as problematic, specifically regarding a pledge obligation contained within the Interim Financing Agreement. Their concern was that the existing language, when considered alongside disclosure requirements for bond issuances and covenants tied to the cities' existing debt, could affect the current or future pledge of water rates and potentially impact the cities' ability to issue future project-related debt.

After multiple exchanges with BND counsel, the issues were narrowed, and a joint meeting was held with bond counsel for Fargo, Grand Forks and BND. This resulted in some small but significant changes to Section 3.04, which he displayed for the board. The updated language now clarifies that each member entity signing the agreement covenants to pay its pro rata share of the loan payments from available revenues, subject to a new provision, Section 3.08, Member Entity Payment Covenant. This covenant is triggered only if a member entity fails to make the required payment. If payments are made, the entity is not obligated to raise or increase water rates. However, in the event of nonpayment, the entity would be required to raise water rates as necessary to meet its payment obligations, and such a failure would constitute a default.

Mr. Shockley reported that BND counsel has reviewed and approved the updated language. Counsel for Grand Forks and Fargo have confirmed their acceptance of the revisions. He added that he and Brent Bogar, LAWA Consultant, will be reaching out to the other member entities that are signatories to Series F to ensure they are comfortable with the updated

language, which he fully expects. He further noted his understanding that Garrison Diversion's bond counsel has signed off on the language, pending final approval at its November 24 board meeting.

Motion by Vice Chair Bochenski to approve the revised Interim Financing Agreement Series F between the Garrison Diversion Conservancy District, Lake Agassiz Water Authority, City of Carrington, City of Cooperstown, City of Fargo, City of Grand Forks, City of Hillsboro, City of Mayville and the City of Valley City. Second by Director Dardis. Upon roll call vote, the following directors voted aye: Althoff, Bigwood, Bochenski, Broussard, Carlsrud, Dardis, Erdmann, Idso, Mahoney, Meyer, Schmaltz and Schmidt. Alternates voting aye: Reilly. Those voting nay: none. Motion carried.

RED RIVER VALLEY WATER SUPPLY PROJECT (RRVWSP)

Construction Report - - Kip Kovar, Deputy Program Manager, RRVWSP Engineering, Garrison Diversion Conservancy District, reviewed construction activity for the RRVWSP, confirming pipeline installation across the project now totals 30 miles, with 1.9 miles added since the last meeting.

Segment Progress – Segments 5B, 5C, 5D, and 6A:

- **Garney Construction (Segment 5B):**
 - Pipeline installation and restoration complete
- **Oscar Renda Contracting (Segment 5C):**
 - 6.75 miles of pipeline installed
- **Carstensen Construction (Segment 5D):**
 - 10 miles of pipeline installed
- **Carstensen Construction (Segment 6A):**
 - 2.4 miles of pipeline installed

Mr. Kovar reported the James River tunnel has been successfully completed. Work has now begun on a short tunnel under a high-pressure gas line, which is expected to be finished by the end of the week.

Restoration and topsoil work is underway in preparation for winter.

The Work Plan Update dated November 3, 2025, (Annex V) is attached to the minutes.

Bidding Update

Mr. Kovar noted that advertisements have been issued for the following contracts:

- **Contract 6B** – Approximately 9 miles
- **Contract 6C** – Approximately 8 miles
- **Contract 7A** – Approximately 4 to 6 miles

He added that Contract 7A will function as an accordion contract: if pipe prices are low, more pipe will be installed; if prices are high, installation will be reduced accordingly.

Bid openings for Contract 6B and 6C are scheduled for November 19 at 2:00 p.m., and the bid opening for Contract 7A will be held on November 21 at 2:00 p.m.

2023-2025 Biennium Work Plan/Budget - - Mr. Kovar referenced the RRVWSP 2023-2025 Biennium Work Plan dated October 8, 2025, in the amount of \$246 million. There have been no changes since the last meeting.

2025-2027 Draft Biennium Work Plan/Budget - - Mr. Kovar referenced the Draft 2025–2027 Biennium Work Plan/Budget dated October 8, 2025, totaling \$273 million. There have been no changes since the last meeting.

Program Schedule - - Mr. Kovar also referenced the program schedule reflecting all pipeline contracts and facilities under the 10-year build plan.

NEW BUSINESS

LAWA Staff Planning - - Chair Mahoney stated as the RRVWSP advances, LAWA will require additional personnel to support its expanding responsibilities. He asked Katie Schmidt of Ohnstad Twichell to address this topic.

Ms. Schmidt provided a presentation on LAWA's future staffing needs. The information is intended to guide the board's discussion, with the decision expected at its December meeting. She noted that while Mr. Bogar currently manages a number of administrative tasks, his position was not designed to be permanent.

As project planning progresses and LAWA moves closer to the operational phase, Ms. Schmidt emphasized the organization must evolve into a more fully functional entity capable of supporting its membership and meeting the administrative and strategic demands associated with the project. This will require a staffing plan that will align operational needs, budgetary considerations and long-term strategic goals. The purpose of this presentation is to provide the board with a comprehensive overview of three staffing options developed in collaboration with stakeholders enabling an informed decision regarding LAWA's future organizational structure.

Ms. Schmidt outlined three staffing implementation scenarios:

1. Executive Assistant with an annual cost range of \$62,000 to \$87,000,
2. Executive Director plus Administrative Assistant with an annual cost range of \$207,00 to \$320,000, and
3. Association Management Company (AMC) with an annual cost range of \$96,000 to \$180,000.

She reviewed the role and responsibilities, cost and implementation considerations and the advantages and challenges of each option. Additional details are included in the memorandum dated November 3, 2025, prepared by Ms. Schmidt and Mr. Bogar (Annex VI).

Chair Mahoney asked whether the salary ranges presented include benefits.

Mr. Bogar replied these numbers include benefits.

Director Erdmann stated the RRVWSP is 24% complete in terms of pipeline installation and noted that Garrison Diversion has been absorbing a significant share of the cost and contributing substantial support at no charge. With 75% percent of the project remaining and an estimated three to four years before major operational changes are needed, he asked for Garrison Diversion's perspective on continuing to provide LAWA with administrative and engineering support at levels similar to those prior to hiring Mr. Bogar.

Mr. Bogar replied that based on his discussions with Garrison Diversion, their plan is to continue providing the support they have been offering, specifically with the design and oversight. His own role has primarily been to facilitate communication and serve as a single point of contact within LAWA for those interactions. As LAWA considers future staffing, he noted the desire to begin transitioning toward having its own personnel in place ahead of the project's operational phase, allowing the organization to strengthen its internal capacity. He added his current role does not align with operational responsibilities, as his expertise is more focused on policy and communications. In working with leadership and Ms. Schmidt, the intent has been to develop options that position LAWA for its next phase of organizational development.

Chair Mahoney observed that the administrative teams from both Grand Forks and Fargo frequently assist with RRVWSP tasks. He stated LAWA needs to begin transitioning to a different structure, noting the increasing number of moving parts that require dedicated attention.

Bruce Grubb, City of Fargo, added that with the adoption of the split-delivery model, where LAWA will take water at Lake Ashtabula and be responsible for distributing it to users, LAWA will need a formal organizational structure. He manages administrative functions in Fargo, including human resources, financial services, and technical services, and has been advised the city does not have the bandwidth to take on responsibilities of this magnitude at this time. For LAWA to fulfill its role, it will require a dedicated structural team, which is why he supports consideration of the proposed staffing options.

Chair Mahoney noted that during the FM Diversion project, the transition to an executive director model proved highly beneficial, helping to build out land management and other support functions that kept the effort focused. With split delivery, LAWA will eventually need staffing beyond what Mr. Bogar provides. While an AMC could bridge the gap for a period of time, nearing project completion LAWA would ultimately need to consider hiring an executive director. He added that system users will need to provide certain functions that Garrison Diversion does not typically perform.

Director Erdmann emphasized that the project remains far from the operational stage and the immediate priority is completing construction. With only 25% of the work complete, a great

deal remains. He noted an Executive Assistant could serve in a role similar to Mr. Bogar's and perhaps function more like an AMC. He cautioned that Garrison Diversion's willingness to

take on substantial responsibilities at little or no cost to LAWA should not be overlooked. While more staffing will be necessary as the project nears operation, he does not believe significant additions are needed at this stage.

Mr. Bogar acknowledged Director Erdmann's point that operational needs are still several years away; however, he noted that developing the operational plan in coordination with Garrison Diversion is part of the role being contemplated. With active involvement from various LAWA members through the Technical Advisory Committee and Financial Advisory Committee, he said a dedicated position would help guide and facilitate this work and support the transition toward defining LAWA's long-term operational structure, including a potential executive director role. The intent is not to take over any construction-related responsibilities handled by Garrison Diversion.

Director Erdmann reiterated that Garrison Diversion is responsible for planning and construction, and LAWA's role during this phase is to remain informed. He suggested an executive assistant or similar position could fulfill that function and eventually grow into an executive director role. For the time being, he does not see the need for significant staffing increases until the project is closer to operation. During construction, a liaison-type executive assistant working closely with Garrison Diversion would maintain communication between LAWA and Garrison Diversion's board, similar to the role Mr. Bogar currently plays.

Chair Mahoney stated the challenge with the user agreement is that numerous items must be closely coordinated with the Department of Water Resources (DWR). He noted that operational planning, the Thompson-Acker water rights, and various federal requirements related to securing funding all require consistent and immediate attention. These activities cannot be deferred until the end of the project; they must begin now and will require substantial effort.

He added that while Mr. Bogar can continue to serve in a policy and communications role, LAWA needs someone who can track these matters on a day-to-day and month-to-month basis. Just as the board has moved to monthly meetings, LAWA will need to be more actively engaged in external efforts. He emphasized the need for a dedicated position focused fully on LAWA's responsibilities within the project.

Chair Mahoney stated that cost is an important factor. The board needs to understand the financial differences between the staffing options. He noted that an executive assistant may be beneficial, with an AMC handling additional responsibilities if LAWA is not yet ready to hire an executive director. This is a key consideration as the board evaluates the path forward.

Director Erdmann expressed concern that, although Grand Forks and Fargo are the larger users, all participating entities would ultimately bear these costs if cost share is not available. Any additional staffing would become part of the ongoing operational expenses, adding to the annual costs beyond the current financing agreements.

Chair Mahoney responded that these expenses are considered part of the project and would, therefore, be eligible for the 75-25 percent cost-share structure. He noted this has been

discussed with Reice Haase, Director of the DWR, who indicated he is comfortable with that approach.

Director Erdmann asked whether LAWA feels confident that cost share will be available and that it will be incorporated into the overall project, regardless of which staffing option is selected.

Chair Mahoney agreed, adding this information will also be presented to Garrison Diversion's leadership for their input.

Director Carlsrud said unless LAWA is certain about the direction they want to go, it may be worth considering starting with an AMC and later transitioning to an executive director, rather than moving from an executive director back to an AMC.

Chair Mahoney asked Director Dardis if he would like to share any thoughts regarding staff planning.

Director Dardis stated he appreciates the analysis provided by Director Erdmann regarding the percentage of the project completed and the number of years remaining before reaching near-operational status. He agreed with Director Erdmann's assessment. He added, in regard to an AMC, if a professional team is to handle this, he is concerned about whether there are any regional candidates qualified for such work. He emphasized the importance of identifying potential AMC-type contractors in advance. He suggested, with all due respect, that the conversation about the project's direction may not need to occur until mid to late 2026, or possibly early 2027.

Mr. Bogar stated there are several firms in North Dakota that provide AMC services and would be qualified to assist LAWA in this role. He suggested defining the scope of work and interviewing a few of these firms to ensure their level of commitment and to identify any potential conflicts, so that all information is disclosed and understood upfront.

Director Schmaltz asked if LAWA were to hire an executive assistant, would that person assume Mr. Bogar's responsibilities or would he remain involved.

Mr. Bogar replied that this would need to be determined. The executive assistant would take over some of his duties, but he is unsure whether policy and strategy development would fall within that role. As the process moves forward, part of the discussion will focus on how his role fits into the overall structure.

Director Meyer asked how long the 75-25 percent cost share will remain in effect. He suggested that, at some point, it might be beneficial to bring someone on staff before construction is complete so they have time to become familiar with the project.

Mr. Bogar stated that discussions regarding the 75-25 cost share, particularly for project management versus ongoing operations, would need to take place with the DWR to determine long-term eligibility. Typically, the DWR does not cover ongoing operational salaries, whereas project management costs are generally more likely to be eligible.

Chair Mahoney asked the board to consider when it would be appropriate to hire staff for LAWA if it is not done now. He emphasized that someone needs to be sufficiently embedded in the project to fully understand its nuances, operations and associated cost responsibilities. He suggested that board members email him with their comments.

Director Erdmann suggested requesting a written proposal from Garrison Diversion outlining whether their staff would be willing to assist LAWA with administrative support and, if so, to what extent. He questioned whether LAWA could continue utilizing Garrison Diversion's staff at no cost or if charges would apply.

Chair Mahoney acknowledged the point, noting that everyone is part of the team and that Garrison Diversion currently assists with monthly meetings, making the question appropriate.

Ms. Schmidt agreed, stating that it had been a productive discussion. She said the information should be taken as informational for now, and any comments may be conveyed to the chair. The topic will be revisited in December.

DEPARTMENT OF WATER RESOURCES UPDATE

Pat Fridgen, Deputy Director, DWR, provided a progress report on the two legislatively required studies currently underway. The first study focuses on the agency's cost share program and policy evaluation. The purpose of the study is to assess available funding for water projects through 2039, evaluate project timing and identify any anticipated funding shortfalls. Deliverables will

include a financial model designed to help the DWR, governor's office, legislature and project sponsors evaluate options for addressing potential shortfalls and ensuring long-term sustainability of the cost share program.

Deloitte is serving as the contractor for this study. Representatives were in Bismarck at the end of October to meet with DWR staff and confirm that all necessary information had been provided. Deloitte is currently developing the financial model, and the project remains on schedule, with a final report expected in March.

The second study concerns regional water systems governance and finance. Its purpose is to analyze the long-term governance and financial models of NAWS, Southwest Pipeline Project (SWPP) and the RRVWSP. This evaluation will include a review of operational and organizational aspects of all three systems, including an assessment of strengths, weaknesses, opportunities and challenges.

Deloitte is also the contractor for this study. To date, they have completed most stakeholder interviews with only a few remaining. This study is also progressing on schedule, with a final report anticipated in May.

Mr. Fridgen reported the state agencies recently received an update from the Office of Management and Budget (OMB) regarding the 2027-2029 budget cycle. When the 2023-2025 biennium budgeting process started, the state's beginning general fund balance was approximately \$1 billion. For 2025-2027, it was \$1.3 billion. Current projections for 2027-2029 indicate a beginning balance of roughly \$400 million, which is a significant decline from the previous two cycles.

He noted the DWR is not a general-fund agency, as it is funded almost entirely through the Resources Trust Fund, which receives revenues from extraction taxes. However, as was demonstrated during the most recent legislative session, the agency can also expect decreased revenues compared to prior biennia, which may pose challenges for future project development.

NEW BUSINESS

Technical Advisory Committee and Financial Advisory Committee Recommendations -

- Mr. Bogar referred to the proposed committee recommendations list included in the meeting packet for the Technical Advisory Committee (TAC) and Financial Advisory Committee (FAC). The recently revised bylaws outline the membership requirements for both committees. He stated he has been in contact with various individuals regarding their participation and that the matter has been discussed at prior board meetings. He then reviewed the draft committee lists (Annex VII). If the board is in agreement, he recommended approval of the proposed membership for each committee.

Motion by Director Bigwood to approve the proposed recommendations for membership to the LAWA Technical Advisory Committee and Financial Advisory Committee. Second by Director Schmidt. Upon roll call vote, the following directors voted aye: Althoff, Bigwood, Broussard, Carlsrud, Dardis, Erdmann, Idso, Mahoney, Meyer, Schmaltz and Schmidt. Alternates voting aye: Feland and Reilly. Those voting nay: none. Motion carried.

OTHER

The meeting adjourned at 2:13 p.m.

Timothy Mahoney, Chair

Duane DeKrey, Secretary

REGISTRATIONLAWA Board Meeting
By Video Conference
November 12, 2025

| NAME | ORGANIZATION |
|-------------------|---|
| Lisa Schafer | Garrison Diversion |
| Kip Kovar | Garrison Diversion |
| Duane DeKrey | Garrison Diversion |
| Kimberly Cook | Garrison Diversion |
| Sabrina Scherr | Garrison Diversion |
| Ashley Reisenauer | Garrison Diversion |
| Keith Mykleseth | East Grand Forks Water & Light |
| Ken Vein | Garrison Diversion |
| Katie Schmidt | Ohnstad Twichell |
| John Shockley | Ohnstad Twichell |
| Kurt Ronnekamp | Black & Veatch |
| Paul Boersma | Black & Veatch |
| Steve Burian | Burian & Associates |
| March Pritchard | Moorhead Public Service |
| Maureen Storstad | City of Grand Forks |
| Todd Feland | City of Grand Forks |
| Al Grasser | City of Grand Forks |
| Dan Gaustad | City of Grand Forks |
| Shawn Gaddie | Advanced Engineering & Environmental Services |
| Brent Bogar | LAWA |
| Tami Norgard | Vogel Law Firm |
| Michael Halvorson | Department of Water Resources |
| Tim Paustian | Apex Engineering |
| Jason Siegert | Garrison Diversion |
| Jay Anderson | Garrison Diversion |
| Greg Bischoff | Garrison Diversion |
| Jeff LeDoux | Garrison Diversion |
| Bruce Grubb | City of Fargo |

| NAME | ADDRESS |
|------------------|---|
| Dan Portlock | City of Fargo |
| Brad Olson | City of West Fargo |
| Brent Brinkman | Cass Rural Water District |
| Brent Erickson | Advanced Engineering & Environmental Services |
| Brian Nazarenius | Nazarenius Stack & Wombacher |
| Don Lingen | Southeast Water Users District |
| Joe Nett | Department of Water Resources |
| Jeremy Schuler | Northeast Regional Water District |
| Joe Zauner | American Pipe |
| Pat Fridgen | Department of Water Resources |
| Brian Johnson | East Grand Forks Water & Light |
| Cory Drevecky | Department of Water Resources |
| Steve Metzger | Garrison Diversion |
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| Income | Budget 2025 | Actual as of 10.31.25 | Balance of Budget |
|----------------------------------|----------------------|-----------------------|-----------------------|
| Dues Income | \$ 35,000.00 | \$ 34,700.00 | \$ 300.00 |
| Miscellaneous | \$ 99.00 | \$ 20,605.50 | \$ (20,506.50) |
| Cost Share-Interim Finance | \$ 6,945.00 | \$ 4,481.48 | \$ 2,463.52 |
| Total Income | \$ 42,044.00 | \$ 59,786.98 | \$ (17,742.98) |
| Expenses | | | |
| Dues Expenses | \$ 6,500.00 | \$ 6,320.00 | \$ 180.00 |
| ND Water Users Association | \$ 5,000.00 | \$ 5,000.00 | \$ - |
| ND Water Coalition | \$ 1,000.00 | \$ 1,000.00 | \$ - |
| ND Rural Water Systems Assoc. | \$ 500.00 | \$ 320.00 | \$ 180.00 |
| Accounting | \$ - | \$ - | \$ - |
| Directors Expense | \$ - | \$ - | \$ - |
| Insurance | \$ 550.00 | \$ 461.00 | \$ 89.00 |
| Construction | \$ - | \$ - | \$ - |
| Engineering | \$ 6,945.00 | \$ 4,390.01 | \$ 2,554.99 |
| Property Acquisiton/Easements | \$ - | \$ - | \$ - |
| Admin Expense | \$ 250.00 | \$ 83.46 | \$ 166.54 |
| Legal/Prof Serv | \$ 358,000.00 | \$ 251,001.84 | \$ 106,998.16 |
| Ohnstad Twichell, P.C. | \$ 137,982.00 | \$ 119,876.27 | \$ 18,105.73 |
| AE2S | \$ 181,768.00 | \$ 92,619.32 | \$ 89,148.68 |
| Garrison Diversion - BHFS | \$ 30,750.00 | \$ 31,006.25 | \$ (256.25) |
| Garrison Diversion - Effertz Law | \$ 7,500.00 | \$ 7,500.00 | \$ - |
| Total Expenses | \$ 372,245.00 | \$ 262,256.31 | \$ 109,988.69 |

Bank Activity

| | |
|-------------------------------|----------------------|
| Beginning Bank Balance 1-1-25 | \$ 251,616.13 |
| Income Received | \$ 59,786.98 |
| Bank Fees | \$ (196.08) |
| Total Funds Available | \$ 311,207.03 |

| | |
|--|----------------------|
| Check #1263 ND Water Coalition | \$ 1,000.00 |
| Check #1264 ND Water Users | \$ 5,000.00 |
| Check #1265 AE2S | \$ 15,568.25 |
| Check #1266 Ohnstad Twichell | \$ 16,267.77 |
| Check #1267 Ohnstad Twichell | \$ 6,017.00 |
| Check #1268 Garrison Diversion (BHFS) | \$ 7,687.50 |
| Check #1269 Garrison Diversion (Effertz Law) | \$ 3,750.00 |
| Check #1270 AE2S | \$ 10,696.32 |
| Check #1271 AE2S | \$ 15,175.64 |
| Check #1272 Ohnstad Twichell | \$ 4,476.50 |
| Check #1273 AE2S | \$ 9,538.71 |
| Check #1274 Ohnstad Twichell | \$ 2,095.50 |
| Check #1275 Garrison Diversion (Effertz Law) | \$ 3,750.00 |
| Check #1276 Garrison Diversion (BHFS) | \$ 7,687.50 |
| Check #1277 Garrison Diversion (CS 33) | \$ 3,410.49 |
| Check #1278 AE2S | \$ 11,314.58 |
| Check #1279 Ohnstad Twichell | \$ 13,553.00 |
| Check #1280 Countryside Creations | \$ 83.46 |
| Check #1281 Garrison Diversion (CS 34) | \$ 979.52 |
| Check #1282 Ohnstad Twichell | \$ 10,825.50 |
| Check #1283 ND Rural Water | \$ 320.00 |
| Check #1284 AE2S | \$ 20,865.07 |
| Check #1285 Ohnstad Twichell | \$ 11,688.00 |
| Check #1286 AE2S | \$ 9,460.75 |
| Check #1287 Garrison Diversion(BHFS/Bernhardt) | \$ 7,751.56 |
| Check #1288 Insure Forward | \$ 461.00 |
| Check #1289 Ohnstad Twichell | \$ 31,162.00 |
| Check #1290 Ohnstad Twichell | \$ 13,722.50 |
| Check #1291 Ohnstad Twichell | \$ 10,068.50 |
| Check #1292 Garrison Diversion(Bernhardt) | \$ 7,879.69 |
| Total Expenses | \$ 262,256.31 |

Ending Bank Balance \$ **48,950.72**



| Budget 2025 Rv2 | | | |
|----------------------------------|----------------------|----------------------|-----------------------|
| Income | Budget | Revision | Revised Budget |
| Dues Income | \$ 35,000.00 | | \$ 35,000.00 |
| Miscellaneous | \$ 99.00 | \$ 140,000.00 | \$ 140,099.00 |
| Cost Share-Interim Finance | \$ 6,945.00 | \$ - | \$ 6,945.00 |
| Total Income | \$ 42,044.00 | \$ 140,000.00 | \$ 182,044.00 |
| Expenses | | | |
| Dues Expenses | \$ 6,500.00 | \$ - | \$ 6,500.00 |
| ND Water Users Association | \$ 5,000.00 | \$ - | \$ 5,000.00 |
| ND Water Coalition | \$ 1,000.00 | \$ - | \$ 1,000.00 |
| ND Rural Water Systems Assoc. | \$ 500.00 | \$ - | \$ 500.00 |
| Accounting | \$ - | | \$ - |
| Directors Expense | \$ - | \$ - | \$ - |
| Insurance | \$ 550.00 | | \$ 550.00 |
| Construction | \$ - | \$ - | \$ - |
| Engineering | \$ 6,945.00 | | \$ 6,945.00 |
| Property Acquisiton/Easements | \$ - | \$ - | \$ - |
| Admin Expense (Misc/Bank fees) | \$ 250.00 | | \$ 250.00 |
| Adm/Legal/Financial | \$ 358,000.00 | \$ 50,256.25 | \$ 408,256.25 |
| Ohnstad Twichell, P.C. | \$ 137,982.00 | \$ 50,000.00 | \$ 187,982.00 |
| AE2S | \$ 181,768.00 | | \$ 181,768.00 |
| Garrison Diversion - BHFS | \$ 30,750.00 | \$ 256.25 | \$ 31,006.25 |
| Garrison Diversion - Effertz Law | \$ 7,500.00 | \$ - | \$ 7,500.00 |
| Total Expenses | \$ 372,245.00 | \$ 50,256.25 | \$ 422,501.25 |

| Anticipated Bank Activity | Current | Revised |
|--|-----------------------|---------------------|
| Beginning Bank Balance 1-1-25 | \$ 251,616.13 | \$ 251,616.13 |
| Income Budget | \$ 42,044.00 | \$ 182,044.00 |
| Expense Budget | \$ 372,245.00 | \$ 422,501.25 |
| Anticipated Bank Balance 12-31-25 | \$ (78,584.87) | \$ 11,158.88 |

JANUARY - OCTOBER 2025
MONTHLY BILLING REPORT
RED RIVER VALLEY WATER SUPPLY PROJECT



PROGRAM BILLING SUMMARY

| Firm Name / Task Order Name | January | February | March | April | May | June | July | August | September | October | FIRM TOTALS | |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|--------|
| Black & Veatch Corporation | \$ 690,230.60 | \$ 668,273.32 | \$ 608,791.09 | \$ 754,257.27 | \$ 737,491.87 | \$ 665,304.31 | \$ 641,608.03 | \$ 796,669.05 | \$ 553,539.02 | \$ 630,192.89 | \$ 6,746,357.45 | 49.1% |
| Advanced Engineering and Environmental Services, LLC | \$ 382,593.65 | \$ 447,090.45 | \$ 420,537.27 | \$ 427,332.32 | \$ 494,175.34 | \$ 343,480.67 | \$ 385,219.62 | \$ 623,022.48 | \$ 547,635.35 | \$ 515,550.79 | \$ 4,586,637.94 | 33.4% |
| Materials Testing Services, LLC | \$ - | \$ 98,280.00 | \$ 425,011.00 | \$ 16,100.00 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 539,391.00 | 3.9% |
| Burian & Associates, LLC | \$ 129,671.79 | \$ 79,361.61 | \$ 49,908.97 | \$ 51,102.86 | \$ 56,532.37 | \$ 54,098.15 | \$ 45,457.65 | \$ 8,434.98 | \$ - | \$ 17,977.65 | \$ 492,546.03 | 3.6% |
| Ulteig Engineers, Inc. | \$ 26,865.56 | \$ 580.00 | \$ 22,086.98 | \$ 11,948.50 | \$ - | \$ 9,380.50 | \$ 6,167.50 | \$ 2,155.75 | \$ 14,466.33 | \$ 9,680.50 | \$ 103,331.62 | 0.8% |
| Prairie Soil Consulting, LLC | \$ 4,460.56 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 20,673.13 | \$ - | \$ - | \$ 25,133.69 | 0.2% |
| American Engineering Testing, Inc. | \$ 2,040.00 | \$ - | \$ 1,015.00 | \$ 4,150.00 | \$ 9,725.50 | \$ 2,647.00 | \$ 7,096.00 | \$ 8,623.00 | \$ - | \$ 42,621.35 | \$ 77,917.85 | 0.6% |
| Veteran Testing and Inspecting, LLC | \$ 4,350.00 | \$ - | \$ - | \$ - | \$ - | \$ 5,556.00 | \$ 12,880.00 | \$ 10,166.00 | \$ 14,723.00 | \$ 9,243.00 | \$ 56,918.00 | 0.4% |
| Material Testing Consultants, Inc. | \$ 518.00 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 518.00 | 0.0% |
| Braun Intertec Corporation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 8,509.25 | \$ 3,132.25 | \$ 3,882.25 | \$ 2,288.00 | \$ 6,622.75 | \$ 24,434.50 | 0.2% |
| Accurate Inspections, LLC | \$ - | \$ - | \$ - | \$ 3,314.20 | \$ - | \$ 11,144.60 | \$ 17,774.18 | \$ - | \$ - | \$ 7,390.79 | \$ 39,623.77 | 0.3% |
| Wilson Water Group, LLC | \$ 1,275.00 | \$ - | \$ - | \$ 3,315.00 | \$ 6,895.00 | \$ 5,025.00 | \$ 5,695.00 | \$ 382.50 | \$ - | \$ - | \$ 22,587.50 | 0.2% |
| DocuSign, Inc. | \$ - | \$ 3,300.00 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,300.00 | 0.0% |
| Stantec Consulting Services, Inc. | \$ - | \$ 34,819.85 | \$ - | \$ - | \$ - | \$ - | \$ 20,339.04 | \$ 39,046.29 | \$ 97,705.07 | \$ 24,246.89 | \$ 216,157.14 | 1.6% |
| Moore Engineering, Inc. | \$ 5,242.42 | \$ - | \$ 2,675.00 | \$ - | \$ 25,732.40 | \$ 105,775.97 | \$ 46,570.30 | \$ 52,901.00 | \$ - | \$ 127,447.82 | \$ 366,344.91 | 2.7% |
| Houston Engineering, Inc. | \$ 14,448.00 | \$ - | \$ 19,052.00 | \$ 5,887.00 | \$ - | \$ 30,756.50 | \$ 1,316.00 | \$ - | \$ - | \$ - | \$ 71,459.50 | 0.5% |
| Apex Engineering Group | \$ 26,029.00 | \$ 65,822.00 | \$ 47,961.00 | \$ 87,514.00 | \$ 82,979.50 | \$ 31,391.00 | \$ 11,571.50 | \$ 4,204.00 | \$ 6,634.50 | \$ 4,905.00 | \$ 369,011.50 | 2.7% |
| Miscellaneous | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 10,920.00 | \$ 10,920.00 | 0.1% |
| MONTHLY TOTALS | \$ 1,287,724.58 | \$ 1,397,527.23 | \$ 1,597,038.31 | \$ 1,364,921.15 | \$ 1,413,531.98 | \$ 1,273,068.95 | \$ 1,204,827.07 | \$ 1,570,160.43 | \$ 1,236,991.27 | \$ 1,406,799.43 | \$ 13,752,590.40 | 100.0% |

**RRVWSP Work Plan Update
November 3, 2025**

CONSTRUCTION

Pipeline Construction

Contract 5B

Pipe installation was completed in 2024, and field restoration was completed this year on the nine-mile contract.

The teams are currently working through negotiations on final contract price.

To date, \$39,090,882.28 has been paid on the original contract amount of \$45,961,700.00. Change Orders No. 1, 2, 3, 4 and 5 have been approved, leaving the current contract price at \$47,619,339.79.

Contract 5C

The contract price is \$76,663,355.00 for 8 miles of pipe awarded to Oscar Renda Contracting.

As their install targets were not being met, a second pipe crew started on July 10, and as of September 15, four crews are on site. Thus far, 34,780 feet has been installed. Tunneling subcontractor, Minger Contracting, has finished the James River tunnel.

To date, \$49,857,174.08 has been paid on the original contract amount of \$76,663,355.00.



Stripping Topsoil



Trench Box w/ Dewatering Pipes

Contract 5D

The contract price is \$61,677,275.00 for 10 miles of pipe awarded to Carstensen Contracting. Thus far, the contractor has installed 51,883 feet with one pipe crew.

To date, \$46,941,141.94 has been paid on the original contract amount of \$61,677,275.00. Change Order No. 1 has been approved, leaving the current contract price at \$59,375,495.00.



Stored Pipe on Site



Placing Dewatering Pipe

Contract 6A

The contract price is \$52,528,500.00 for 7.1 miles of pipe awarded to Carstensen Contracting. Thus far, the contractor has installed 11,655 feet of pipe.

To date, \$18,238,929.10 has been paid on the original contract amount of \$52,528,500.00.

DESIGN

The design team is also working with Reclamation on the location for the BWTP and pump stations. Final design efforts have started on ENDAWS Contracts 1 and 2. Additional geotechnical data is underway.

| RRVWSP Awarded Contracts | | | | |
|--------------------------|--|---------------------|-----------------|----------------------|
| No. | Contract Name | Contractor | Bid Price | Final Contract Price |
| 1 | Missouri River Intake Wet Well & Site Development | ICS | \$4,989,405.88 | \$4,721,446.47 |
| 1 | Sheyenne River Outlet Discharge Structure & Site Development | Industrial Builders | \$1,516,955.00 | \$1,521,884.00 |
| 2 | Missouri River Intake, Screen Structure & Tunnel | Michels | \$18,896,900.00 | \$19,444,156.60 |
| 5A | Transmission Pipeline East (TPE) | Garney | \$8,366,201.00 | \$8,393,396.44 |
| 5B | TPE Carrington to Bordulac | Garney | \$45,961,700.00 | |
| 5D | TPE Sykeston to Carrington | Carstensen | \$61,677,275.00 | |
| 5C | TPE Bordulac to James River | Oscar Renda | \$76,663,355.00 | |
| 6A | TPE James River to McKinnon Township | Carstensen | \$52,528,500.00 | |

Memorandum

To: LAWA Board of Directors
From: Brent Bogar, Katie Schmidt
Date: 11/3/2025
Subject: Staffing Scenarios for LAWA – Informational Overview

Purpose

As part of the scope of work with my existing agreement, I have been working on a plan for staffing implementation options for the board to consider for the Lake Agassiz Water Authority (LAWA). The initial goal of these staffing options is to:

- 1- Begin to transition LAWA into a more fully functional organization to support the growing demands associated with implementation of the Red River Valley Water Supply Project (RRVWSP).
- 2- Provide support to LAWA membership in representing their interests in the RRVWSP as the project progresses towards operational start-up and the associated on-going project administrative and management requirements.

This memorandum provides an informational overview of three staffing scenarios that have been developed working with others for your consideration. The goal is to support the Board in evaluating options that align with LAWA's operational needs, budgetary constraints, and long-term strategic goals.

Overview of Staffing Implementation Scenarios

1. Executive Assistant

Provides administrative support to the Board, including membership coordination, meeting coordination, documentation, and general office management.

2. Executive Director + Administrative Assistant

Includes a full-time Executive Director responsible for strategic leadership, financial oversight, and stakeholder engagement, supported by an Administrative Assistant.

3. Association Management Company (AMC)

Provides contracted services including governance, financial management, and operational support through a team of professionals.

Key Considerations

It is recognized with the options being considered that there are key differences in the near-term and long-term viability of each option. The below is meant to highlight a few of these differences and assist the board in determining which option is best suited to initially stand-up LAWA independent staffing and organization management.

Executive Assistant:

| | |
|---|------------------------|
| Estimated Cost: | \$62k-\$87k |
| Implementation Timeline: | 6-8 weeks |
| Primary Level of Responsibility: | Administrative Support |

| |
|---|
| Pros |
| <ul style="list-style-type: none"> • Fast Implementation • Lower Near-term Cost • Flexible role to support organizational needs • Potential to plan more methodically for long-term Executive Director role |
| Cons |
| <ul style="list-style-type: none"> • Delays on-boarding of strategic leadership at key implementation point in the RRVWSP • Requires more board engagement in daily activities for direction • Likely that outside contracted support will still be necessary for an interim period of time to support strategic and operational items |

Executive Director + Administrative Assistant

| | |
|---|--------------------------------------|
| Estimated Cost: | \$207K-\$320K |
| Implementation Timeline: | 3-4 months |
| Primary Level of Responsibility: | Strategic leadership + Admin Support |

| |
|---|
| Pros |
| <ul style="list-style-type: none"> • Begins process of orientation of strategic organizational leadership sooner • Potential to engage near-term in the development of foundational organizational issues including policy, management, and contractual relationships • Minimizes future organizational leadership transitions • Faster transition away from outside consulting support needs |
| Cons |
| <ul style="list-style-type: none"> • May be difficult to identify and attract job candidates with the right background, expertise, and skillset • Will require more near-term effort to attract and on-board appropriate candidates • Greater Near-Term Cost • Need for setting up organizational structure to handle payroll, benefits, etc. • Long-term responsibilities of the Executive Director may not be clearly defined at this time |

Association Management Company (AMC)

Estimated Cost: \$96K-\$180K

Implementation Timeline: 2-6 weeks

Primary Level of Responsibility: Contracted Organizational Management

| |
|--|
| Pros |
| <ul style="list-style-type: none"> • Quickly scalable to organizational needs • Likely the fastest on-boarding of broad organizational support • Additional resources to support organization such as marketing, finances, etc. • More moderate near-term cost and effort to implement • Certain RRVWSP activities may be eligible for cost-share |
| Cons |
| <ul style="list-style-type: none"> • May be difficult to identify contract entity with the right background and experience • Future organizational leadership transition likely still required • May not be the sole focus of the contract entity |

Risk and Benefit Summary

Each option presents unique risks and benefits. The Executive Assistant offers low cost but limited leadership. The Executive Director model provides strong continuity and control but at a higher cost. The AMC offers flexibility and speed but careful scoping of services to ensure goals are met will be important.

Next Steps

The Board is encouraged to review the supporting materials, which provide detailed comparisons, implementation milestones, risk assessments, and key performance indicators (KPIs) for each scenario. The Board will have time to discuss the options and ask for additional information with the intention of making a decision at the December board meeting.

LAWA Committee Recommendations

Technical Advisory Committee

3 individuals from Fargo, 2 Individuals from Grand Forks, 2 Board Members, 2 At Large

| | |
|---------------------|--|
| Fargo | Dan Portlock |
| Fargo | Troy Hall |
| Fargo | Michael Redlinger (Bruce Grubb designee) |
| Grand Forks | Al Grasser |
| Grand Forks | Todd Feland |
| Board Member | Ann Broussard |
| Board Member | Dave Carlsrud |
| At Large | Brent Brinkman |
| At Large | Marc Prichard |

Financial Advisory Committee

3 individuals from Fargo, 2 Individuals from Grand Forks, 2 Board Members, 2 At Large

| | |
|---------------------|------------------|
| Fargo | Susan Thompson |
| Fargo | Jamie Bullock |
| Fargo | Wyatt Papenfuss |
| Grand Forks | Maureen Storstad |
| Grand Forks | Todd Feland |
| Board Member | Bernie Dardis |
| Board Member | Tom Erdmann |
| At Large | Gwen Crawford |
| At Large | Jeremy Schuler |