

LAKE AGASSIZ WATER AUTHORITY

BOARD OF DIRECTORS

**By Video Conference
September 9, 2025**

A meeting of the Lake Agassiz Water Authority (LAWA) board of directors was held September 9, 2025, by video conference. The meeting was called to order by Chair Mahoney at 2:00 p.m.

BOARD MEMBERS PRESENT

Chair Timothy Mahoney
Vice Chair Brandon Bochenski
Director Rick Bigwood
Director Ann Broussard
Director Dave Carlsrud
Director Bernie Dardis
Director Tom Erdmann
Director Alan Idso
Director Don Moen
Director Keith Nilson
Director Jim Schmaltz
Director Travis Schmidt
Alternate Steve Hansen for Director LaVonne Althoff
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 Director Idso to approve the board meeting agenda. Second by Director Schmaltz. Upon voice vote, motion carried.

CONSIDERATION OF MINUTES

Motion by Director Nilson to approve the August 19, 2025, LAWA Board meeting minutes as distributed. Second by Director Schmidt. Upon voice vote, 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 August 31, 2025, (Annex II).

Total income received through August is \$39,089. The budget amount for the year is \$36,945, resulting in a surplus of \$2,144.

The expense budget is \$227,000. Actual expenses through August 31 are \$199,423, leaving \$27,626 remaining in expenses.

The total bank balance at the end of August 2025 is \$91,199.

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

Motion by Director Schmidt to approve the Budget Analysis Statement for the period of January 1, 2025, through August 31, 2025. Second by Director Dardis. Upon roll call vote, the following directors voted aye: Bigwood, Bochenski, Broussard, Carlsrud, Dardis, Erdmann, Idso, Mahoney, Moen, Nilson, Schmaltz and Schmidt. Alternates voting aye: Hansen. Those voting nay: none. Motion carried.

Budget Revisions - - Ms. Reisenauer presented the 2025 LAWA budget revisions, RV1, (Annex III). Under Income, increases include \$5,000 in Dues Income and \$99 under Miscellaneous. This results in a revised income budget of \$42,044. Revised expenses include increases to Engineering of \$6,945, Administrative Expense of \$250, Adm/Legal/Financial for Ohnstad Twichell of \$50,000 and AE2S of \$88,000, bringing the total revised expense budget to \$372,245.

Ms. Reisenauer referenced the negative anticipated bank balance shown under anticipated bank activity at the bottom of the page. Fargo and Grand Forks have agreed to cover the shortage in funds.

Motion by Director Schmaltz to approve the 2025 LAWA Budget Revisions (RV1). Second by Vice Chair Bochenski. Upon roll call vote, the following directors voted aye: Bigwood, Bochenski, Broussard, Carlsrud, Dardis, Erdmann, Idso, Mahoney, Moen, Nilson, Schmaltz and Schmidt. Alternates voting aye: Hansen. Those voting nay: none. Motion carried.

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

RED RIVER VALLEY WATER SUPPLY PROJECT

Construction and Work Plan Update - - Kip Kovar, Deputy Program Manager, RRVWSP Engineering, Garrison Diversion Conservancy District, reported on the following construction updates:

- ~7,000 feet of pipe installed since August
- Tunneling under the James River to begin in 5–7 days

- Work Plan unchanged from August; detailed report at next meeting
- No budget changes to the 2023–2025 (\$246 Million) or draft 2025–2027 (\$273 Million) biennium plans (Annex IV & V)
- Program Schedule unchanged

PROJECT AGREEMENT UPDATE AND PLAN

Interim Financing Agreement – Series F

John Shockley, Ohnstad Twichel, reported ongoing collaboration is taking place between LAWA and Garrison Diversion’s counsels regarding Series F. A joint meeting is set for next week with counsel for Grand Forks, Fargo, Garrison Diversion, LAWA and bond counsel.

Mr. Shockley reminded everyone under the Cooperation Agreement, Garrison Diversion was expected to finance the full RRVWSP. However, due to limitations in bonding against its mill levy, Series F is necessary to secure local matching funds for the state share.

Director Erdmann expressed a preference for a streamlined Series F document, noting that excessive recitals may be complicating review by bond attorneys.

Vice Chair Bochenski emphasized the importance of including recitals, especially given the significant financial commitments from communities (e.g., \$10 million from Grand Forks). He noted that Grand Forks and Fargo’s shared bond counsel has no objections to the current recital language.

Mr. Shockley acknowledged both perspectives, stating that recitals are consistent with prior agreements and help city councils justify water rate increases to constituents.

Vice Chair Bochenski and Mr. Shockley noted that regardless of community size, the financial contributions are substantial and directly impact water rates.

Chair Mahoney reported the attorneys involved will meet next week with bond counsels to resolve outstanding comments and aim to have the Series F Agreement finalized for bidding this fall. Additionally, plans are underway to hold meetings with users to explain the agreement and its implications for water rates.

Director Erdmann emphasized the need to resolve any legal discomfort around recitals to avoid delays in securing project funding.

Term Sheet - - Mr. Shockley referenced the Draft Term Sheet (Annex VI), previously reviewed in executive session at the August LAWA board meeting, stating it was sent to Garrison Diversion’s counsel on August 21. Garrison Diversion’s counsel then requested a follow-up meeting, and a preliminary call was held on August 29 to clarify certain terms.

Mr. Shockley noted that Garrison Diversion raised concerns about the absence of a definition for “operational planning” in the Term Sheet. He requested clarification on their interpretation of the term but did not receive a definitive response. Ms. Norgard committed to consulting with her client and providing further input.

Mr. Shockley added counsel for Fargo requested documentation from Garrison Diversion's counsel regarding any contractual limitations, particularly with the Department of Interior or third-party agreements, that could affect Garrison Diversion's ability to draw water.

Mr. Shockley referred to the document emailed on September 8 from Garrison Diversion to LAWA board members and alternates regarding the Term Sheet, adding he would like to bring attention to a couple of items.

He cited Section 2.01 of the Cooperation Agreement, which affirms that both LAWA and Garrison Diversion are statutorily authorized to lead planning, design, financing, construction, management, and operations.

Mr. Shockley also referenced North Dakota Century Code § 61-39.04.1, which specifically provides "the authority (meaning LAWA) and the Garrison Diversion Conservancy District shall continue studying, planning, developing and constructing a non-federal project to meet the water supply needs of eastern and central North Dakota separate and apart from the federal project."

Regarding the comments Garrison Diversion made about Thompson-Acker water rights, Mr. Shockley referenced a memo from the Department of Water Resources (DWR), obtained via open records request dated June 21, 2024, which states "as noted above, all storage held behind Baldhill Dam is appropriated to the communities that helped finance the building of the Dam."

The memo clarified that no additional storage is currently available, and any changes would require coordination with existing permit holders and DWR.

Mr. Shockley commented that is why he has been following up with the Thompson-Acker water rights. He shares the same concerns as the DWR. Ultimately, as he has expressed to everyone, his goal is to make sure there are marketable water rights behind Lake Ashtabula so the entities that are purchasing water rights have the right to draw upon that water.

Finally, on the split delivery, Mr. Shockley reemphasized LAWA is not requesting to take over construction of the actual pipeline. That responsibility remains with Garrison Diversion under the approved split delivery model.

LAWA's focus is on securing storage capacity behind Lake Ashtabula to fulfill their delivery commitments. Drafts of water distribution agreements are in progress, but clarification is needed regarding LAWA's ability to store water.

Vice Chair Bochenski expressed concern about the intent and implications of the document circulated by Garrison Diversion.

Mr. Shockley stated that LAWA had been awaiting a formal response to the Term Sheet from Garrison Diversion's legal counsel and was unclear on the rationale for the document's release.

Chair Mahoney directed LAWA and Garrison Diversion to continue working through legal counsel to resolve any outstanding issues. He reported Mr. Shockley has been authorized to lead negotiations on behalf of LAWA, with the expectation that Ms. Norgard will collaborate to produce a mutually acceptable Term Sheet.

Chair Mahoney announced plans to convene a meeting with Thompson-Acker water right holders to address water storage concerns. A separate meeting will be held for Series F Agreement signatories to review the agreement and present the legal positions.

UNFINISHED BUSINESS

LAWA Bylaws Revisions - - Katie Schmidt, Ohnstad Twichell, noted the second reading of the proposed LAWA Bylaws revisions was included in the board packet and reflects all comments received during the last board meeting. She invited further discussion from board members.

Proposed Amendments:

Section VI, H-6 – Parliamentary Rules and Voting Procedures (Supermajority Requirement)

Motion by Vice Chair Bochenski to approve the proposed bylaws with an amendment to strike Grand Forks from the list of entities required for an affirmative supermajority vote under Section VI.H.6(i).

Vice Chair Bochenski acknowledged Grand Forks' significant contribution to the Project, though not to the extent of Fargo, and stated this concession was intended to facilitate progress on bylaws.

Second by Director Broussard.

Director Erdmann expressed appreciation for Grand Forks' concession but proposed an additional amendment. He suggested that Fargo's veto power under the supermajority provision should only apply to decisions with a direct financial impact on Fargo.

Chair Mahoney requested legal counsel's input on the feasibility and implications of such an amendment.

Ms. Schmidt advised that while the amendment could be added, it would introduce interpretive challenges regarding what constitutes a financial impact. She cautioned this could affect future voting procedures and potentially undermine the supermajority framework if financial relevance is disputed. She also noted such changes could influence future bylaw amendments and governance dynamics.

Vice Chair Bochenski expressed concern about the ambiguity of defining financial impact and stated that Grand Forks would reconsider its position if the proposed amendment were included. He added that many of the concerns raised would be addressed in the forthcoming LAWA user agreement, which is currently under development.

After further discussion, the board agreed to proceed with the original proposal as presented—removing Grand Forks from the supermajority requirement but retaining Fargo's veto authority for decisions under Section VI.H.5(a–i), with the exception of officer and senior staff elections.

Upon roll call vote, the following directors voted aye: Bigwood, Bochenski, Broussard, Carlsrud, Dardis, Erdmann, Idso, Mahoney, Moen, Nilson, Schmaltz and Schmidt. Those voting nay: none. Absent: Althoff. Motion carried.

A copy of the approved LAWA Bylaws is attached to these minutes as Annex VII.

NEW BUSINESS

Committee Membership - - Brent Bogar, Consultant to LAWA, reported that revisions to committee structure were addressed in the updated bylaws. He emphasized the need to formally identify members for both the Financial Advisory Committee and the Technical Advisory Committee.

Board members were encouraged to begin considering nominations or expressions of interest for these roles.

Project Update - - Mr. Bogar informed the board that the DWR has signed a contract to conduct a governance and finance study encompassing the Southwest Pipeline Project (SWPP), Northwest Area Water Supply Project (NAWS) and RRWSP.

A detailed update on the study will be provided at the next board meeting by Reice Haase, Director of the DWR.

Resolution of Condolence - - Chair Mahoney acknowledged the recent passing of John Hancock, former LAWA Board member representing Agassiz Water Users District, and referenced the resolution included in the meeting packet.

Motion by Vice Chair Bochenski to postpone formal action on the resolution of condolence until the next in-person board meeting, allowing the board to properly honor Mr. Hancock.

Chair Mahoney said he concurs it would be more appropriate to recognize Mr. Hancock's service to LAWA in-person.

Second by Director Nilson. Upon voice vote, motion carried.

OTHER

The meeting adjourned at 2:40 p.m.

Timothy Mahoney, Chair

Duane DeKrey, Secretary

REGISTRATIONLAWA Board Meeting
By Video Conference
September 9, 2025

NAME	ORGANIZATION
Lisa Schafer	Garrison Diversion
Kip Kovar	Garrison Diversion
Duane DeKrey	Garrison Diversion
Jason Siegert	Garrison Diversion
Jay Anderson	Garrison Diversion
Ken Vein	Garrison Diversion
Dave Anderson	Garrison Diversion
Sabrina Scherr	Garrison Diversion
Ashley Reisenauer	Garrison Diversion
Steve Metzger	Garrison Diversion
Brent Bogar	LAWA
Bruce Grubb	City of Fargo
Troy Hall	City of Fargo
Dan Portlock	City of Fargo
Susan Thompson	City of Fargo
Todd Feland	City of Grand Forks
Maureen Storstad	City of Grand Forks
Al Grasser	City of Grand Forks
John Shockley	Ohnstad Twichell
Katie Schmidt	Ohnstad Twichell
John Dingess	City of Fargo
Pat Fridgen	Department of Water Resources
Jeremy Schuler	Northeast Regional Water District
Bennett Johnson	Vogel Law Firm
Kurt Ronnekamp	Black & Veatch
Shawn Gaddie	Advanced Engineering
Marc Pritchard	Moorhead Public Service
Brent Brinkman	Cass Rural Water Users

NAME	ADDRESS
Brian Reilly	Walsh Rural Water District
Brian Johnson	East Grand Forks Water & Light
Steve Burian	Burian & Associates
Sam Devries	Department of Water Resources
Cory Drevecky	Department of Water Resources
Ian McLean	City of Fargo
Joe Nett	Department of Water Resources
Tim Paustin	Apex
Joe Zauner	American Pipe
Willy Galindo	City of West Fargo



Income	Budget 2025	Actual as of 8.31.25	Balance of Budget
Dues Income	\$ 30,000.00	\$ 34,600.00	\$ (4,600.00)
Miscellaneous	\$ -	\$ 99.00	\$ (99.00)
Cost Share-Interim Finance	\$ 6,945.00	\$ 4,390.01	\$ 2,554.99
Total Income	\$ 36,945.00	\$ 39,089.01	\$ (2,144.01)
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	\$ -	\$ 4,390.01	\$ (4,390.01)
Property Acquisiton/Easements	\$ -	\$ -	\$ -
Admin Expense	\$ -	\$ 83.46	\$ (83.46)
Legal/Prof Serv	\$ 220,000.00	\$ 188,169.15	\$ 31,830.85
Ohnstad Twichell, P.C.	\$ 87,982.00	\$ 64,923.27	\$ 23,058.73
AE2S	\$ 93,768.00	\$ 92,619.32	\$ 1,148.68
Garrison Diversion - BHFS	\$ 30,750.00	\$ 23,126.56	\$ 7,623.44
Garrison Diversion - Effertz Law	\$ 7,500.00	\$ 7,500.00	\$ -
Total Expenses	\$ 227,050.00	\$ 199,423.62	\$ 27,626.38

Bank Activity

Beginning Bank Balance 1-1-25	\$ 251,616.13
Income Received	\$ 39,089.01
Bank Fees	\$ (81.80)
Total Funds Available	\$ 290,623.34

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
Total Expenses	\$ 199,423.62

Ending Bank Balance \$ **91,199.72**



Budget 2025 Rv1			
Income	Original Budget	Revision	Revised Budget
Dues Income	\$ 30,000.00	\$ 5,000.00	\$ 35,000.00
Miscellaneous	\$ -	\$ 99.00	\$ 99.00
Cost Share-Interim Finance	\$ 6,945.00	\$ -	\$ 6,945.00
Total Income	\$ 36,945.00	\$ 5,099.00	\$ 42,044.00
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	\$ 220,000.00	\$ 138,000.00	\$ 358,000.00
Ohnstad Twichell, P.C.	\$ 87,982.00	\$ 50,000.00	\$ 137,982.00
AE2S	\$ 93,768.00	\$ 88,000.00	\$ 181,768.00
Garrison Diversion - BHFS	\$ 30,750.00	\$ -	\$ 30,750.00
Garrison Diversion - Effertz Law	\$ 7,500.00	\$ -	\$ 7,500.00
Total Expenses	\$ 227,050.00	\$ 145,195.00	\$ 372,245.00

Anticipated Bank Activity	Original	Revised
Beginning Bank Balance 1-1-25	\$ 251,616.13	\$ 251,616.13
Income Budget	\$ 36,945.00	\$ 42,044.00
Expense Budget	\$ 227,050.00	\$ 372,245.00
Anticipated Bank Balance 12-31-25	\$ 61,511.13	\$ (78,584.87)



**RED RIVER VALLEY
WATER SUPPLY PROJECT**

Lake Agassiz
Water Authority

2023 to 2025 Biennium Work Plan

(\$246 mil Total Funding: \$4.5M Federal; \$180M State; \$61.5M Local Users)

September 2, 2025

No.	Scope of Work	Feature	Date Task Orders Auth	Note	2023-25 Bien ENDAWS Project Development Budget (mil \$)			2023-25 Biennium RRVWSP Project Development Budget (mil \$)			2023-25 Biennium RRVWSP Project Constr Budget (mil \$) ^{1,2,3}		
					Total	Fed/Sta 75%	Local 25%	Total	State 75%	Local 25%	Total	State 75%	Local 25%
	Garrison Diversion Conservancy District Budget												
1.	Scope: Account for all costs for which Garrison Diversion is responsible not included in other Task Orders listed here. Need: Budget allocation for GDCD direct costs associated with the Red River Valley Water Supply Project.	Garrison Diversion's costs for the RRVWSP, including internal mgmt, admin, legal, communication, insurance advisory, misc., etc.		GDCD				\$ 1.00	\$ 0.75	\$ 0.25			
	Property, Easements, and Crop Damage Payments⁴												
2.	Scope: Costs to obtain easements and acquire property for associated facilities. Crop damage payments to landowners. Need: Secure land for installing future pipeline segments staying years ahead of pipeline design/construction needs. Purchase property on which to build all remaining facilities so property will be in hand before final design begins.	Acquire easements in Sheridan and Wells County for 32-mi pipeline. Pay bonus payment to all easement holders. Acquire property for Biota WTP, Hydraulic Break Tanks, McClusky Canal Intake, and James River sites. Pay for crop damage.		RRVWSP			\$ 2.21	\$ 1.66	\$ 0.55				
3.	Transmission Pipeline East Contract 5C Scope: Pipeline installation, including construction phase engineering services by Engineer. Need: Continue progress of transmission pipeline installation for completion of RRVWSP by the target end date.	8± mi of 72" pl, including two 96" tunnels. Pipeline extends eastward from Contract 5B NE of Bordulac to a termination point just east of the James River.	Jul-23 Nov-23	Prof Svcs Const, 2026 Fin							\$ 5.64	\$ 4.23	\$ 1.41
4.	Transmission Pipeline East Contract 5D Scope: Pipeline installation, including construction phase engineering services by Engineer. Need: Continue progress of transmission pipeline installation for completion of RRVWSP by the target end date.	10± miles of 72" pl, including several 96" tunnels. Pipeline section extends westward from Contract 5A south of Carrington to a termination point south of Sykeston.	Jul-23 Oct-23	Prof Svcs Const, 2026 Fin							\$ 5.47	\$ 4.10	\$ 1.37
5.	RRV Transmission Pipeline Contract 6A Scope: Pipeline installation, including construction phase engineering services by Engineer. Need: Continue progress of transmission pipeline installation for completion of RRVWSP by the target end date.	6± mi of 72" pl, including several 96" tunnels. Pipeline section extends eastward from Contract 5C just east of the James River to a termination point southwest of Glenfield.	Jul-23 Dec-24	Prof Svcs Const, 2027 Fin							\$ 5.47	\$ 4.10	\$ 1.37
6.	ENDAWS Transmission Pipeline Contract 3 Scope: Final design (30% docs to biddable plans and specs) and bidding assistance. Need: Continue progress of transmission pipeline installation for completion of RRVWSP/ENDAWS by the target end date.	11± mi of 72" pipeline, including 96" tunnels. Pipeline section extends west from the west end of Contract 4 to the Sheridan Wells County line.	Aug-23	ENDAWS		\$ 3.06	\$ 2.29	\$ 0.76			\$ 52.53	\$ 39.40	\$ 13.13
7.	Transmission Pipeline East Contracts 4A and 4B Scope: Final design (30% docs to biddable plans and specs) and bidding assistance. Need: Have the next pipeline section bid-ready when State funding becomes available (likely the 2025-27 biennium).	27± mi of 72" pl, including several 96" tunnels. Pipeline extends from the west end of Contract 5D south of Sykeston west to a termination point NE of Hurdsville at HBTs.	Feb-24	Prof Svcs				\$ 7.18	\$ 5.39	\$ 1.80			



RED RIVER VALLEY
WATER SUPPLY PROJECT



2023 to 2025 Biennium Work Plan

(\$246 mil Total Funding: \$4.5M Federal; \$180M State; \$61.5M Local Users)

September 2, 2025

No.	Scope of Work	Feature	Date Task Orders Auth	Note	2023-25 Bien ENDAWS Project Development Budget (mil \$)			2023-25 Biennium RRVWSP Project Development Budget (mil \$)			2023-25 Biennium RRVWSP Project Constr Budget (mil \$) ^{1,2,3}			
					Total	Fed/Sta 75%	Local 25%	Total	State 75%	Local 25%	Total	State 75%	Local 25%	
8.	RRV Transmission Pipeline Contract 7 Scope: Final design (30% docs to biddable plans and specs) and bidding assistance. Need: Have the next pipeline section bid-ready when State funding becomes available (likely the 2025-27 biennium).	14± mi of 72" pipeline, including several 96" tunnels. Pipeline extends from the east end of Contract 6B to the outfall on the Sheyenne River southeast of Cooperstown.	Aug-23	Prof Svcs				\$	2.93	\$ 2.19	\$ 0.73			
9.	McClusky Canal Intake and Pumping Station Scope: Conceptual and preliminary design of an intake and pumping station at the McClusky Canal. Need: Preliminary designs are necessary so site acquisition can begin and final design can commence when land is secured.	Siting: passive intake screens, pumping station similar to MRI, and utility extension design can begin for new facility to be located near McClusky, ND.	Feb-24	Prof Svcs	\$	0.75	\$ 0.56	\$ 0.19						
10.	Biota Water Treatment Plant and Main Pumping Station Scope: Conceptual and preliminary designs for a Biota WTP and Main Pumping Station, including hydraulic surge facility. Need: Complete design to a point where land acquisition can begin and project can move into final design next biennium.	165-cfs biota WTP, with chlorine and UV disinfection to meet NDPDES permit and FEIS requirements per Reclamation. Chloramines for residual disinfectant in pipeline.	Feb-24	Prof Svcs	\$	2.87	\$ 2.15	\$ 0.72						
11.	Hydraulic Break Tanks Scope: Preliminary design of above-ground tanks and associated facilities at or near the continental divide. Need: Complete design to a point where land acquisition can begin and project can move into final design next biennium.	Two 5 MG above-ground storage tanks and accessories, site piping and valves, monitoring, and utility extensions necessary for a new greenfield site.	Feb-24	Prof Svcs	\$	0.37	\$ 0.28	\$ 0.09						
12.	PMIS Annual Licenses & Continued Maint/Upgrades Scope: Annual software license renewal for expanded team and consulting support for training and configuration services. Need: Create greater efficiency and documentation for voluminous amount of construction related documents.	Vendor fees (e-Builder & DocuSign) for licenses of expanded team and consulting support for training of contractors/ subcontractors and workflow/report additions and modifications.	Feb-24	Vend & Prof Svcs				\$	0.50	\$ 0.37	\$ 0.12			
13.	Prg Mgmt to Support Larger Spend and Expanded Team Scope: Overall program management, planning, budgeting, scheduling, and other support for Garrison Diversion. Need: Consulting services of a broad programmatic nature not included under project-specific design or construction TOs.	Overall planning, management, administration, scheduling, budgeting, coordination, meeting preparation/attendance, regulatory interface, reporting, etc.	Aug-23	Prof Svcs				\$	0.65	\$ 0.49	\$ 0.16			
14.	Outreach, Plog, and Design to Secure User Commitments Scope: User briefings and necessary support, including conceptual designs, to secure project commitments. Need: Define pipeline extensions to identify for users how and a what cost water will be delivered to their communities.	Size pipelines, pumping stations, channels, storage, etc. and other necessary infrastructure to deliver raw water to end users. Update capex to reflect current market.	Aug-23	Prof Svcs				\$	1.69	\$ 1.27	\$ 0.42			



**RED RIVER VALLEY
WATER SUPPLY PROJECT**



2023 to 2025 Biennium Work Plan

(\$246 mil Total Funding: \$4.5M Federal; \$180M State; \$61.5M Local Users)

September 2, 2025

No.	Scope of Work	Feature	Date Task Orders Auth	Note	2023-25 Bien ENDAWS Project Development Budget (mil \$)			2023-25 Biennium RRVWSP Project Development Budget (mil \$)			2023-25 Biennium RRVWSP Project Constr Budget (mil \$) ^{1,2,3}		
					Total	Fed/Sta 75%	Local 25%	Total	State 75%	Local 25%	Total	State 75%	Local 25%
	Operational Planning and Asset Management Phase 3 Scope: System modeling, evaluation, planning, and report development documenting results/findings/outcomes. Need: Finalize Garrison Diversion, State Water Commission, and USACE roles for system operation.	Refine details of diversions to/from Lake Ashtabula. Finalize stakeholder roles and responsibilities as it relates to system operation.	Feb-24	Prof Svcs				\$ 0.62	\$ 0.46	\$ 0.15			
15.			Aug-25	Prof Svcs									
	Financial Planning Support Scope: Continue to refine the financial model and provide scenarios as required to support users and the program. Need: Accurate water bill estimates and affordability for customers are necessary to gain approval from users.	Update financial models; address state loan and financing program changes; end user funding, financing, and cost-share analyses; continued funding and finance outreach.	Aug-23	Prof Svcs				\$ 0.59	\$ 0.44	\$ 0.15			
16.													
	McClusky Canal Hydraulic & Water Quality Investigation Scope: Study and report on operation of the McClusky Canal to reliably supply flow to irrigators and the ENDAWS project. Need: The McClusky Canal and the Snake Creek Pumping Plant are critical components of the ENDAWS/RRVWSP system.	Evaluate canal improvements necessary to deliver flows. Develop operational plan to supply irrigators and ENDAWS/RRVWSP system while improving delivered water quality.	Apr-25	Prof Svcs	\$ 0.44	\$ 0.33	\$ 0.11						
17.													
	ENDAWS Facilities Site Development Contract 1 Scope: Final design and bidding assistance with partial execution of the construction work by GDCCD. Need: Provide site access for construction and ready site for substantial facilities construction beginning in 2028.	Access roads to proposed site of new Biota WTP, mass grading to prepare for structure construction, and temporary excavation support system for intake pumping station wetwell.	Apr-25	Prof Svcs	\$ 0.88	\$ 0.66	\$ 0.22						
18.													
	ENDAWS BWTP Piloting and Treatability Study Scope: water treatment piloting of preliminarily selected treatment processes with a 3-month duration. Need: Process demonstration necessary to make sure water quality treatment objectives can be met with selections.	Pilot scale treatment train consisting of preliminary treatment, UV disinfection, chlorination, and residual chloramine treatment.	Apr-25	Prof Svcs	\$ -	\$ -	\$ -	\$ 0.87	\$ 0.65	\$ 0.22			
19.													
	ENDAWS Facilities Supplemental Geotechnical Invest. Scope: Additional borings and soil sampling expanding upon the initial program implemented during preliminary design. Need: More data needed to properly design foundations, structures, pavement, etc. for the new facilities.	Geotechnical borings; soil characterization, sampling and testing; and reporting to fully inform design team and contractors of on-site insitu soil characteristics.	Apr-25	Prof Svcs	\$ 0.89	\$ 0.66	\$ 0.22						
20.													
	ENDAWS Transmission Pipeline Contract 2 Scope: Final design (30% docs to 90% plans and specs). Need: Have next pipeline section nearly ready so when Federal funding is secured/allocated design can quickly be completed and construction can proceed.	10± mi of 72" pipeline, including one 96" diameter tunnels. Pipeline extends from ND Highway 14 east to the connection point with Contract 3.	Apr-25	Prof Svcs	\$ 1.78	\$ 1.34	\$ 0.45						
21.													
	ENDAWS Transmission Pipeline Contract 1 Scope: Final design (30% docs to biddable plans and specs) and bidding assistance. Need: Have next pipeline section bid-ready so when Federal funding is secured/allocated construction can proceed.	11± mi of 72" pipeline, including uup to five 96" diameter tunnels. Pipeline extends from BWTP at McClusky Canal east to ND Highway 14 connection point with Contract 2.	Apr-25	Prof Svcs	\$ 1.95	\$ 1.46	\$ 0.49						
22.													
													Annex IV 25-187



2023 to 2025 Biennium Work Plan

(\$246 mil Total Funding: \$4.5M Federal; \$180M State; \$61.5M Local Users)

September 2, 2025

No.	Scope of Work	Feature	Date Task Orders Auth	Note	2023-25 Biennium Development Budget (mil \$)			2023-25 Biennium RRVWSP Project Development Budget (mil \$)			2023-25 Biennium RRVWSP Project Constr Budget (mil \$) ^{1,2,3}			
					Total	Fed/Sta 75%	Local 25%	Total	State 75%	Local 25%	Total	State 75%	Local 25%	
23.	<p>Contingency</p> <p><i>Scope: A budget reserve for task order additions to professional services, construction, legal, real estate, etc. TOS.</i></p> <p><i>Need: Address and pay for changes that are sure to occur.</i></p>	<p><i>Budget flexibility to adapt to work plan changes and to pay for construction change orders typically running from 3 to 5% of original construction costs at bid time.</i></p>												
TOTAL PROGRAM BUDGET					\$ 15.48	\$ 11.61	\$ 3.87	\$ 19.02	\$ 14.27	\$ 4.76	\$ 211.50	\$ 158.62	\$ 52.87	

Notes:

1. Construction costs include management, engineering services during construction, inspection, field quality control, and construction.
2. Projects indicated for construction funding in a given biennium will be shovel ready for construction at the start of the biennium.
3. Future capital costs are escalated to an anticipated midpoint of construction per Finance Team rates of 7, 6, 5, 5, and 3.5 percent per annum thereafter starting in 2022 with an anticipated 2032 finish. All future RRVWSP construction projects and costs are not shown.
4. Land services costs are the amount likely to be paid for real estate, easements, including bonus payments, crop damage, and field obstructions. Estimates include pipeline easements required for the ENDAWS east/west pipeline and remaining easements from the beginning of the Contract 4 transmission main to the Sheyenne River Outfall, with most located in Wells County.
5. Items appearing in blue bold are progressing with task orders and contracts issued to the engineering team and contractors, respectively. Items appearing in blue italics have been updated to reflect adjustments made for actual amounts contracted. Items shown in black text are pending. Items highlighted in yellow have changed from the previous version of the Work Plan.



**RED RIVER VALLEY
WATER SUPPLY PROJECT**



2025 to 2027 Biennium Work Plan

(\$273.33M Total Funding: \$0.00 Federal; \$205.00M State; \$68.33M Local Users)

September 2, 2025

No.	Scope of Work	Feature	Date Task Orders Auth	Note	2025-27 Bien ENDAWS Project Development Budget (mil \$)			2025-27 Biennium RRVWSP Project Development Budget (mil \$)			2025-27 Biennium RRVWSP Project Constr Budget (mil \$) ^{1,2,3}						
					Total	Fed/Sta 75%	Local 25%	Total	State 75%	Local 25%	Total	State 75%	Local 25%				
1.	Garrison Diversion Conservancy District Budget Scope: Account for all costs for which Garrison Diversion is responsible and not included in other Task Orders listed here. Need: Budget allocation for GDCCD direct costs associated with the Red River Valley Water Supply Project.	Garrison Diversion's costs for the RRVWSP.	--	GDCCD	\$	1.00	\$	0.75	\$	0.25							
2.	Property, Easements, and Crop Damage Payments⁴ Scope: Crop damage payments to landowners and easement costs. Need: Treat landowners right and live up to commitments.	Easements for Washburn transmission main. Pay for crop damages program wide.	--	Crp Dmg	\$	1.82	\$	1.37	\$	0.46							
3.	Red River Valley Transmission Pipeline Contract 6B Scope: Pipeline installation, including construction phase engineering services by Engineer. Need: Continue progress of transmission pipeline installation for completion of RRVWSP by the target end date.	9.2± mi of 72" pl, including one 96" tunnel. Pipeline extends east from Contract 6A northeast of Kensal to a termination point southeast of Glenfield.	Jul-25	Prof Svcs Const, 2028 Fin							\$	6.24	\$	4.68	\$	1.56	
			Oct-25										\$	64.26	\$	48.20	\$
4.	Red River Valley Transmission Pipeline Contract 6C Scope: Pipeline installation, including construction phase engineering services by Engineer. Need: Continue progress of transmission pipeline installation for completion of RRVWSP by the target end date.	8.4± miles of 72" pl, including three 96" tunnels. Pipeline section extends east from Ct 6B near Glenfield to a termination point south of Sutton.	Jul-25	Prof Svcs Const, 2028 Fin								\$	7.14	\$	5.35	\$	1.78
			Oct-25											\$	73.78	\$	55.34
5.	Red River Valley Transmission Pipeline Contract 7A Scope: Pipeline installation, including construction phase engineering services by Engineer. Need: Continue progress of transmission pipeline installation for completion of RRVWSP by the target end date.	6.5± mi of 72" pl, including three 96" tunnels. Pl section extends east from Ct 6C near Sutton to a termination point south of Cooperstown.	Jul-25	Prof Svcs Const, 2028 Fin								\$	5.83	\$	4.37	\$	1.46
			Dec-25											\$	59.82	\$	44.87
6.	McClusky Facilities Final Design Services & Bidding Assist Scope: Final designs for McClusky Intake Pumping Station, Biota WTP, and McClusky Main Pumping Station. Need: Complete design so bids can be obtained for constructing the facilities.	165-cfs biota WTP, with chlorine and UV disinfection to meet NDPDES permit and FEIS requirements per Reclamation. Chloramines for residual disinfectant in pipeline.	Oct-25	Prof Svcs	\$	15.00	\$	11.25	\$	3.75							
7.	MO River Pumping Sta, Trans Main, & Utilities Ext Ct 3 Scope: Final design, construction, and construction phase services for pumping station and transmission pl for Washburn. Need: Advance design, obtain bids, and construct new raw water supply for City of Washburn.	Raw water pumping station and transmission main from Missouri River Pumping Station to the City of Washburn water treatment plant.	Jan-26	Prof Svcs	\$	0.40	\$	0.30	\$	0.10							
			Jan-27		Prof Svcs												
			Jan-27	Const													



2025 to 2027 Biennium Work Plan

(\$273.33M Total Funding: \$0.00 Federal; \$205.00M State; \$68.33M Local Users)

September 2, 2025

No.	Scope of Work	Feature	Date Task Orders Auth	Note	2025-27 Bien ENDAWS Project Development Budget (mil \$)			2025-27 Biennium RRVWSP Project Development Budget (mil \$)			2025-27 Biennium RRVWSP Project Constr Budget (mil \$) ^{1,2,3}		
					Total	Fed/Sta 75%	Local 25%	Total	State 75%	Local 25%	Total	State 75%	Local 25%
8.	McClusky Facilities Wetwell Excavation & Site Dev Ct 1 Scope: Construction and construction phase services for initial project at greenfield site. Need: Prepare site and ready it for future construction of the biota water treatment plant.	Access road improvements from Highway 200 north to the future biota water treatment plant site. Mass excavation of site and excavation of intake ps shaft.	Apr-26 Apr-26	Prof Srvs Const									
9.	McClusky Facilities Intake, Tunnel, & Shaft Liner Ct 2 Scope: Final design services and bidding assistance for second construction project at the facilities site. Need: Complete specialty work ahead of the main biota water treatment plant construction.	Passive intake screens/structure on the McClusky Canal along with a 72" tunnel to the shaft/pumping station wetwell. Concrete shaft liner inside circular shaft excavated under Ct 1.	Jan-26	Prof Srvs Prof Srvs Const									
10.	McClusky Facilities Utility Extensions Design Scope: Final design services and bidding assistance for power, natural gas, water utility extensions to the new sites. Need: There is no 3-phase power available at the site so one needs to be developed to supply power needs of new facility.	Electrical system design to support a new power supply to the biota water treatment plant and associated ps along with the new ground storage reservoirs site.	Jan-26	Prof Srvs									
11.	PMIS Annual Licenses & Continued Maint/Upgrades Scope: Annual software license renewal for expanded team and consulting support for training and configuration services. Need: Create greater efficiency and documentation for significant amount of construction related documents.	Vendor fees (e-Builder & DocuSign) for licenses of expanded team and consulting support for training of GCs/subs and workflow/report additions and mods.	Sep-25	Prof Srvs									
12.	Program Management Support Scope: Overall program management, planning, budgeting, scheduling, and other support for Garrison Diversion. Need: Consulting services of a broad programmatic nature not included under project-specific design or construction TOs.	Overall planning, management, administration, scheduling, budgeting, coordination, meeting preparation/attendance, regulatory interface, reporting, etc.	Oct-25	Prof Srvs									
13.	Project Participation Agreement Support Scope: User briefings and necessary support, including conceptual designs, to secure project commitments. Need: Define pipeline extensions to identify for users how and at what cost water will be delivered to their communities.	Size pipelines, pumping stations, channels, storage, etc. and other necessary infrastructure to deliver raw water to end users. Update CapEx estimates to reflect market.	Oct-25	Prof Srvs									
14.	Operational Planning Phase 4 Scope: System modeling, evaluation, planning, and report development documenting results/findings/outcomes. Need: Finalize Garrison Diversion, State Water Commission, and USACE roles for system operation.	Refine details of diversions to/from Lake Ashtabula. Finalize stakeholder roles and responsibilities as it relates to system operation.	Oct-25	Prof Srvs									



2025 to 2027 Biennium Work Plan

(\$273.33M Total Funding: \$0.00 Federal; \$205.00M State; \$68.33M Local Users)

September 2, 2025

No.	Scope of Work	Feature	Date Task Orders Auth	Note	2025-27 Bien ENDAWS Project Development Budget (mil \$)			2025-27 Biennium RRVWSP Project Development Budget (mil \$)			2025-27 Biennium RRVWSP Project Constr Budget (mil \$) ^{1,2,3}		
					Total	Fed/Sta 75%	Local 25%	Total	State 75%	Local 25%	Total	State 75%	Local 25%
	Financial Planning Support Scope: Continue to refine the financial model and provide scenarios as required to support users and the program. Need: Accurate water bill estimates and affordability for customers are necessary to gain approval from users.	Update financial models; address state loan and financing program changes; end user funding, financing, and cost-share analyses; continued funding and finance outreach.	Oct-25	Prof Svcs				\$ 0.60	\$ 0.45	\$ 0.15			
	Contingency Scope: A budget reserve for task order additions to professional services, construction, legal, real estate, etc. TOs. Need: Address and pay for changes that are sure to occur.	Budget flexibility to adapt to work plan changes and to pay for construction change orders typically running from 3 to 5% of original construction costs at bid time.	N/A	GDCD	\$ 0.93	\$ 0.70	\$ 0.23	\$ 0.44	\$ 0.33	\$ 0.11	\$ 14.43	\$ 10.83	\$ 3.61
TOTAL PROGRAM BUDGET					\$ 19.43	\$ 14.57	\$ 4.86	\$ 9.20	\$ 6.90	\$ 2.30	\$ 244.70	\$ 183.53	\$ 61.18

Notes:

1. Construction costs include management, engineering services during construction, inspection, field quality control, and construction.
2. Projects indicated for construction funding in a given biennium will be shovel ready for construction at the start of the biennium.
3. Future capital costs are escalated to an anticipated midpoint of construction per Finance Team rates of 7, 6, 5, and 3.5 percent per annum thereafter starting in 2022 with an anticipated 2032 finish. All future RRVWSP construction projects and costs are not shown.
4. Land services costs are the amount likely to be paid for real estate, easements, including bonus payments, crop damages, and field obstructions. Estimates include pipeline easements required for the Washburn transmission main and remaining easements on pipeline Contracts 1 through 4 in Sheridan and Wells Counties.

TERM SHEET

Term Sheet for the Delivery of Water Made Available by Garrison Diversion Conservancy District (GDCD) to Lake Agassiz Water Authority (LAWA) via the Red River Valley Water Supply Pipeline from the Missouri River Intake and Pumping Station/McClusky Canal Intake to the Sheyenne River Outfall.

The following Term Sheet is consistent with the LAWA Position Statements provided to the GDCD Board of Directors (the “GDCD Board”) at its regular meeting held July 17, 2025. LAWA supports the successful completion of the Red River Valley Water Supply Project (RRVWSP) to provide supplemental water supply for drought resiliency and economic development. LAWA’s members include members who hold Thompson-Acker (TA) water rights within Lake Ashtabula and LAWA is best positioned to work collaboratively with the TA water rights holders, state, and federal agencies to secure necessary agreements with agencies and members regarding the storage of RRVWSP water at Lake Ashtabula.

This Term Sheet proposes a Water Supply Agreement in which the RRVWSP project is completed using a split-delivery model, whereby LAWA will retain authority over water rights and oversee the allocation and delivery of water after it is discharged from the pipeline to end users, while GDCD would be responsible for constructing, operating, and maintaining the pipeline treatment systems and related infrastructure (the “GDCD Portion”) to all pipeline deliveries where made from the GDCD Portion either as direct taps to a branch pipeline, or outfalls to the Sheyenne, Red or James Rivers.

I. Parties	
A. GDCD	Garrison Diversion Conservancy District is a political subdivision of the State of North Dakota that holds Conditional Water Permit (CWP) No. 1416A-02 providing for the right to extract 120,000 acre feet per year (AFPY) of Missouri River Water for the Red River Valley Water Supply Project and is constructing a 72 inch diameter, 125 mile steel pipeline originating at Missouri River Intake and Pumping Station/McClusky Canal Intake, including a biota treatment facility with a terminus at Sheyenne River located north of the Lake Ashtabula Reservoir (the Sheyenne River Outfall).
B. LAWA¹	Lake Agassiz Water Authority, a North Dakota Political Subdivision, created for the purpose of storing and distributing Project Water to eastern and central North Dakota for beneficial and public uses. Pursuant to N.D.C.C. § 61-39-04.1 LAWA is authorized to study, plan, develop, and construct the RRVWSP to meet the water supply needs of eastern and central North Dakota.

¹ Current Members of LAWA include: City of Briarwood, City of Buffalo, City of Casselton, City of Colfax, City of Cooperstown, City of Davenport, City of East Grand Forks, City of Fargo, City of Forman, City of Galesburg, City of Grafton, City of Grand Forks, City of Grandin, City of Hillsboro, City of Hope, City of Horace, City of Hunter, City of Kindred, City of Langdon, City of Lisbon, City of Manvel, City of Mapleton, City of Mayville, City of Minto, City of Mooreton, City of Mountain, City of Neche, City of Park River, City of Sibley, City of Valley City, City of West Fargo, Agassiz Water Users District, Barnes Rural Water District, Dakota Rural Water District, Cass Rural Water District, Northeast Regional Water District, and Southeast Water Users District.

<p>II. Facilities, Property, and Other Key Definitions</p>	
<p>A. Project</p>	<p>“Project” means the non-federal Red River Valley Supply Project to provide inter-basin water supply to eastern and central North Dakota, which is designed to divert Missouri River Water at an intake well located on the eastern bank of the Missouri River Intake and a Pumping Station/McClusky Canal Intake and deliver it through the Pipeline to the Sheyenne River Outfall for beneficial use in central and eastern North Dakota.</p>
<p>B. Exclusive Right</p>	<p>“Exclusive Right” means the exclusive right of LAWA, in relation to GDCD, to convey, transport, sell, impound, store and resell any and all water delivered by GDCD from either the Missouri River Intake or the Pumping Station/McClusky Canal Intake and delivered by the Pipeline to the Sheyenne River Outfall. “Exclusive Right” includes the exclusive right of LAWA, in relation to GDCD, to coordinate, facilitate, and administer the storage, delivery, and beneficial use and reuse of Project Water by its Member Entities, including any coordination, communications, and agreements with the United States Army Corps of Engineers or the North Dakota Division of Water Resources necessary to accomplish such purposes.</p>
<p>C. Pipeline</p>	<p>“Pipeline” means a 72 inch diameter, 165 mile steel pipeline originating at Missouri River Intake and/or the Pumping Station/McClusky Canal Intake with a terminus at Sheyenne River located north of the Lake Ashtabula Reservoir (the Sheyenne River Outfall) capable of conveying a rate of 165.0 Cubic Feet Per Second, including any and all terminal points for points for direct connections to the Pipeline and/or discharges into the James River or other TBD Rivers.</p>
<p>D. Lake Ashtabula Reservoir</p>	<p>“Lake Ashtabula Reservoir” means a 5,174 surface acre reservoir located in Barnes County, North Dakota, approximately 12 miles northwest of Valley City having 69,000-acre feet of storage allocated to the Thompson-Acker (TA) Permit Holders.</p>
<p>E. TA Permit Holders</p>	<p>“TA Permit Holders” means collectively the Cities of Valley City, Lisbon, West Fargo, Fargo, and Grand Forks, North Dakota.</p>
<p>F. Conveyance Facility</p>	<p>“Conveyance Facility” means a branch pipeline and/or natural or man-made open-cut channel that conveys Project Water from the Pipeline or a Conveyance Waterway to a Member Entity.</p>

<p>G. Conveyance Waterways</p>	<p>“Conveyance Waterways” means the Sheyenne River, James River, and Red River to the Point of Diversion for each of LAWA Member Entities electing to purchase Project water from LAWA.</p>
<p>H. Project Water Conservation</p>	<p>“Project Water Conservation” includes the storage of a Project water by a LAWA Member Entity in underground aquifers, drought mitigation measures, pipelines, and/or related infrastructure to reuse Project water as an alternative to including Project water in approved return flows.</p>
<p>I. Off-Take Facilities</p>	<p>“Off-Take Facilities” means any facilities which permit or distribute Project Water from the Pipeline. For clarity, this includes the facilities that enable Project water to be conveyed from the Pipeline or a Conveyance Waterway by a Conveyance Facility to a point of delivery and thereafter distributed by customers of GDCD.</p>
<p>J. Project Water</p>	<p>“Project Water” means any and all water produced, delivered, transported, and/or conveyed by the Pipeline to an Off-Take Facility.</p>
<p>K. Acre-Foot Per Year or AFPY</p>	<p>“AFPY” means approximately 325,851 gallons per year.</p>
<p>L. Target Project Cost</p>	<p>“Target Project Cost” means \$1,260,000,000 in 2024 dollars as adjusted for inflation and shall be based upon the cost associated with the use of the Pumping Station/McClusky Canal Intake.</p>
<p>M. Target Price</p>	<p>“Target Price” means a cost for each Acre Foot Per Year (AFPY) taking into account the costs incurred by LAWA pursuant to its Water Supply Agreement with GDCD and its operations, maintenance, and administrative costs as more fully defined in the Water Delivery Agreements.</p>
<p>N. Water Delivery Agreement</p>	<p>“Water Delivery Agreement” means a contract that outlines the terms and conditions, including the quantity of Project Water that will be delivered to a Member Entity.</p>
<p>O. Good Faith Efforts</p>	<p>“Good Faith Efforts” means an action undertaken by a party with an honest intention to abstain from taking any unconscientious advantage of another even through the forms or technicalities of law, together with an absence of all information or belief of facts which would render the transaction unconscientious. <u>See</u> N.D.C.C. § 1-01-49.</p>
<p>P. Member Entities</p>	<p>“Member Entities” means the City of Briarwood, City of Buffalo, City of Casselton, City of Colfax, City of Cooperstown, City of Davenport, City of East Grand Forks, City of Fargo, City of Forman, City of Galesburg, City of Grafton, City of Grand Forks, City of Grandin, City of Hillsboro, City of Hope, City of Horace, City of Hunter, City</p>

	of Kindred, City of Langdon, City of Lisbon, City of Manvel, City of Mapleton, City of Mayville, City of Minto, City of Mooreton, City of Mountain, City of Neche, City of Park River, City of Sibley, City of Valley City, City of West Fargo, Agassiz Water Users District, Barnes Rural Water District, Dakota Rural Water District, Cass Rural Water District, Northeast Regional Water District, and Southeast Water Users District, which are the Member Entities of LAWA.
III. Proposed Transaction	
A. Summary	GDCD will deliver Project Water in amounts and at rates when called upon by LAWA to the Sheyenne Outfall for the Exclusive use of LAWA. LAWA will be responsible for the storage, conveyance, and coordination of Member Entities' use and conservation of Project Water in accordance with the terms and conditions of the Water Delivery Agreements. LAWA, in accordance with the protocols set forth in a Water Delivery Agreements with Member Entities who opt to purchase Project Water, will determine when to call for Project Water and will coordinate all activities related to the Project downstream of the Sheyenne River Outfall.
B. Use of Conveyance Facilities	LAWA will make available the Conveyance Facilities for the purposes of conveying Project Water to its Member Entities that opt to purchase Project Water in accordance with a Water Delivery Agreement by direct deliver or exchange.
C. Responsibility for Off-Take Facilities	No Off-Take Facilities will be permitted unless express prior written approval is provided by LAWA. The allocation of capital and operational costs associated with Off-Take Facilities shall be determined by mutual agreement by the Parties and LAWA shall be entitled to a ten percent upcharge on all water distributed by an Off-Take Facility.
D. Delivery of Project Water	Direct Delivery of Project Water to LAWAs Member Entities will be via the Conveyance Facilities. LAWA will enter into Water Delivery Agreements with each of its Member Entities to provide delivery options that offer both water supply reliability in dry years and are consistent with achieving a Target Price.
E. Storage of Project Water	LAWA will store Project Water pursuant to its authority under N.D.C.C. § 61-39-01 in the Lake Ashtabula Reservoir. LAWA will endeavor to coordinate, negotiate, and enter into an agreement with the TA Permit Holders, DWR, and USACE to establish, authorize, quantify, fill, and store Project Water in the Lake Ashtabula Reservoir. Any such agreement will recognize that the storage of Project Water in Lake Ashtabula shall be subject to and subordinate to the prior rights of TA

	Permit Holders to store Sheyenne River natural flows in Lake Ashtabula.
F. Project Management and Responsibilities	<ol style="list-style-type: none"> 1. <u>Project Water Conservation</u>. All permits and approvals, if any, for a Member Entity to Conserve Project Water shall be the responsibility of LAWA, in accordance with the terms and conditions of the Water Delivery Agreements. 2. <u>Conveyance Permitting</u>. LAWA in coordination with its Member Entities, including the TA Rights Holders and will assume management responsibility as may be needed for securing necessary permits for the storage and conveyance of Project Water to the points of diversion. 3. <u>Conveyance Facility Environmental Review</u>. LAWA, in coordination with its Member Entities, will assume management responsibility for securing any required/applicable environmental reviews for the storage and conveyance of Project Water to the points of diversion 4. <u>Exchanges of Project Water</u>. LAWA will assume management responsibility for any potentially requested temporary or definitive exchanges of Project Water allocations as between its Member Entities. 5. <u>SWC Cost Share Funding</u>. LAWA will request state cost share of seventy-five percent (75%) of its Project Related costs. A listing of categories for spending this money should be given.
G. Quantity	GDCD currently holds conditional Water Permit 1416A-02 pursuant to the Water Supply Agreement enabling it to supply Project Water at 145.0 Cubic Feet Per Second to the Sheyenne River Outfall, and 20.0 Cubic Feet Per Second for use in the Missouri River Basis in accordance with the Record of Decision, Eastern North Dakota Alternative Water Supply Project, Department of the Interior, dated January 2021 (the “ROD”) when called upon by LAWA in order to deliver 120,000 AFPY of Missouri Water to LAWA. Upon the Effective Date, GDCD will deliver a Water Rights Title Opinion signed by counsel to GDCD identifying the nature of, including quantity of, the water rights held by GDCD and that such rights are clear and free of any litigation, liens, and/or defects.
H. Rate of Delivery	The Pipeline shall deliver a steady-state rate of delivery over a 12 month period of Project Water at 165.0 Cubic Feet Per Second. LAWA will use Good Faith Efforts to estimate its Member Entities’ yearly needs for Project Water.
I. GDCD Obligations	The Water Supply Agreement will provide that GDCD will deliver the Project Water to LAWA. GDCD will assume the responsibility for operating the Pipeline in accordance with

	<p>applicable law, permits, and conditions, and will require that its contractors, consultants, and attorneys maintain prudent and customary insurance commensurate with undertaking the construction of the Pipelines. It will covenant that it will not operate the Pipeline “for profit” in an effort to subsidize other GDCD activities.</p>
J. LAWA Obligations	<p>The Water Supply Agreement will provide that LAWA will store and distribute Project Water to its Members Entities and charge appropriate fees, rates, and charges to its Member Entities sufficient to maintain a reasonably required payment reserve and to pay charges imposed by GDCD pursuant to the Water Supply Agreement for distribution of Project Water.</p>
K. Improvements within Member Entities Water Systems	<p>The Member Entities will assume responsibility for (i) permitting any additional facilities or improvements within their respective service areas necessary to put Project Water made available to them to beneficial use; and (ii) the cost of such facilities or improvements to distribute Project Water conveyed to them via the Conveyance Facilities.</p>
L. Cost	<p>The cost associated with the construction of the Pipeline shall not exceed the Total Project Cost. The cost of the Project Water Delivered to the Sheyenne River Outfall shall be based upon a charge composed of the following elements (i) the fixed cost of capital for the repayment of the Pipeline; (ii) a fixed cost for non-drought year operations and maintenance; and (iii) a variable charge for drought years’ operations and costs.</p> <p>LAWA will negotiate with its Member Entities to establish the rates of Member Entities including the cost of storage and conveyance of Project Water, if applicable.</p>
M. Transfers; A Transferee Cannot be a Competitor of any Member	<p>Each Member Entity has the right, with consent from LAWA, which shall not be unreasonably withheld, to transfer their allocation of Project Water on a permanent or a temporary (annual) basis to another Member Entity or to a Public Water System designated by the transferee, <u>provided</u> that the transferee pays the additional incremental cost of the transfer, and the transferee is subject to the same terms and conditions as the transferor. LAWA will have a right of first refusal (for a period of not less than thirty-five days) to receive the temporary or permanent allocation of Project Water.</p>
N. Loans and Grant Funding	<p>The Parties agree to jointly seek grant funding to offset capital costs and operating expenses to achieve a “Target Project Cost.”</p>
O. Conditions Precedent	<p>Each of the following are express conditions precedent (“Conditions Precedent”) to the performance of an agreement and the Parties obligations hereunder must be satisfied or waived in writing by the parties, within eighteen (18) months</p>

	<p>of the Execution Date of this Term Sheet, unless such period of time is defined in the Water Supply Agreement or extended by the Parties.</p> <ol style="list-style-type: none"> 1. The GDCD Board enacts a resolution recognizing that LAWA will be responsible for delivery of Project water downstream of the Sheyenne River Outfall and directs its consultants, staff, and attorneys to immediately comply with the resolution of the GDCD Board. 2. Execution of the Water Supply Agreement by and between GDCD and LAWA. 3. Compliance with all applicable laws and applicable regulatory review. 4. Substantial Completion of the Pipeline construction. 5. The Parties obtain sufficient loans and grants that, in the discretion of the Parties, are sufficient to achieve the Target Project Cost, but with a seventy-five percent (75%) cost share. 6. Delivery by GDCD of a water rights title opinion in a form acceptable to LAWA. 7. GDCD provides written notice to LAWA that it has substantially completed the Pipeline and is authorized to convey 145 CFS of Project water via the Pipeline to the Sheyenne River Outflow and 20 CFS to the Missouri Basin.
<p>P. Term</p>	<p>The Term of the Water Supply Agreement will be perpetual, provided that all of the Conditions Precedent have been achieved. The Water Supply Agreement may be terminated if the counter party is in breach of the Water Supply Agreement and the breach is not cured by the other party.</p>
<p>Q. Early Termination</p>	<p>LAWA may terminate the agreement with eighteen (18) months' written notice in the event that the Conditions Precedent have not been achieved.</p>

(Remainder of this page intentionally left blank.)

Signature Page for the Garrison Diversion Conservancy District

The governing body of the Garrison Diversion Conservancy District approved this Term Sheet on the _____ day of _____, 2025.

GARRISON DIVERSION CONSERVANCY
DISTRICT, a governmental agency, body politic
and corporate

By: _____
Jay Anderson, Chair

ATTEST:

Secretary

Signature Page for the Lake Agassiz Water Authority

The governing body of the Lake Agassiz Water Authority approved this Term Sheet on the _____ day
of _____, 2025.

LAKE AGASSIZ WATER AUTHORITY, a
governmental agency, body politic and corporate

By: _____
Dr. Timothy Mahoney, Chair

ATTEST:

Secretary

**Bylaws
Of
Lake Agassiz Water Authority**
Revised September 9, 2025

SECTION I – Statutory Basis, Purpose, and Authority

The Lake Agassiz Water Authority, hereinafter referred to as LAWA, was established by the North Dakota Legislature in N.D.C.C. Chapter 61-39. LAWA was designed to serve as a water authority needed to store and distribute water to eastern and central North Dakota; to provide for the supply and distribution of water to the people of eastern and central North Dakota for purposes, including domestic, rural water, municipal, livestock, industrial, and other uses, with primary emphasis on domestic, rural water, and municipal uses; and to provide for the future economic welfare and prosperity of the people of North Dakota, and particularly the people of eastern and central North Dakota, by the bulk purchase of water from the Garrison Diversion Conservancy District delivered by the Red River valley water supply project for beneficial and public uses. N.D.C.C. § 61-39-01 generally authorizes LAWA to enter one or more contracts to provide for the authority to acquire bulk water from the Garrison Diversion Conservancy District and to enter into water supply contracts with Member Entities for the resale of water for consumption within or outside the State of North Dakota; N.D.C.C. § 61-39-05 sets forth the specific authority of LAWA to accomplish its intended purpose.

SECTION II – Definitions

Annual Meeting: means a properly noticed meeting of the Board of Directors held on the third Thursday at 10:30 a.m. each and every January that these Bylaws are in effect or held at such other time as may be determined by the Board of Directors.

Associate Member Entities: means any city, county, water district, or other water distribution system designated as an associate, non-voting member of the Board of Directors.

Board of Directors: means the governing body of the Lake Agassiz Water Authority.

Director: means any city, water district, or other water distribution system elected or appointed to serve on the Board of Directors.

Garrison Diversion Conservancy District: means the North Dakota governmental agency, body politic and corporate, established by N.D.C.C. Chapter 61-24.

LAWA or Lake Agassiz Water Authority: means a North Dakota governmental agency, body politic and corporate, established by N.D.C.C. Chapter 61-39.

Member Entity: means any city, water district, or other water distribution system satisfying the qualifications set forth in Section IV.

NDLC Annual Meeting: means the annual conference of the North Dakota League of Cities that is generally held in September each year.

NDRWSA Annual Meeting: means the annual meeting of the North Dakota Rural Water Systems Association that is generally held in February each year.

Project: means the Red River Valley Water Supply Project.

SECTION III – Place of Business

The principal office of LAWA shall be located within the State of North Dakota.

SECTION IV – Membership

LAWA membership shall consist of cities, water districts, and other water distribution systems who pay dues to LAWA and are located in that part of the State of North Dakota which is included within the boundaries of: Cavalier, Pembina, Walsh, Nelson, Grand Forks, Griggs, Steele, Traill, Barnes, Cass, Ransom, Sargent, Richland, and Stutsman Counties. LAWA membership may also consist of cities, counties, water districts, and other water distribution systems who pay dues to LAWA and are located in that part of the State of North Dakota which is included within the boundaries of: McLean, Sheridan, Wells, and Foster Counties. Minnesota cities may join LAWA, provided a portion of the city is located within five (5) miles of North Dakota, or if the city uses the Red River for its primary water supply. Any other county, city, water district, or Canadian governmental entity or water supply system may join LAWA upon application of its governing board and approval of the application by the Board of Directors. The following counties have joined LAWA and will remain Member Entities so long as they continue to pay dues to LAWA: McLean, Sheridan, Wells, and Foster. LAWA shall require any new Member Entity to pay for a pro rata share of the Project costs previously incurred by the Member Entities (“True-up Expenses”). LAWA also may require an entity contracting for a water supply to pay an additional fee if the entity joins the Project late. Membership dues will be determined by the LAWA Board of Directors.

The Board of Directors may designate Associate Member Entities to LAWA who are non-voting members of the Board of Directors. Associate Member Entities will be appointed annually at the Annual Meeting and will sit on the Board of Directors for a one-year term.

SECTION V – Election of Board of Directors

A. Composition of the Board of Directors:

1. One (1) Member Entity from a city with a population greater than forty thousand (40,000) located east of state highway 1 and north of state highway 200.
2. Two (2) Member Entities from differing cities with a population greater than forty thousand (40,000) located east of state highway 1 and south of state highway 200.
3. One (1) Member Entity from a city with a population of five thousand (5,000), but not more than forty thousand (40,000) located east of state highway 1.

4. One (1) Member Entity from a city with a population of less than five thousand (5,000) located east of state highway 1.
5. Two (2) Member Entities from water districts located east of state highway 1 and north of state highway 200.
6. Two (2) Member Entities from water districts located east of state highway 1 and south of state highway 200.
7. One (1) Member Entity from water districts located east of state highway 1.
8. One (1) Member Entity from a Minnesota city with a population of more than thirty thousand (30,000) and which is located within five (5) miles of North Dakota.
9. One (1) Member Entity from water districts located west of state highway 1.
10. One (1) Member Entity from a city west of highway 1.

B. Term and Election of Directors:

1. North Dakota city Directors must be selected for two-year terms by election by cities during the NDLC Annual Meeting in every odd-numbered year beginning in 2003. Cities that have paid dues in the calendar year the vote is taken, or that have signed a development agreement or other application agreement with LAWA before the date of the election, are eligible to vote.
2. Water district Directors must be selected for two-year terms by election by water districts during the NDRWSA Annual Meeting in every even-numbered year beginning in 2004. Water districts that have paid dues in the calendar year the vote is taken, or that have signed a development agreement or other participation agreement with LAWA before the date of the election, are eligible to vote.
3. For elections of Directors after July 1, 2017, a candidate for a Director's position must have a signed memorandum of commitment and nomination, development agreement, water supply contract, or project participation agreement with LAWA or the Garrison Diversion Conservancy District and must have committed to financially contributing to the Project.
4. The initial Minnesota city Director is Moorhead, as Moorhead is an Associate Member Entity of LAWA. Moorhead will serve in this capacity until the League of Minnesota Cities' annual conference in 2006. During even-numbered years thereafter, Minnesota cities within five (5) miles of the Red River or that use the Red River as a primary water supply may elect their Director.

- C. Vacancies. If a Director position on the Board of Directors becomes vacant because of death, resignation, removal, disqualification, or for any other cause related to the person filling that role on behalf of a Member Entity, the Member Entity shall appoint another person to represent the Member Entity as a Director on the Board of Directors thereafter.

If a Director position on the Board of Directors becomes vacant because of death, resignation, removal, disqualification, change in legislation, or for any other cause related to the Member Entity no longer being eligible to have a seat on the Board of Directors, the remaining Directors shall fill the vacant Director position on the Board of Directors by appointment of a new city or water district Member Entity for the remaining portion of the term. The Board of Directors shall fill the remaining portion of the term by selecting a like Member Entity from a list of nominees suggested by the North Dakota League of Cities for a city Member Entity vacancy or from the North Dakota Rural Water Systems Association for a water district Member Entity vacancy.

SECTION VI – Meetings

- A. Regular Meetings. The Board of Directors shall meet at least four (4) times a year, at a time and place designated by the Chair. The Board of Directors can, by majority vote, cancel any of the regular meetings.
- B. Special Meetings. Special meetings of the Board of Directors may be called by the Secretary on order of the Chair or upon written request of a majority of the voting Directors of the Board of Directors. The Chair and/or the requesting Directors of the Board of Directors shall designate the time and place of the special meeting.
- C. Meeting Notice.
 - 1. Regular Meetings. At least ten (10) calendar days' advance written notice, through electronic communications, shall be given to all Member Entities of meeting dates. This notice shall generally describe the subject matter to be considered at the meeting. Any voting Director may place items on the agenda of a regular meeting provided the request is submitted at least five (5) calendar days prior to the regular meeting.
 - 2. Special Meetings. Notice of a special meeting must be mailed or electronically communicated to each Director at least three (3) calendar days before the meeting, provided that a special meeting may be held at any time when all Directors are present or consent in writing. The notice shall set out the purpose and business to be considered at the meeting.
- D. Quorum. A quorum shall consist of a majority of the voting Directors on the Board of Directors. Any number of Directors shall constitute a quorum to adjourn a meeting for want of a quorum.
- E. Alternate Designation. A Director may officially designate an alternate to attend meetings and to act on the Director's behalf periodically during the year. The designation shall be made in writing by each Director, submitted to the Secretary. While the use of alternatives is acceptable, the Board of Directors strongly encourages each Director to personally attend meetings. An alternate may vote in place of the elected Director on any issues that arise during the course of a properly noticed meeting.

- F. Public Meetings. All meetings shall be open to the public in accordance with North Dakota Open Meeting laws.
- G. Meeting Minutes. The Secretary shall prepare and distribute meeting minutes to each Director. Minutes of all meetings may be approved without reading if they have been distributed prior to the next meeting.
- H. Parliamentary Rules and Voting Procedures.
1. In the absence of the Chair or Vice-Chair, the Chair shall designate another Director to preside over the meeting.
 2. Meetings of the Board of Directors will be governed by the parliamentary rules as outlined in Robert's Rules of Order Newly Revised in all cases where current bylaws and policies do not apply.
 3. All actions of the Board of Directors shall be decided by roll call vote.
 4. Each Director shall be entitled to one (1) vote on all matters requiring a vote. Except as set forth in Section VI.H.5 and Section VI.H.6, all votes will be decided by a majority of the Directors present at a properly noticed meeting.
 5. The following actions require an affirmative supermajority vote of all Directors of the Board of Directors, with a supermajority vote being two-thirds (2/3) of all of the Directors of the Board of Directors of LAWA, whether present or not at the meeting, and under the current composition of Directors as described in Section V.A, a two-thirds (2/3) vote requires an affirmative vote of at least nine (9) Directors:
 - a. Spending, including for:
 - (1) Contracts;
 - (2) Reimbursements, including to:
 - (A) Individuals and
 - (B) Entities, including for True-up Expenses; and
 - (3) Debt issuance;
 - b. Hiring and terminating consultants;
 - c. Amending these bylaws;
 - d. Electing, selecting, or removing LAWA officers and senior staff;
 - e. Establishing committees and electing members thereto;
 - f. Establishing or modifying operating plans;

- g. Authorizing new construction;
 - h. Approving a water supply agreement for the Project; and
 - i. Approving an agreement between LAWA and its Member Entities for the Project.
6. In addition to requiring an affirmative supermajority vote described in Section VI.H.5, all matters described in Section VI.H.5, except as otherwise set forth herein, must also receive an affirmative vote from the City of Fargo. The additional voting requirement set forth in this Section VI.H.6 is not applicable to Section VI.H.5(d) pertaining to the election, selection, and removal of LAWA officers and senior staff.
7. Designated alternates appearing on behalf of an absent Director may vote in place of the Director on all matters. Voting by proxies will not be allowed at any meeting of the Board of Directors or its committees. Changes to these bylaws are more fully described in Section XII.
8. The Chair has a vote as a member of the Board of Directors.
- I. Order of Business.
- 1. Roll call
 - 2. Reading of minutes of preceding meeting and action thereon
 - 3. Consideration of communications to the Board of Directors
 - 4. Officer reports
 - 5. Committee reports
 - 6. Unfinished business
 - 7. New business

SECTION VII – Officers and Staff

- A. Officers. The Board of Directors shall elect a Chair and a Vice-Chair at the first meeting of each calendar year from its Directors. Each Director shall hold office until a successor has been duly elected.
- B. Term of Office. Officers are elected for a one-year term or until a successor is elected.
- C. Vacancies. If a vacancy arises in any office due to any cause including death, resignation, removal, or disqualification of the individual representing the Director on the Board of Directors, the Board of Directors shall appoint another Director to hold that office for the remaining portion of the term.

- D. Removal of Officer. Officers may be removed from office for misconduct, malfeasance, crime in office, neglect of duty in office, or of habitual intoxication or gross incompetency. Any Member Entity or Director may file charges against an officer by filing a written charges with the Secretary. The charges must be accompanied by a petition asking for a hearing on the charges, which must be signed by at least forty percent (40%) of the Directors. Such charges shall be voted on at a meeting called for that purpose. The officer shall be informed in writing of the charges and shall have the opportunity to be heard in person and to present witnesses. The Member Entity or Director presenting charges against an officer shall have the same opportunity. A vote of the Directors present at such special meeting is required for removal of an officer.
- E. Chair. The principal officer shall be the Chair who shall in general supervise all business affairs of LAWA and shall directly supervise all employees and consultants of LAWA. The Chair will prepare meeting agendas and will preside over meetings of the Board of Directors. When authorized by the Board of Directors, the Chair will appoint necessary committees and committee chairpersons, sign official documents requiring signature, and will represent LAWA in public and official capacities. The Chair shall also do and perform such other duties as may be assigned by the Board of Directors.
- F. Vice-Chair. The Vice-Chair will preside over meetings in the absence of the Chair and assume the office of the Chair if the Chair can no longer serve.
- G. Secretary/Treasurer. The Board of Directors shall elect a Secretary and a Treasurer, which offices may be held by the same individual, on an annual basis at the Annual Meeting, and either or both offices may be held by an individual who is not representing a Director on the Board of Directors or a Member Entity of LAWA.
1. Duties of the Secretary shall be established by the Board of Directors and shall include:
 - a. Record all votes and minutes of the Board of Director proceedings and any meetings of any committees established by the Chair.
 - b. Prepare and distribute minutes of all regular and special meetings of the Board of Directors and any other committees that may be appointed by the Chair.
 - c. Prepare and distribute notice of all regular and special meetings of the Board of Directors, membership, and committees.
 - d. Attest signatures required on behalf of LAWA.
 - e. The Secretary shall see that all orders and resolutions of the Board of Directors are implemented. The Secretary shall also be responsible for preparing any reports that the Board of Directors requests.
 - f. Such other duties as the Board of Directors may deem appropriate.

2. Duties of the Treasurer shall be established by the Board of Directors and shall include:
 - a. Hold LAWA funds and securities and keep full and accurate accounts of the receipts and disbursements in official books and deposit such funds in the depository designated by law.
 - b. Perform all recording and fiscal duties relating to the billing and collection of the annual dues.
 - c. Prepare all checks, drafts, or orders for payment of money issued in the name of LAWA for signature by the Chair.
 - d. Prepare annual budgets for the operation of LAWA. The budget shall reflect operational costs for such fiscal year as the Board of Directors shall determine. The proposed budget shall be presented to the Board of Directors for review and approval at any meeting.
 - e. Such other duties as the Board of Directors may deem appropriate.
- H. Staff and Consultants. LAWA may procure the services of engineers, attorneys, contractors, consultants, and other persons, or entities to assist in the planning, design, development, financing, construction, operation, and/or maintenance of the Project. The Garrison Diversion Conservancy District shall, at the request of LAWA, provide administrative, technical, and legal support for LAWA.
- I. Electronic Signatures. Officers are authorized to utilize electronic means to affix their signatures to documents requiring signatures on behalf of LAWA.

SECTION VIII – Committees.

- A. Establishing Committees. When authorized by the Board of Directors and as provided in this section, the Chair is empowered to establish committees and appoint members thereto. Except as set forth herein, the Chair shall appoint the chair of all committees. Termination of any committee shall be by action of the Board of Directors.
- B. Executive Committee. If the Board of Directors chooses to establish an Executive Committee, it shall be comprised of a minimum of three (3) individuals and should include: the Chair, the Vice-Chair, and other Directors who will be elected to serve on the Executive Committee by vote of the Directors.
- C. Finance Committee. There is hereby created a Finance Committee of LAWA with the powers and duties set forth in this section.
 1. Finance Committee Jurisdiction. The Finance Committee is responsible for making recommendations to the Board of Directors regarding the budgets, expenses, funds, and all other finance matters.

2. Finance Committee Membership. The Finance Committee shall consist of:
 - a. Two (2) individuals from a city with a population greater than forty thousand (40,000) located east of state highway 1 and north of state highway 200.
 - b. Three (3) individuals from a city with a population greater than forty thousand (40,000) located east of state highway 1 and south of state highway 200.
 - c. Two (2) individuals recommended by the Directors.
 - d. Two (2) Directors recommended by the Directors.
 3. Finance Committee Chair and Vice Chair. The Finance Directors from the City of Fargo and the City of Grand Forks shall serve as the chair and vice chair of the Finance Committee on an alternating basis for one (1) calendar year terms. The Finance Director from the City of Fargo shall serve as the chair for the remainder of the calendar year in which these bylaws are adopted and for the subsequent calendar year. The Finance Director for the City of Grand Forks shall serve as the vice chair during that same period. At the commencement of the following calendar year, the Finance Director for the City of Grand Forks shall serve as the chair and the Finance Director for the City of Fargo shall serve as the vice chair, and each position shall thereafter alternate accordingly.
- D. Technical Committee. There is hereby created a Technical Committee of LAWA with the powers and duties set forth in this section.
1. Technical Committee Jurisdiction. The Technical Committee is responsible for making recommendations to the Board of Directors regarding assessment, design, planning, construction, and all other technical matters.
 2. Technical Committee Membership. The Technical Committee shall consist of:
 - a. Two (2) individuals from a city with a population greater than forty thousand (40,000) located east of state highway 1 and north of state highway 200.
 - b. Three (3) individuals from a city with a population greater than forty thousand (40,000) located east of state highway 1 and south of state highway 200.
 - c. Two (2) individuals recommended by the Directors.
 - d. Two (2) Directors recommended by the Directors.
 3. Technical Committee Chair and Vice Chair. The Technical Committee shall select a chair and vice chair on an annual basis by a majority vote of its members.

SECTION IX – Expenses of Directors.

Reasonable expenses will be reimbursed to Directors as allowed by state law. If the constituency has an inability to reimburse a Director’s expenses, the Board of Directors may agree to pay reasonable expenses of a Director upon request.

SECTION X – Deposits, Funds & Fundraising.

- A. Deposits. All funds of LAWA shall be deposited from time to time to the credit of LAWA in such financial institutions designated as a depository for public funds pursuant to North Dakota Century Code Chapter 21-04.
- B. Gifts. The organization may accept gifts, grants, contributions, or bequest for the general purpose or any special purpose of the LAWA.

SECTION XI – Financial Records Review.

The financial accounts and transactions of LAWA shall be reviewed biannually by a Certified Public Accountant or by an internal review committee appointed by the Chair.

SECTION XII – Amendment to Bylaws.

These bylaws may be amended at any regular meeting of the Board of Directors by a supermajority vote of the Board of Directors, as defined in Section VI.H.5; voting required under Section VI.H.6; and after a second reading of the proposed change.

SECTION XIII – Governing Law

LAWA shall be governed by the laws of the State of North Dakota.