LAKE AGASSIZ WATER AUTHORITY

BOARD OF DIRECTORS

Fargo Commission Chambers
February 19, 2026

A meeting of the Lake Agassiz Water Authority (LAWA) board of directors was held at the Fargo Commission Chambers on February 19, 2026. The meeting was called to order by Chair Mahoney at 2 p.m.

MEMBERS PARTICIPATING

Chair Timothy Mahoney
Vice Chair Brandon Bochenski
Director Rick Bigwood (by video conference)
Director Ann Broussard
Director Bernie Dardis
Director Tom Erdmann (by video conference)
Director Alan Idso
Director Tim Meyer
Director Keith Nilson (by video conference)
Director Jim Schmaltz
Director Travis Schmidt
Alternate Jeff Breker for Director LaVonne Althoff
Secretary Duane DeKrey

MEMBERS ABSENT

Director Dave Carlsrud

Garrison Diversion staff and others attended. A copy of the registration sheet is attached (Annex I).

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

APPROVAL OF AGENDA

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

CONSIDERATION OF MINUTES

Motion by Director Broussard to approve the December 17, 2025, LAWA Board minutes as distributed. Second by Director Schmaltz. Upon voice vote, motion carried.

FINANCIAL REPROT

2025 Budget Analysis Statement - - Chair Mahoney reviewed the 2025 Budget Analysis Statement for the period of January 1 through December 31, 2025. (Annex II).

Total income received through December 31, 2025, was $180,786.95, with expenses totaling $360,012.92. The ending bank balance was $72,062.

Bills Paid

Chair Mahoney referenced the year-end bills paid, which were for legal fees.

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

2026 Budget Analysis Statement - - Chair Mahoney reviewed the 2026 Budget Analysis Statement for the period of January 1 through January 31, 2026. (Annex III).

Total income received through January 31 was zero, with expenses totaling $30,267. The ending bank balance is $41,726.63.

Bills Paid

Chair Mahoney referenced the bills paid in January 2026, which include consulting and legal fees.

Motion by Director Schmidt to approve the Budget Analysis Statement for the period of January 1, 2026, through January 31, 2026. Second by Director Idso. Upon roll call vote, the following directors voted aye: Bigwood, Bochenski, Broussard, Dardis, Erdmann, Idso, Mahoney, Meyer, Nilson, Schmaltz and Schmidt. Alternates voting aye: Breker. Those voting nay: none. Absent: Carlsrud. Motion carried.

Summary of Dues and Cost Share Paid - - Chair Mahoney referenced the table included in the meeting packet showing $35,700 was submitted for 2025 LAWA membership dues.

2026 LAWA Membership Dues - - Merri Mooridian, Deputy Program Manager, RRVWSP, Garrison Diversion, referenced the draft letter and 2026 dues statement proposed for mailing to the LAWA members for annual membership dues. She asked the board to approve billing the members for 2026 dues.

Motion by Director Dardis to approve billing LAWA members for 2026 membership dues. Second by Director Schmidt. Upon roll call vote, the following directors voted aye: Bigwood, Bochenski, Broussard, Dardis, Erdmann, Idso, Mahoney, Meyer, Nilson, Schmaltz and Schmidt. Alternates voting aye: Breker. Those voting nay: none. Absent: Carlsrud. Motion carried.

2025 & 2026 Consultant Billing Summaries - - Chair Mahoney referenced the 2025 and 2026 RRVWSP Program Billing Summaries (Annex IV) handed out to the board members. For 2025, consultant billings total $15.3 million. Of that amount, 48.2 percent are Black & Veatch (BV) billings, and the remaining 51.8 percent are subconsultant billings.

Consultant billings through January 2026 total $1.7 million. Of that amount, 45.1 percent are BV billings, and 54.9 percent are subconsultant billings.

PROJECT AGREEMENTS UPDATE & PLAN

John Shockley, Ohnstad Twichell, reported the legal team has been working on several tasks and circulating drafts among LAWA representatives. The first task is developing a Draft Water Supply Agreement between LAWA and Garrison Diversion. He reminded the board they had previously approved the split delivery concept, which was also codified in the Series F Interim Financing Agreement approved by all parties and further affirmed through a resolution passed by Garrison Diversion's board. The legal team continues to advance the draft Water Supply Agreement consistent with those approvals.

Mr. Shockley stated work is also being done internally on a draft agreement for the provision and delivery of water from LAWA to its member entities, along with accompanying agreements necessary to support that structure.

Chair Mahoney asked how long the documents will take to complete.

Mr. Shockley responded that some of the agreements will take slightly longer to finalize. The team anticipates having the draft Water Supply Agreement available for board review toward the end of March or early April. He reminded the board they also previously approved a term sheet outlining key provisions of the agreement, and those major terms will be reflected in the draft.

He added input is required from various technical groups on the remaining documents, as well as coordination among attorneys and participating agencies.

Chair Mahoney asked about the status of the Assurance Policy.

Brent Bogar, Consultant for LAWA, stated LAWA representatives are working on the Assurance Policy with Mr. Shockley and drafting a potential resolution for consideration by the cities of Fargo and Grand Forks, which would provide financial assurance. The process would move through each city's internal procedures before returning to the LAWA board for approval. Meetings have been held with the finance teams from both communities to discuss the matter.

Vice Chair Bochenski said additional discussion is needed with the Bank of North Dakota (BND). The simplest approach would be for Fargo and Grand Forks to assume debt on a pro rata basis according to their respective shares of the project. Under that structure, if a smaller user were unable to continue participation, the larger entities would assume that debt obligation rather than establishing a separate repayment system. He noted the importance of ensuring alignment to this approach and securing approval from the respective governing boards. A few additional discussions are needed, but he indicated the matter is close to resolution and will ultimately be incorporated into the Water Delivery Agreement.

Vice Chair Bochenski further stated as the project approaches the next legislative session, particularly if the goal is to have the project fully bonded and fully funded, it will be crucial to have these agreements finalized and executed. He emphasized the importance of being fully prepared and aligned entering the legislative session, particularly given the current oil price conditions.

John Dingess, City of Fargo, noted he has been the primary drafter of one of the various agreements referenced by Mr. Shockley in an effort to expedite its completion and reduce costs for LAWA. Attorneys for the cities of Fargo and Grand Forks have taken responsibility for drafting some of the various agreements.

Mr. Dingess explained the agreement he is drafting is between LAWA and the participants. The draft has been circulated to LAWA representatives, and they are currently working on their response.

One important element he would encourage LAWA to raise in discussions with the Department of Water Resources (DWR) is the need for consultation. Several outstanding questions relate to operational matters, and he emphasized the importance of beginning the process of resolving those questions as soon as possible.

Mr. Dingess noted operational considerations are critical to the overall draft agreement, and several other sections of the document will depend on how those operational issues are ultimately addressed.

DEPARTMENT OF WATER RESOURCES

Reice Haase, Director, DWR, provided a PowerPoint presentation (Annex V) updating the board on DWR's budget and projected future revenues, legislatively directed studies relating to the RRVWSP, DWR's role in project delivery and a general update on the Missouri River.

Budget - - Mr. Haase reminded the board DWR's budget is funded through the Resources Trust Fund, which receives 20.5 percent of the state's oil extraction tax revenue. A vast majority of the department's funding is derived from this oil extraction tax formula. While DWR receives a small amount of federal funding, most of its funding originates from oil extraction tax revenues.

Mr. Haase explained certain oil wells qualify as stripper wells, which receive an exemption from the oil extraction tax revenue once production falls below an average of 35 barrels a day. As more wells reach this stage in their production life cycle, they become exempt from the tax. Consequently, the effective oil extraction tax rate contributing to the Resources Trust Fund declines more rapidly than revenue streams supporting most other areas of state government.

Mr. Haase also reviewed the state's collective water infrastructure needs over the next 14 years, representing the next seven legislative sessions. According to the state Water Development Plan, these water needs total $3.4 billion. This estimate includes the core components of the RRVWSP (excluding branch pipelines) as well as other competing water development projects across the state.

Mr. Haase stated the DWR expects the Resources Trust Fund revenue to average roughly $300 million per biennium over the same period. Based on projected needs and anticipated revenues, this would result in an estimated $1.3 billion shortfall during that timeframe.

When evaluating how the future budget may look and anticipating discussions during the legislative session, Mr. Haase noted that maintaining the current cost-share policy would present significant challenges. Under the existing policy, daily oil production would need to increase to approximately 1.7 million barrels per day, or the price of oil would need to rise to about $93 per barrel to meet projected funding needs.

Legislative Studies - - During the last legislative session, the state legislature directed the DWR to conduct a study of the state's cost-share policy and recommend potential changes to address the projected $1.3 billion shortfall. The legislature also requested a governance and finance study of three large regional water systems in the state, including the RRVWSP.

Mr. Haase reported DWR is currently in the final phase of completing these legislative studies. Deloitte Consulting was hired to conduct the analyses, and the first draft of the studies will be presented to the Water Topics Overview Committee on March 26.

The DWR's Process Efficiency Task Force has undertaken an internal initiative similar to the Department of Government Efficiency (DOGE), aimed at improving agency efficiency and identifying cost savings for the state. The task force is currently entering Phase Two of this effort.

During Phase One, the task force identified more than 50 action items intended to reduce costs and improve operating efficiency within the department.

Mr. Haase also noted through updates to the departments administrative code, DWR is committing to specific timelines, which will help improve efficiency and hold the agency accountable to those timelines.

DWR's Role in Project Delivery - - Mr. Haase stated the DWR plays a key role in supporting final delivery of the RRVWSP, working closely with LAWA and Garrison Diversion to complete the project. This project remains a priority for the state, which has awaited its completion for over 60 years.

Budget Planning & Cost-Share

Mr. Haase noted the DWR is currently engaged in the budget planning process with the governor's office to determine funding recommendations for the next legislative session. This process began last month, and DWR will continue to keep stakeholders informed; however, as noted earlier, the department anticipates budgetary challenges related to the RRVWSP.

DWR has met with stakeholders from Garrison Diversion, LAWA and other water users and stressed any efforts to reduce administrative costs would be greatly appreciated, as it is the department's preference that as much of the cost-share funding as possible be directed toward construction. DWR offers its assistance to stakeholders to help achieve these administrative efficiencies.

Operation Plan & User Outreach

Mr. Haase reported the DWR has offered to lead a working group on operational planning. The department has consulted with representatives from Garrison Diversion and LAWA, and it is felt this would be beneficial. He suggested scheduling be coordinated through Mr. Bogar and requested each entity indicate which members will participate in the working group.

Mr. Haase also noted the DWR has reviewed the proposed User Outreach Task Order. Overall, the department is supportive of the concept, with a few minor comments that have been shared with Mr. Bogar. He asked Mr. Bogar to communicate those comments to the working group.

Mr. Haase added ensuring certainty for the users and fostering confidence in their long-term financial commitments is critical as the next legislative session approaches, and alignment and commitment from all parties is important moving forward.

Defined Water Release Framework

Mr. Haase said the topic of water releases and defining the water release framework has been discussed previously. He emphasized that the Thompson-Acker (TA) water rights issue will be addressed separately from the RRVWSP due to its complexity. The TA issue has remained unresolved for over 70 years. While many LAWA members are TA water rights holders, not all are, and DWR believes it is more appropriate to manage this matter in a separate, focused discussion. The goal is to assemble all TA water rights holders by the end of the quarter to begin developing the framework.

Mr. Haase noted that any agreements with the Corps of Engineers (COE) or requests for water through the COE will be led by the DWR, in accordance with its role in state government. The department is actively engaging with the COE as it updates the draft manual for Lake Ashtabula, aiming to ensure long-term certainty for the state regarding water releases.

Mr. Haase also reported in defining water releases and managing water rights, North Dakota leads the nation in data collection. Decisions are scientifically driven, supported by data from in-house developed presence units deployed across the state. These units collect data at 15-minute intervals in real time, with the information submitted directly to DWR for analysis.

Missouri River Update

Mr. Haase stated the Missouri River is North Dakota's primary water supply resource, and the DWR takes its management role very seriously. The state legislature directed DWR to complete Phase I and Phase II studies to investigate potential future intake sites along the Missouri River. Part of this strategy is to establish North Dakota's claim to Missouri River water before other states may assert competing claims.

Mr. Haase also reported the DWR recently awarded Phase Two of the study at the February State Water Commission meeting. This study will evaluate a variety of sites in the upper reach of the Missouri River to inform decisions on future intakes and the most beneficial uses of the state's water resources.

Mr. Haase referenced recent op-eds in which the State of Missouri suggested a water war with North Dakota. He noted that while such rhetoric has become more common, DWR has responded with its own op-ed clarifying that North Dakota will protect our state's water resources and sovereignty, while emphasizing the importance of basin-wide cooperation and collaboration.

COMMITTEE REPORTS

Financial Advisory Committee (FAC) - - Maureen Storstad, Co-Chair, LAWA FAC, reported on the items discussed at the FAC meeting on January 22.

LAWA Staff Planning Recommendation

Ms. Storstad reminded the board the LAWA staffing plan presented at the previous board meeting was subsequently sent back to committee for further review. She shared a PowerPoint presentation (Annex VI) to provide additional clarification regarding the need for a staffing plan.

Ms. Storstad stated LAWA believes staffing independence is necessary to effectively represent its members in user engagement, contract negotiations and operational planning. The proposed staffing position would primarily support the LAWA board. Additional responsibilities would include developing legislative strategies, managing the development of agreements, leading user outreach efforts, assisting with task order development and operational engagement, and maintaining relationships with DWR, Garrison Diversion, consultants and legislators.

Ms. Storstad added LAWA would continue to rely on Garrison Diversion for administrative support. LAWA sees Garrison Diversion as playing a key role in advancing project administration, including project development, financial administration, meeting support, communications, construction and engineering. The scope of services would be directed through LAWA leadership.

The proposed staffing timeline includes a 120-day plan, which will be coordinated with the LAWA board and committee meetings. The leadership team would work together to move the process forward. Initial work has begun on filling the executive director position, including reviewing and developing a job description.

Ms. Storstad noted these efforts are incorporated into the LAWA budget, which was approved with funding allocated for administrative, legal and consultant expenses. The goal is to remain below the budgeted amount for the current year. She reminded the board that users will contribute a proportional share toward the budget. In coordination with the FAC, LAWA will continue working through the budget details, staffing plan and membership dues.

Bruce Grubb, City of Fargo, reported he has been working on a job description for the executive director position and would like to have it advertised as quickly as possible. He has received three examples of job descriptions and has been directed to combine these into a single draft. He is close to completing this and is also working on the logistical considerations, including where the position will be housed, the salary range, benefits and what type of administrative support will be provided and by whom.

Mr. Grubb stated a draft job description will be presented at the next board meeting, with the goal of advertising the position and potentially filling it in May.

Ms. Storstad noted the FAC recommends approval of the proposed staffing plan.

Director Schmaltz asked how much of this staffing support is currently provided by Garrison Diversion.

Mr. Grubb responded, based on the timeline, he does not believe these specific duties have previously been pursued by Garrison Diversion. With the split delivery concept, it is important that LAWA establish its own organization because it will bear responsibility for the delivery component. LAWA is initiating this effort, which had not been pursued previously.

Mr. Bogar stated the administrative work outlined in the presentation is work Garrison Diversion has historically performed, and LAWA anticipates continuing to rely on Garrison Diversion for those services. The staffing position being discussed on behalf of LAWA would focus on responsibilities that need to be independent from Garrison Diversion, including representing LAWA members in legal agreements being negotiated with Garrison Diverison and others. As the RRVWSP moves forward, there is an increasing need for LAWA to have greater independence while maintaining collaboration with Garrison Diversion.

Director Schamltz asked whether there is a finalized cost for the executive director position.

Ms. Storstad added, with assistance from Garrison Diversion, Fargo and Grand Forks will continue to provide in-kind support throughout the process to help keep costs down.

Director Meyer asked about the table attached with the 2026 budget that was distributed at the last board meeting, which listed draft allocation amounts for each user who signed a Memorandum of Commitment (MOC) to pay staffing costs. If those allocations are implemented, he would need to bring the matter to his board for approval and assumes other users would need to do the same.

Mr. Bogar responded the cost of the executive director was included in the budget previously approved by the board. When the staffing plan was presented in November and December, an estimated cost for the executive director was incorporated into the 2026 budget. If LAWA were to cover the full expense, the handout showed the prorated share for each user; however, that allocation would need to come back to the board for a decision. At this time, the cost is being covered by Fargo and Grand Forks.

Ms. Storstad said the budgeted amounts more than cover the anticipated expense. While a proportional cost share has been identified, she believes savings may be realized in other areas of the budget. Regarding membership dues, that issue will continue to be reviewed by the FAC throughout the year. Nothing will change for 2026, but future budgets and the addition of staff may result in adjustments to how dues are structured.

Director Meyer asked whether there has been discussion about when users must determine whether they will participate in the project.

Vice Chair Bochenski stated as work continues on the Assurance Policy, the goal is for users to be able to commit with the understanding that there are two years without payments followed by two years of interest-only payments, providing a significant runway. LAWA would like to see the MOC converted by the end of the year so that, when the project goes to the state legislature, it will be clear which users are participating and which are not, while still allowing an off ramp. Lisbon presents a somewhat different situation, but communities located farther from the pipeline or river conveyance will likely require additional investment to deliver water. He added the MOCs need to be converted and incorporated into the Water Delivery Agreement before the next legislative session begins.

Mr. Bogar added these are the agreements Mr. Shockley referenced earlier in the meeting. LAWA's goal is to have the agreements completed before the end of the year so each participant clearly understands their commitment.

Motion by Director Schmidt to approve the recommendation from the Financial Advisory Committee to proceed with the LAWA staffing plan as presented. Second by Director Broussard. Upon roll call vote, the following directors voted aye: Bigwood, Bochenski, Broussard, Dardis, Erdmann, Idso, Mahoney, Meyer, Nilson, Schmaltz and Schmidt. Alternates voting aye: Breker. Those voting nay: none. Absent: Carlsrud. Motion carried.

RRVWSP UPDATE

Kip Kovar, Deputy Program Manager RRVWSP with Garrison Diversion, reported there has been limited project construction activity this winter. A few hundred feet of pipe has been installed in a slough area. Otherwise, the contractor has focused on delivering aggregate and pipe while the road conditions remain frozen.

Notice of Awards

Mr. Kovar reported that Notices of Award have been issued for Contracts 6B, 6C and 7A, with copies included in the meeting materials (Annex VII). The contracts have been returned by the contractor along with the required certificates of insurance. Once the review process is completed, the contracts will be executed.

Program Schedule

Mr. Kovar referenced the RRVWSP program schedule included in the meeting materials, which has been updated to include Contracts 6B, 6C and 7A.

Federal Funding Update

Ms. Mooridian provided an update on federal funding, stating Senator Hoeven recently visited and announced he had secured $50 million for the Eastern North Dakota Alternate Water Supply (ENDAWS) portion of the RRVWSP. Since that announcement, the financing team has been working to update the financial model. Approximately $454 million of ENDAWS is eligible for federal funding.

Ms. Mooridian noted during the last legislative session, the state included language in the DWR's budget bill, HB 1020, stating any federal funding received would be allocated as a 75 percent state share and 25 percent local share. The updated financial model will illustrate the potential reduction to both the state and local cost-shares if the full $454 million is realized. She added there is a draft reflecting this information, and the financial team is currently working through it.

Chair Mahoney reported he recently met in Washington, DC, with Andrea Travnicek, Assistant Secretary of Interior. If Senator Hoeven goes through with the $454 million in federal funding, it could be delivered by 2030. This would decrease the state's cost of the project by nearly $300 million and reduce the local share by approximately $120 million, making a significant impact on both the state and local users. The remaining difference for the state would be much less and could potentially be funded over the next two biennia, even with the anticipated revenue shortfall. Representative Swantek is considering bonding similar to what was done with the FM Diversion.

Chair Mahoney stated he has never been this optimistic about federal funding, noting there is strong commitment from the Department of Interior, the state's senators and state legislators.

Director Dardis said based on Chair Mahoney's comments regarding the $50 million in federal funding and the revenue forecast presented earlier by Mr. Haase, there appears to be a missing number. As local leaders continue discussions with legislators about the upcoming legislative session, it would be helpful to understand what the projected funding request might be for the 2027-2028 budget. Given the revenue reduction discussed, he questioned what the remaining funding gap or the delta might be.

Director Dardis noted he recently had conversations with Senator Sorvag, Representative Swiontek and Ms. Travnicek, and while those discussions were helpful, there is a need for some indication of what DWR anticipates requesting in the next biennium.

Mayor Mahoney agreed, noting the next funding request had previously been projected to be approximately $250 million, with additional appropriations expected in subsequent biennia through project completion. He questioned whether federal funding could be credited earlier in the process or applied in a way that would reduce the state's near-term funding needs.

Mayor Mahoney then asked Mr. Haase whether a request of $205 million would be feasible under the forecast.

Mr. Haase encouraged the board to wait until the DWR presents the cost-share study at the Water Topics Overview Committee, stating it will provide a more complete discussion and could offer encouraging insights.

Duane DeKrey, Secretary, referred to a slide previously shared that outlined funding needed by biennium to complete the project by 2032. During the last legislative session, the amount requested was $250 million, but the final appropriation was $205 million. Some of the funding needs in later biennia were smaller, so the project is still considered to be on track for the 10-year build schedule. A funding estimate has been developed for the next biennium, but considering current conditions in the oil sector, the figure may be somewhat high.

Chair Mahoney stated the power infrastructure for the treatment plant may present an additional challenge and could take until 2032 to complete.

Mr. DeKrey replied extending the Western Area Power Association (WAPA) line to the site is a lengthy process. Garrison Diversion has initiated the work, and if opportunities arise to secure additional funding, they will pursue them to try to accelerate the timeline. However, current estimates indicate it may take until 2032 to provide power to the biota water treatment plant.

Director Dardis said based on the discussions to date, the project has been described as either a six-year or ten-year build. However, the board needs to realistically assess whether the project timeline can be achieved given current revenue forecasts. If state funding does not fully cover project costs, a secondary funding strategy may be necessary should the timeline extend beyond current projections. Inflation and time both increase project costs and based on the forecasts and the information presented earlier in the meeting, the projected completion timeline may be difficult to maintain. He hopes a contingency plan is being considered.

Chair Mahoney responded the newly announced $50 million in funding represents a significant improvement compared to previous projections and will reduce the amount that must be requested from the state.

Director Dardis agreed but cautioned that a funding gap could still exist. If the $50 million is not delivered until 2030, there could be challenges between now and then securing sufficient funding to bid certain projects. Without the necessary funds in place, those contracts cannot move forward.

He understands how the legislative process works and how state leaders must prioritize spending, particularly if tax revenues decline significantly. In that situation, difficult funding decisions may be required.

Vice Chair Bochenski agreed but emphasized the project remains a priority for both the governor and DWR. It is important to continue advancing the project. Economic conditions can shift quickly, referencing oil prices that were negative $35 at one point and later rose to $85. Because conditions can change between legislative sessions, he encouraged the board to keep the project moving forward.

Vice Chair Bochenski also noted the broader $1.3 billion funding shortfall being discussed includes the RRVWSP. As federal funds are secured, those dollars may effectively help offset other commitments within the broader funding plan. As long as DWR maintains its commitment to the 75 percent cost share, work continues with the Bank of North Dakota on low-interest financing and the project remains a priority, progress can continue.

UNFINISHED BUSINESS

None

NEW BUSINESS

Results of LAWA Board Member Elections - - Mr. Bogar reported the election for LAWA's rural water system board members was held during the Rural Water EXPO last week. There were no changes, as all current rural system members were re-elected for two-year terms.

Election of Officers

Chair Mahoney stated an election needs to be held for the 2026 LAWA officers. He noted he is able to maintain the chair position through the end of this term as mayor, which ends the first of July. At that time, he may or may not be appointed by the Fargo City Commission to continue serving as chair. That determination will be made by the commission as the new mayor takes office.

Motion by Director Schmaltz to re-elect Mayor Mahoney as Chair of the LAWA Board. Second by Director Dardis.

Chair Mahoney asked if there were any further nominations for the chair position. There were none.

Upon roll call vote, the following directors voted for Mayor Mahoney as Chair: Bigwood, Bochenski, Broussard, Dardis, Erdmann, Idso, Mahoney, Meyer, Nilson, Schmaltz and Schmidt. Alternates voting aye: Breker. Those voting nay: none. Absent: Carlsrud. Motion carried.

Motion by Director Dardis to re-elect Mayor Bochenski as Vice Chair of the LAWA Board. Second by Director Schmidt.

Motion by Director Schmaltz to elect Director Erdmann as Vice Chair of the LAWA Board. Second by Alternate Breker.

Katie Schmidt, Ohnstad Twichell, noted the election of officers requires a supermajority vote; however, this item falls under the exemption for Fargo, meaning Fargo is not required to cast an affirmative vote.

Upon roll call vote, the following directors voted aye for Mayor Bochenski as Vice Chair: Bigwood, Bochenski, Broussard, Dardis, Idso, Mahoney, Meyer and Schmidt. Those voting nay: Erdmann, Nilson and Schmaltz. Alternates voting nay: Breker. Absent: Carlsrud.

The result of the vote was 8 ayes and 4 nays.

Upon roll call vote, the following directors voted aye for Director Erdmann as Vice Chair: Erdmann, Nilson and Schmaltz. Alternates voting aye: Breker. Those voting nay: Bigwood, Bochenski, Broussard, Dardis, Idso, Mahoney, Meyer and Schmidt. Absent: Carlsrud.

The result of the vote was 4 ayes and 8 nays.

Chair Mahoney stated a supermajority was not achieved in the vote; therefore, a revote is required.

Motion by Director Meyer to re-elect Mayor Bochenski as Vice Chair of the LAWA Board. Second by Director Schmidt. Upon roll call vote, the following directors voted aye: Bigwood, Bochenski, Broussard, Dardis, Erdmann, Idso, Mahoney, Nilson, Meyer and Schmidt. Those voting nay: Schmaltz. Alternates voting nay: Breker. Absent: Carlsrud. Motion carried.

Motion by Director Schmaltz to re-elect Duane DeKrey as Secretary of the LAWA Board. Second by Director Dardis. Upon roll call vote, the following directors voted aye: Bigwood, Bochenski, Broussard, Dardis, Erdmann, Idso, Mahoney, Meyer, Nilson, Schmaltz and Schmidt. Alternates voting aye: Breker. Those voting nay: none. Absent: Carlsrud. Motion carried.

Chair Mahoney stated, as a board, it is essential to work very diligently to move the project forward. He acknowledged Director Dardis' points regarding challenges LAWA may face in the next legislative session. Going forward, it is important to strengthen the board's relationship with Garrison Diversion and continue to make progress on the project. Completing the project will require the board's full effort, particularly given the challenges of securing state and federal funding in the current economic climate. He urged the board to work collaboratively, streamline processes where possible, and align on common goals. His overall message to the board was to keep marching forward.

Chair Mahoney adjourned the meeting at 3:15 p.m.

Timothy Mahoney, Chair

Duane DeKrey, Secretary

Annex I
26-14

REGISTRATION

LAWA Board Meeting
Fargo Commission Chambers
February 19, 2026

NAME	ORGANIZATION
Michael Anderson	State Water Commission
Brent Brinkman	Cass Rural Water Users District
Dave Piepkorn	City of Fargo
Susan Thompson	City of Fargo
Michael Redlinger	City of Fargo
Todd Feland	City of Grand Forks
Bruce Grubb	City of Fargo
Maureen Storstad	City of Grand Forks
Tami Norgard	Vogel Law Firm
Brent Bogar	LAWA
On Line	
Al Grasser	City of Grand Forks
Kip Kovar	Garrison Diversion
Duane DeKrey	Garrison Diversion
Merri Mooridian	Garrison Diversion
Lisa Schafer	Garrison Diversion
John Dingess	City of Fargo
John Shockley	Ohnstad Twichell
Jason Siegert	Garrison Diversion
Steve Metzger	Garrison Diversion
Paul Boersma	Black & Veatch
Don Lingen	Southeast Water Users District
Troy Hall	City of Fargo

Lake Agassiz Water Authority

2025 Budget Analysis Statement
For the period of January 1, 2025- December 31, 2025

Income	**Budget 2025**	**Actual as of 12.31.25**	**Balance of Budget**
Dues Income	$ 35,000.00	$ 35,700.00	$ (700.00)
Miscellaneous	$ 140,099.00	$ 140,099.00	$ -
Cost Share-Interim Finance	$ 6,945.00	$ 4,987.95	$ 1,957.05
Total Income	**$ 182,044.00**	**$ 180,786.95**	**$ 1,257.05**
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	$ 4,987.95	$ 1,957.05
Property Acquisiton/Easements	$ -		$ -
Admin Expense	$ 250.00	$ 83.46	$ 166.54
Legal/Prof Serv	$ 408,256.25	$ 348,160.51	$ 60,095.74
Ohnstad Twichell, P.C.	$ 187,982.00	$ 141,141.77	$ 46,840.23
AE2S	$ 181,768.00	$ 168,512.49	$ 13,255.51
Garrison Diversion - BHFS	$ 31,006.25	$ 31,006.25	$ -
Garrison Diversion - Effertz Law	$ 7,500.00	$ 7,500.00	$ -
Total Expenses	**$ 422,501.25**	**$ 360,012.92**	**$ 62,488.33**

Bank Activity

Beginning Bank Balance 1-1-25		$ 251,616.13
Income Received		$ 180,786.95
Bank Fees		$ (328.16)
Total Funds Available		**$ 432,074.92**
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	
Check #1293 Garrison Diversion (CS 35)	$ 91.47	
Check #1294 Garrison Diversion (CS 35)	$ 506.47	
Check #1295 AE2S	$ 59,368.17	
Check #1296 Ohnstad Twichell	$ 21,265.50	
Check #1297 AE2S	$ 16,525.00	
Total Expenses	**$ 360,012.92**	
Ending Bank Balance		**$ 72,062.00**

Lake Agassiz Water Authority

2026 Budget of Analysis Statement

For the period of January 1, 2026 - January 31, 2026

Income	**Budget 2026**	**Actual as of 01.31.26**	**Balance of Budget**
Dues Income	$ 35,000.00		$ 35,000.00
Participant Transfers	$ 250,000.00		$ 250,000.00
**State Cost-Share	$ 259,940.55		$ 259,940.55
Cost Share-Interim Finance			$ -
Total Income	**$ 544,940.55**	**$ -**	**$ 544,940.55**
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
Org Expenses	$ 10,800.00	$ -	$ 10,800.00
Accounting	$ 10,000.00		$ 10,000.00
Directors Expense	$ -		$ -
Insurance	$ 550.00		$ 550.00
Admin Expense	$ 250.00		$ 250.00
Legal/Prof Serv	$ 526,488.25	$ 30,267.00	$ 496,221.25
**Ohnstad Twichell, P.C.	$ 187,982.00	$ 30,267.00	$ 157,715.00
**AE2S	$ 100,000.00		$ 100,000.00
**Admin Support	$ 200,000.00		$ 200,000.00
Garrison Diversion - BHFS	$ 31,006.25		$ 31,006.25
Garrison Diversion - Effertz Law	$ 7,500.00		$ 7,500.00
Total Expenses	**$ 543,788.25**	**$ 30,267.00**	**$ 513,521.25**

Beginning Bank Balance 1-1-2026		$ 72,062.00
Income Received		$ -
Bank Fees		$ (68.37)
Total Funds Available		**$ 71,993.63**
Check #1298 Ohnstad Twichell	$ 10,214.00	
Check #1299 Ohnstad Twichell	$ 20,053.00	
Total Expenses	$ 30,267.00	
Ending Bank Balance		**$ 41,726.63**

YTD Billing

RED RIVER VALLEY WATER SUPPLY PROJECT

Reset

Year: All

Project Name: All

Consultant: All

YTD | 12 Month Lookback | Custom

YTD Monthly Billing Summary

Consultant	Jan 2026	Total
Black & Veatch Corporation	790,011.91	**790,011.91**
Advanced Engineering and Environmental Services, LLC	621,290.99	**621,290.99**
American Engineering Testing, Inc.	12,290.38	**12,290.38**
Apex Engineering Group	3,920.00	**3,920.00**
Braun Intertec Corporation	6,743.00	**6,743.00**
Burian & Associates	32,191.25	**32,191.25**
E-Builder	108,115.88	**108,115.88**
Moore Engineering Inc.	71,556.46	**71,556.46**
Prairie Soil Consulting, LLC	16,233.41	**16,233.41**
Stantec Consulting Services, Inc.	50,082.72	**50,082.72**
Ulteig Engineers Inc	4,718.25	**4,718.25**
Verdantas	24,240.00	**24,240.00**
Veteran Testing and Inspecting, LLC	4,319.00	**4,319.00**
Wilson Water Group, LLC	6,255.00	**6,255.00**
Total	**1,751,968.25**	**1,751,968.25**

Consultant Billing Summary

Consultant	Billing Amt	% of Total
Black & Veatch Corporation	790,011.91	45.1%
Advanced Engineering and Environmental Services, LLC	621,290.99	35.5%
American Engineering Testing, Inc.	12,290.38	0.7%
Apex Engineering Group	3,920.00	0.2%
Braun Intertec Corporation	6,743.00	0.4%
Burian & Associates	32,191.25	1.8%
Moore Engineering Inc.	71,556.46	4.1%
Prairie Soil Consulting, LLC	16,233.41	0.9%
Stantec Consulting Services, Inc.	50,082.72	2.9%
Ulteig Engineers Inc	4,718.25	0.3%
Verdantas	24,240.00	1.4%
Veteran Testing and Inspecting, LLC	4,319.00	0.2%
Wilson Water Group, LLC	6,255.00	0.4%
E-Builder	108,115.88	6.2%
Total	**1,751,968.25**	**100.0%**

Annex IV 26-17

February 19, 2026

LAWA BOARD MEETING

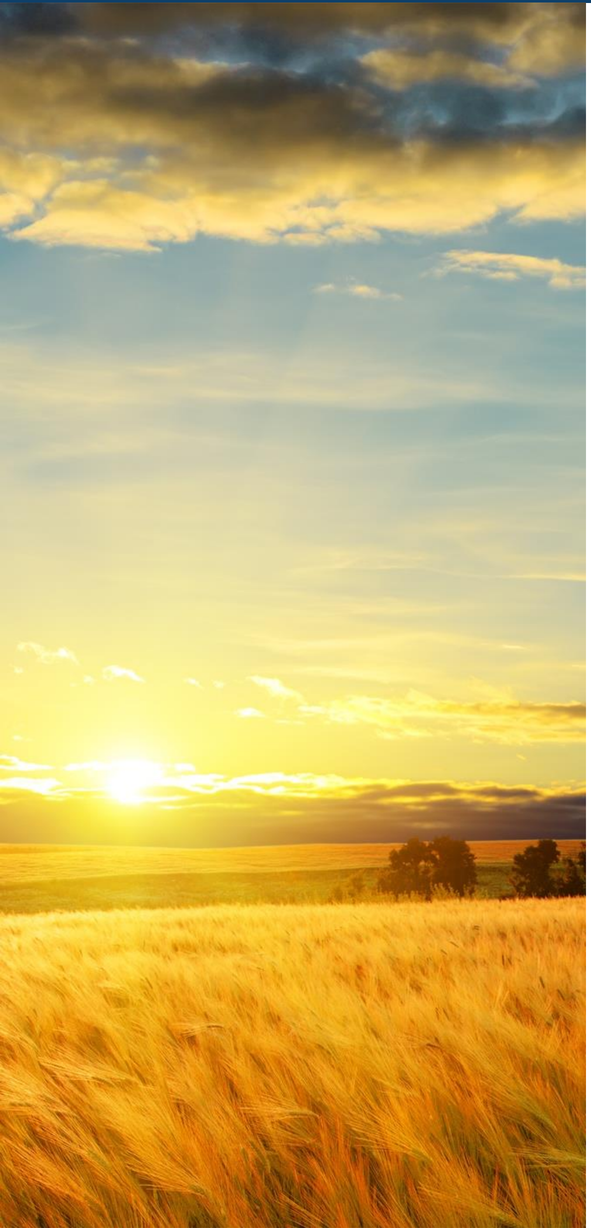
DWR UPDATE: PROGRESS, PRIORITIES, AND PARTNERSHIPS

Reice Haase – Director, North Dakota Department of Water Resources

North Dakota | Water Resources

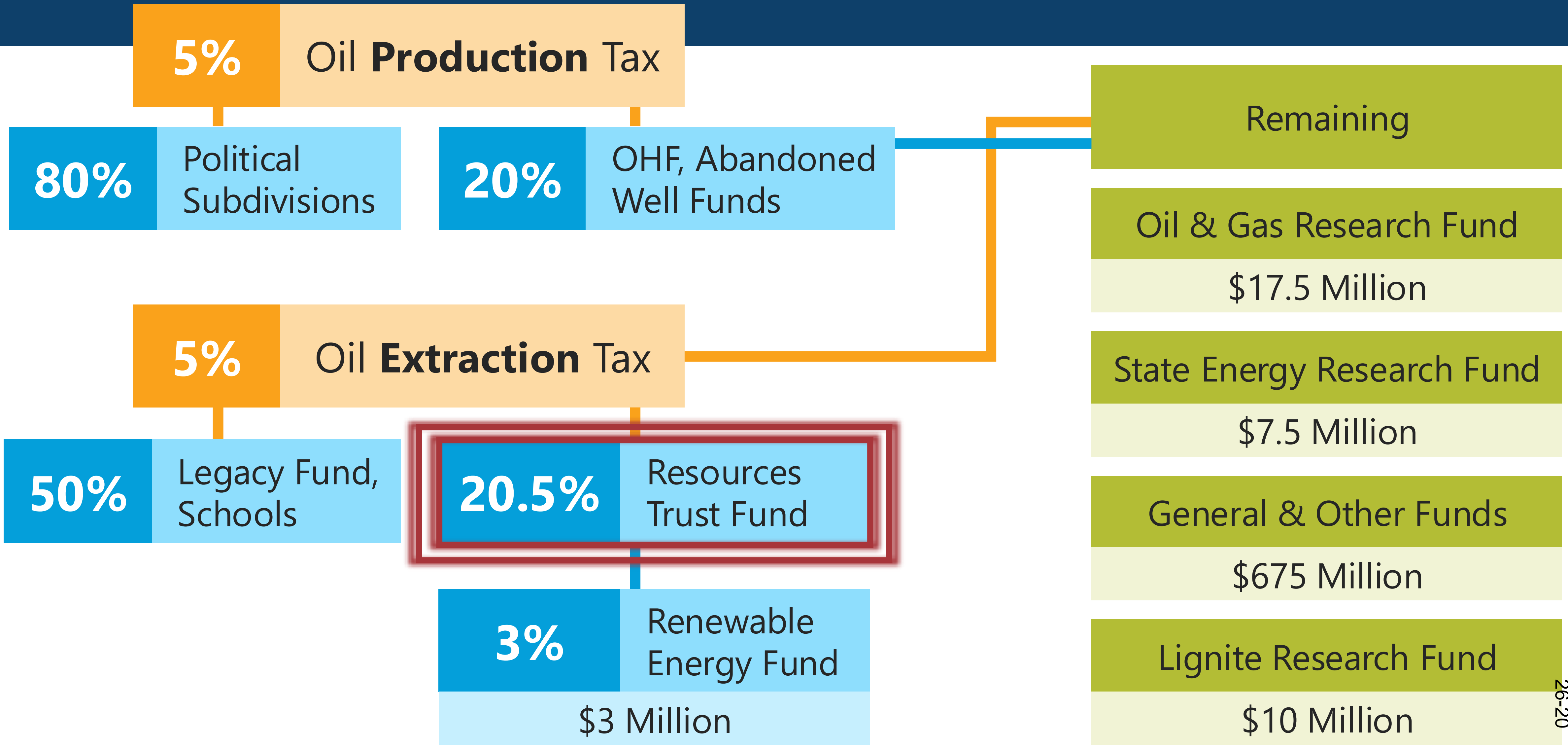
Be Legendary.

OVERVIEW OF TODAY'S UPDATE

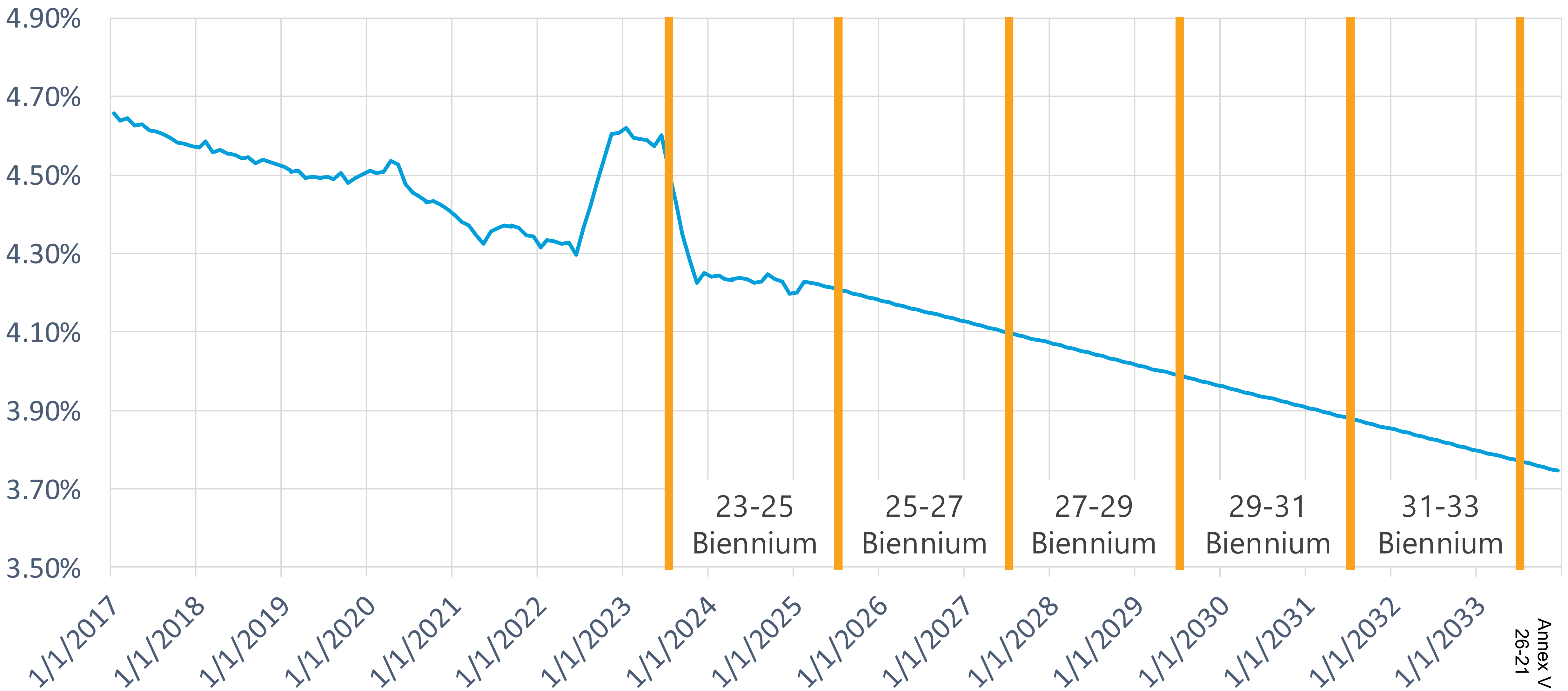


- Budget and Future Projected Revenues Update
- Legislative Studies
- DWR's Role in Project Delivery
- Missouri River Update

RESOURCES TRUST FUND:
20.5% OF OIL EXTRACTION TAX

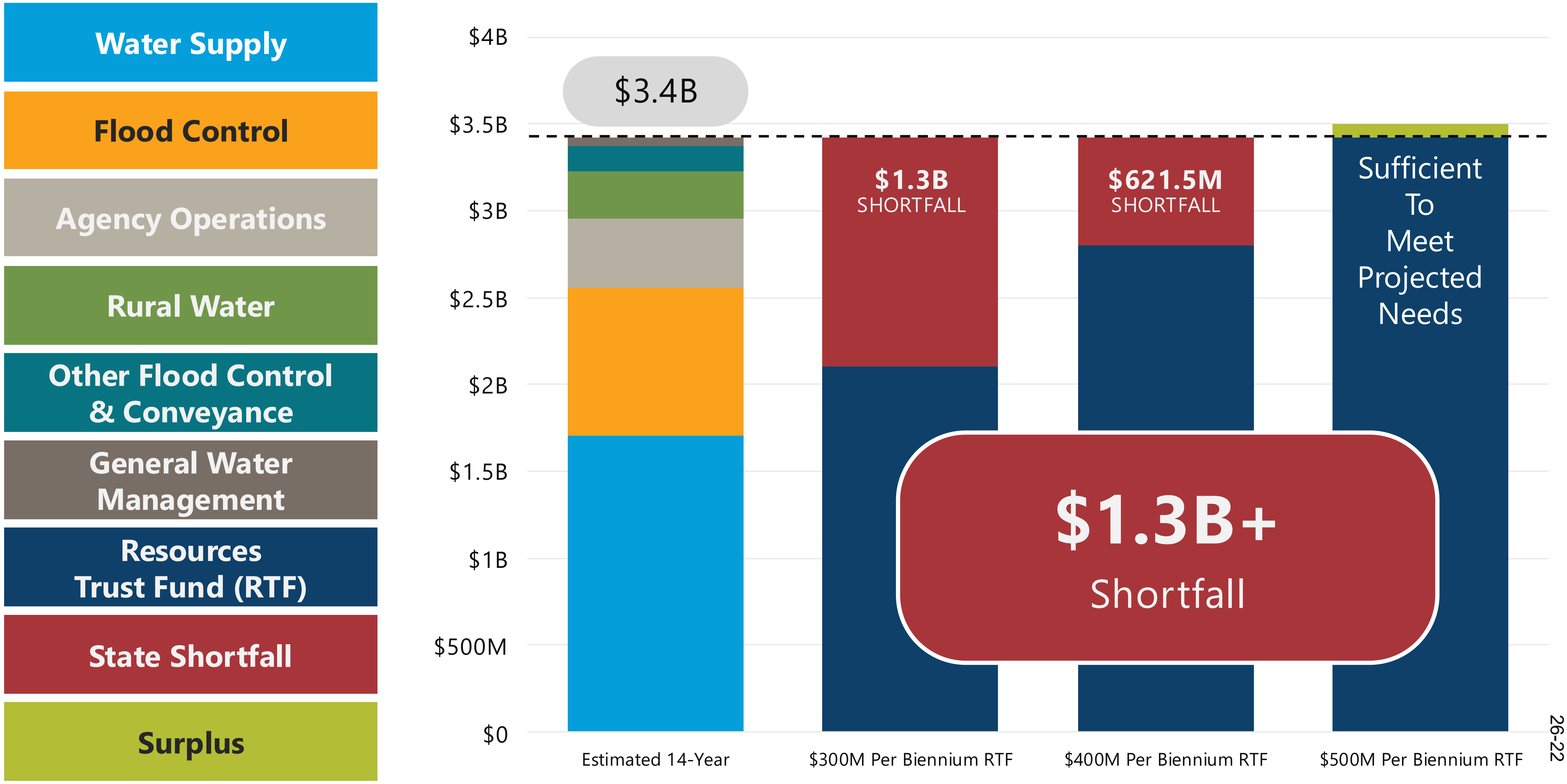


EFFECTIVE EXTRACTION TAX RATE ADJUSTED FOR STRIPPER WELL EXEMPTIONS



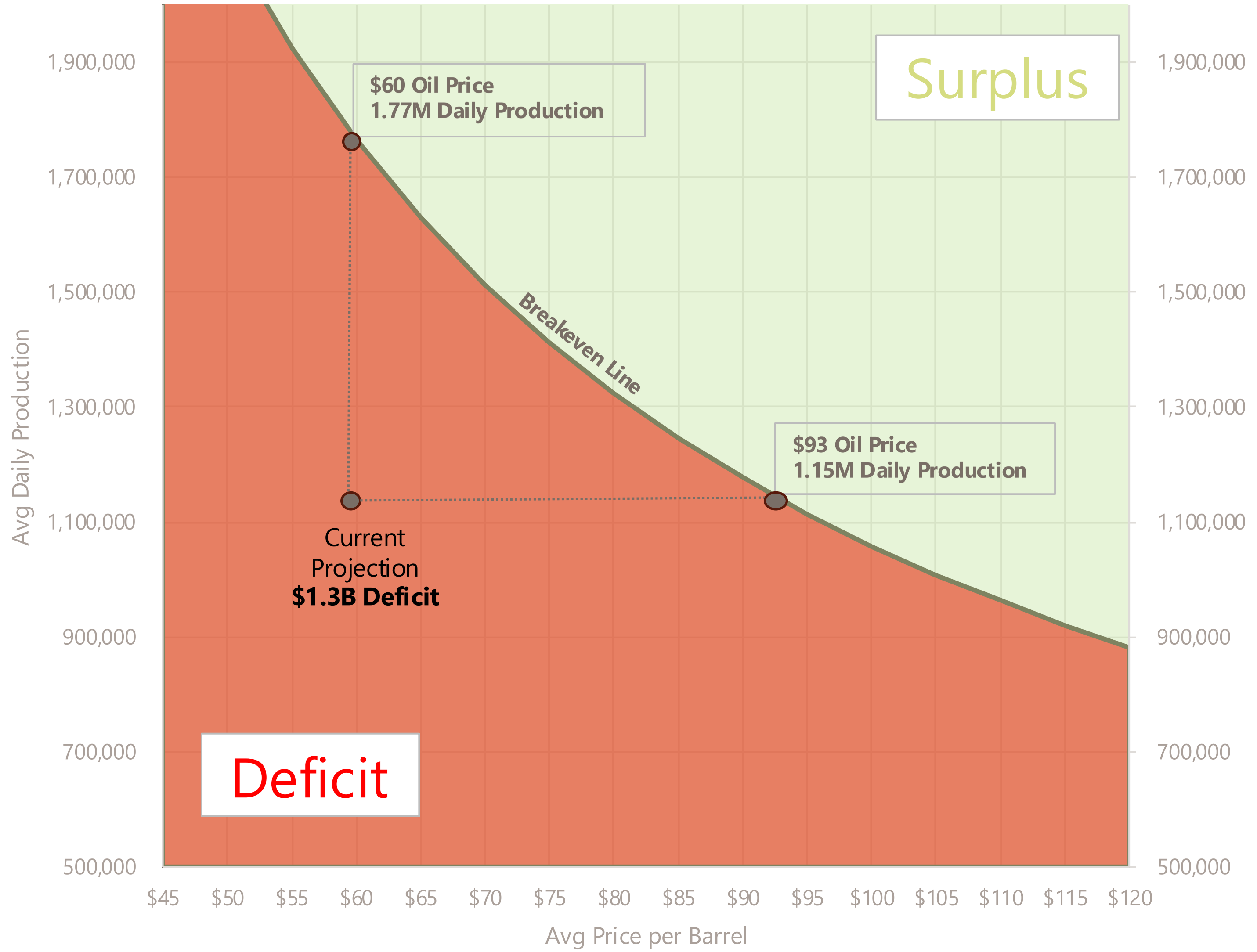
Annex V
26-21

14-YEAR PROJECTION: REVENUES VS. WATER NEEDS



LONG-TERM BUDGET OUTLOOK: STATUS QUO NOT AN OPTION

$3.8B in Project Funding via RTF Revenues over 14 Years



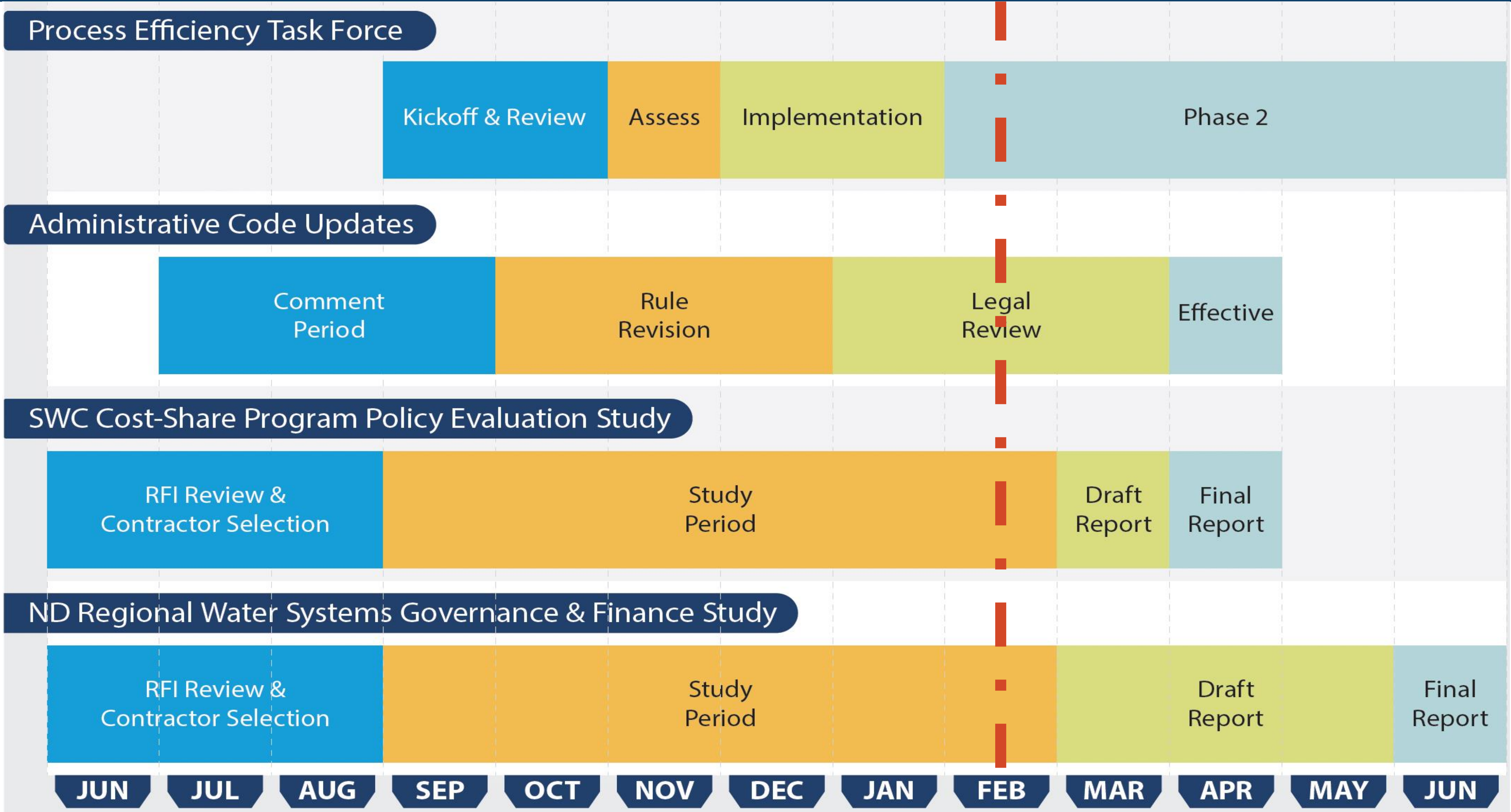
TO MEET ND WATER NEEDS UNDER CURRENT COST SHARE POLICY:

Daily production increase to 1.7M BBL/Day

OR

Price increase to $93/BBL

INITIATIVES AND STUDIES UPDATE
2025-2027 INTERIM



REGIONAL GOVERNANCE & FINANCE STUDY

HB 1020 SECTION 21

"SWC Shall...Study The Long-Term Governance & Finance Models Of Select Regional Water Systems (NAWS, SWPP, RRVWSP) In The State."

TIMELINE (JUNE 2025 - JUNE 2026)

RFI Review & Contractor Selection
Jun, Jul, Aug

Study Period
Sept, Oct, Nov, Dec, Jan, Feb

Draft Report
Mar, Apr, May

Final Report
Jun

COST-SHARE STUDY

HB 1020 SECTION 22

"SWC Shall…Study Cost-Share Policy, Including An Evaluation Of Whether Projected Funding For Water Projects, In Conjunction With The Existing Cost-Share Policy, Will Adequately Address Anticipated Funding Needs For Water Projects Through July 1, 2039. Also Evaluate The State's Role In Deferred Maintenance & Replacement Projects Within The Context Of Funding Shortfalls."

TIMELINE (JUNE 2025 - APRIL 2026)

RFI Review & Contractor Selection
Jun, Jul, Aug

Study Period
Sept, Oct, Nov, Dec, Jan, Feb

Draft Report
Mar

Final Report
Apr

INTERIM WATER TOPICS: MARCH 26TH

JOINT SWC/WTOC

Rep. Steve Swiontek, Chair

- DWR Operational Updates
- Cost-share Study Draft
- Governance and Finance Study Draft
- SWPP & NAWS Project Updates
- Watershed Boundary Study

RRVWS: DWR'S ROLE IN SUPPORTING FINAL DELIVERY

Budget Planning and Cost-Share

2027-2029 Budget Planning

Reduce Administrative Costs

Operation Plan and User Outreach

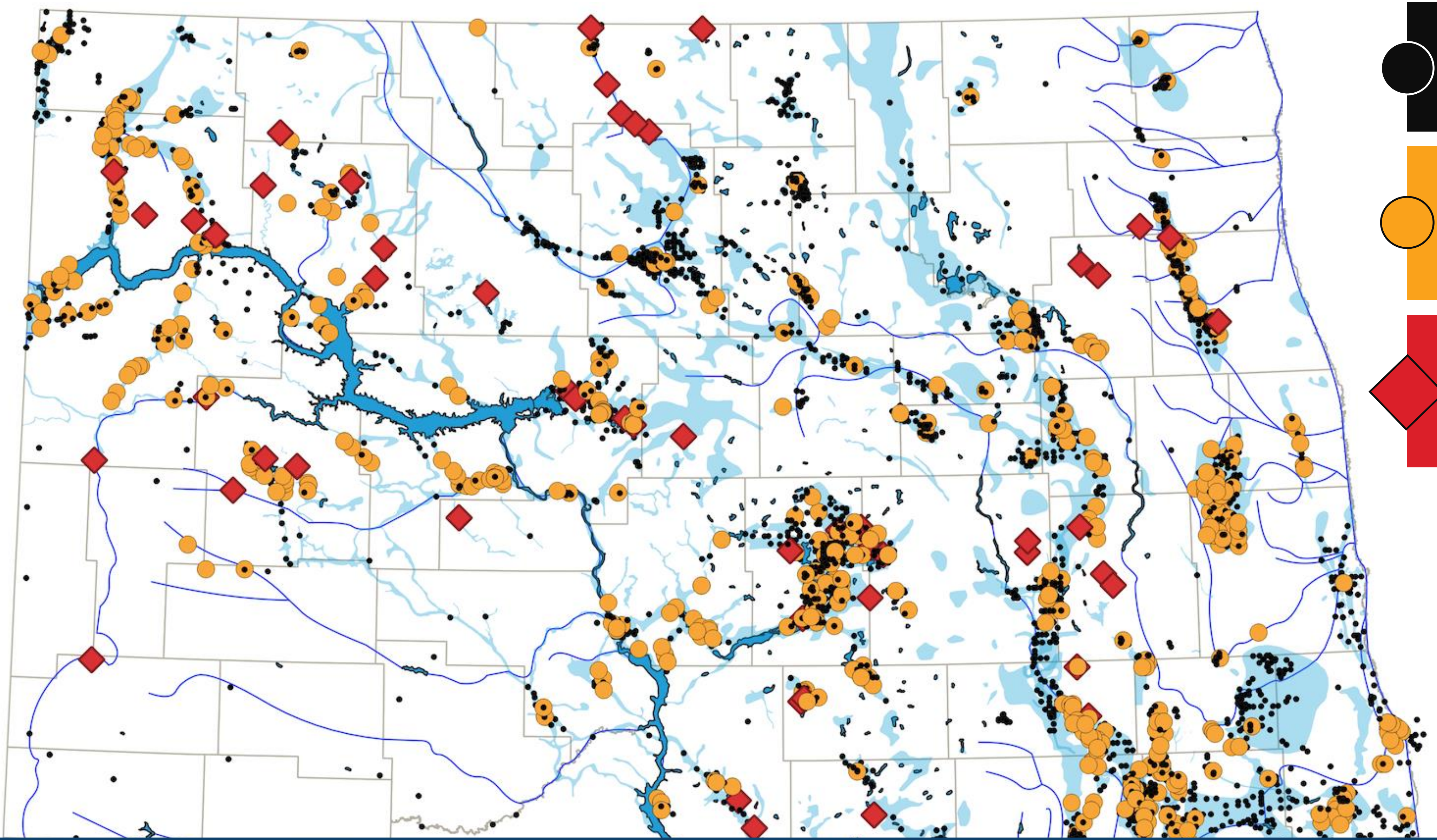
DWR-GDCD-LAWA Working Group

Certainty for Users, Commitment

Defined Water Release Framework

TA Addressed Independently

DWR Will Lead USACE Engagements

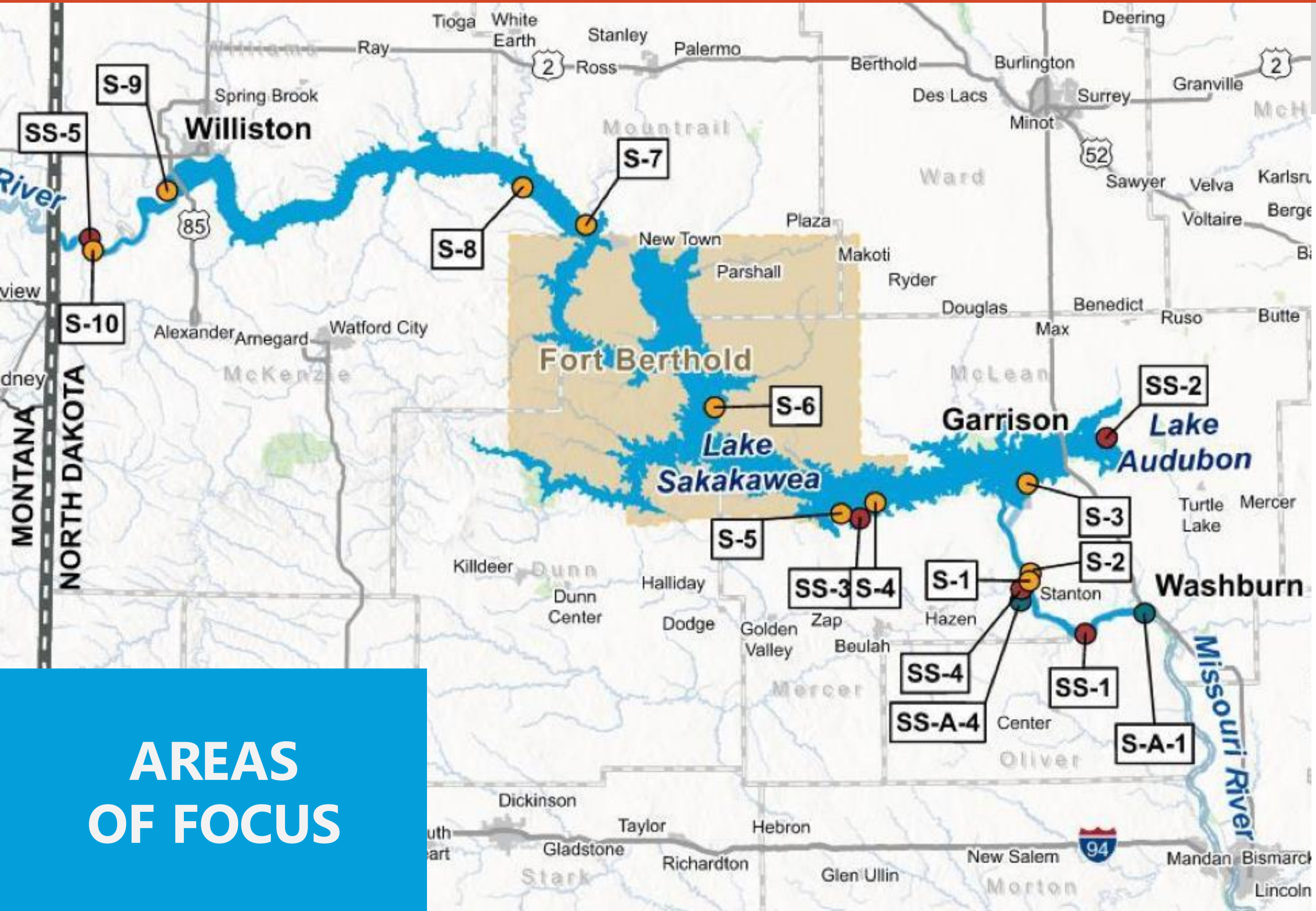


NATION-LEADING DATA. SCIENTIFICALLY-BACKED WATER MANAGEMENT.

MISSOURI RIVER INTAKE STUDY

PHASE II

State Water Commission Award: **February 2026**



AREAS OF FOCUS

Field Investigations:

- Bathymetric Surveys
- LiDAR Data Collection
- Geotechnical Sampling
- Cultural Resources Assmt.

COLLABORATION IS ESSENCIAL TO PROTECT OUR RIVER

Opinion: We can't afford to lose Missouri River water

BY KURT U. SCHAEFER ON FEBRUARY 3, 2026

For more than three decades, the State of Missouri has engaged in a water war with North Dakota. During that time, Missouri's Congressional delegation, our Governor and our Attorney General – regardless of party – have worked together to protect our water.

Missouri has always been vigilant about protecting the water in the Missouri River. As a young assistant attorney general 30 years ago, I witnessed the state, through legislation and litigation, vigorously oppose North Dakota projects diverting water away from the Missouri River. It was a hard fought battle then, and it remains one now.

The Missouri River Is a Shared Resource, Not a Battleground

Director Reice Haase responds to recent claims characterizing Missouri River water use as a "water war" and outlines North Dakota's position on state sovereignty and responsible water management. He highlights the state's historic sacrifices and the minimal share of river water North Dakota actually uses. The piece calls for renewed basin-wide cooperation and a collaborative path forward for all Missouri River states.

[Opinion: The Missouri River Is a Shared Resource, Not a Battleground]

RED RIVER VALLEY
WATER SUPPLY PROJECT

Serving the Water Supply Needs of Central North Dakota and the Red River Valley

LAWA BOARD MEETING STAFFING CONCEPTS FOR CONSIDERATION

FEBRUARY 19, 2026

Lake Agassiz Water Authority

GARRISON DIVERSION

LAWA LONG TERM PLANS

“SPLIT DELIVERY”/”SHARED RESPONSIBILITY” OF RRVWSP

- Approved by LAWA Board 6/26/2025
- Term Sheet provided to GDCD 7/17/2025
- Split Delivery is LAWA taking responsibility for the delivery of water to its members and GDCD is responsible for the treatment and supply of water to LAWA

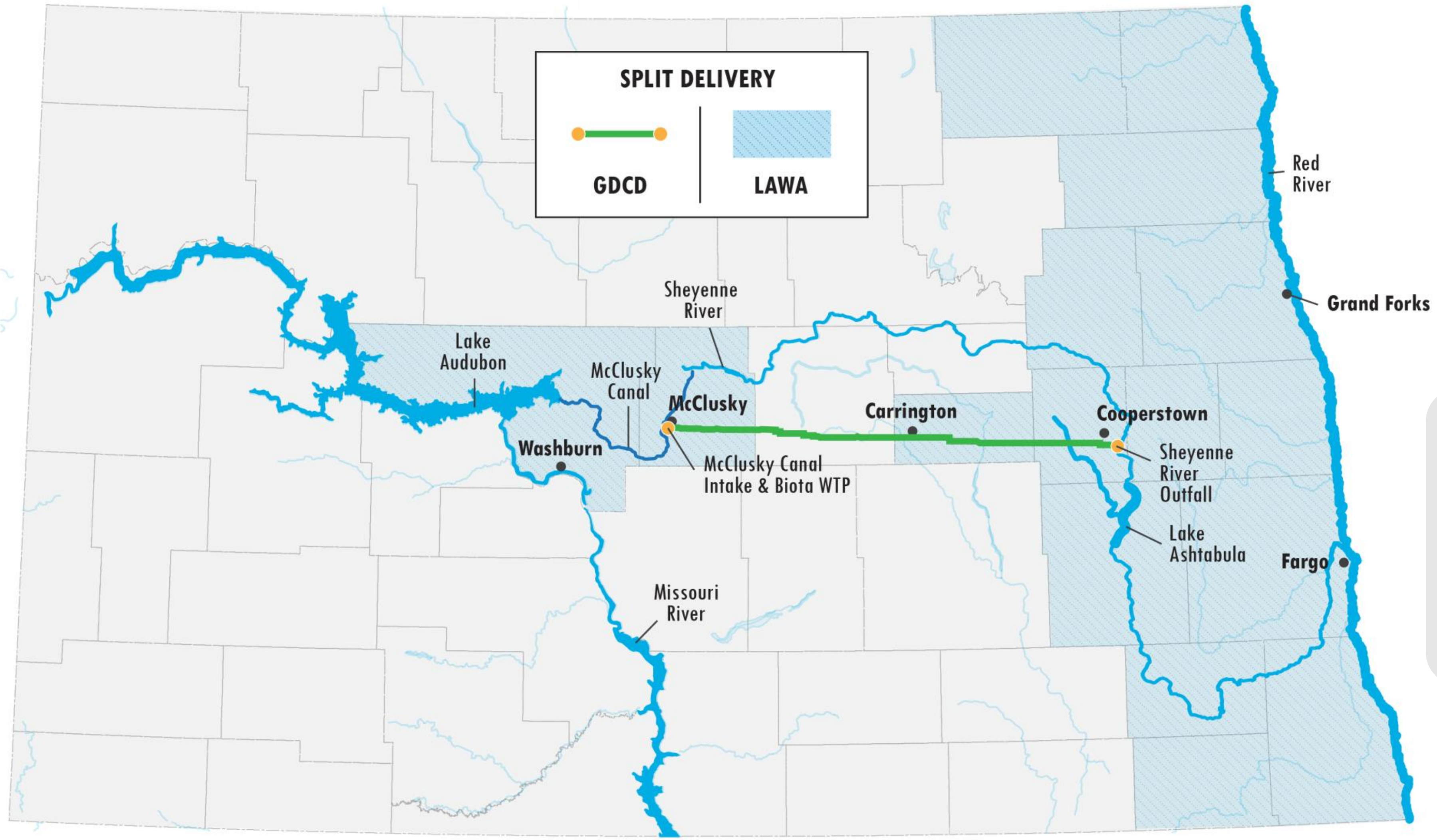
CONTRACTS UNDER DEVELOPMENT

- Water Supply Agreement (LAWA attorney led development – Term Sheet)
- Water Delivery Agreement (Fargo special attorney led development)
- TA Water Rights Agreement (Grand Forks special attorney led development)
  - Working in Partnership with DWR

OPERATIONS AGREEMENT WITH DWR/USACE

- Coordination with DWR

SPLIT DELIVERY CONCEPT



Note that visual is not representative of current or potential project participants but of the approximate geographic area that is represented by LAWA

LAWA STAFFING INDEPENDENCE

USER ENGAGEMENT

Statutory Responsibility to represent members/users of RRVWSP

Support Team for outreach

- Financial Modeling
- Operations Plan

CONTRACT NEGOTIATIONS

- Represent LAWA in negotiations with GDCD (water supply agreement)
- Represent LAWA in negotiations with Users (water delivery agreement)
- Represent LAWA in negotiations with DWR (operations, TA, USACE)

OPERATIONAL PLANNING

- Ensure fiscal responsibility for project
- Ensure real-world operational functionality
- Ensure user rights are protected

LAWA STAFFING DUTIES

- **Support LAWA Board**
- **Develop Legislative Strategies**
- **Manage Development of Necessary Agreements**
  - Water Supply Agreement
  - Water Delivery Agreement
- **Lead User Outreach Efforts**
  - Work with GDCD and consultants
- **Assist in Task Order Development**
- **Operational Planning Engagement**
- **Maintain Relationships with DWR, GDCD, Consultants, Legislators**

CONTINUED GDCD ADMIN SUPPORT

LEADERSHIP
- Work with LAWA to support project development
- Collaborate with LAWA and outside agencies for project development

COMMUNICATIONS
- Website maintenance, social media, conference attendance, materials, etc.

FINANCIAL ADMINISTRATION
- Payments, maintaining budget, bank reconciliation, financial audit, etc.

CONSTRUCTION
- Oversee bidding, construction supervision, landowner relations, etc.

MEETING SUPPORT
- Scheduling assistance, meeting agendas and packets, meeting minutes, etc.

ENGINEERING
- Direct engineering consultants and team for design of project
- Collaboration with LAWA through TAC & design calls

LAWA LEADERSHIP OF TASK ORDERS

LAWA LED TASK ORDERS SCOPE OF SERVICES CLEARLY DEFINE LEADERSHIP

- User Engagement
- Financial Support
- Operational Planning (TBD)

GDCD IS CONTRACTUAL HOLDER OF TASK ORDER AGREEMENTS

- Maintains continuity of approved work plan
- Ensures no need for selection process by LAWA for services

GDCD Collaborative Role
Consultant Team Support

MOU WITH LAWA AND GDCD FOR TASK ORDERS LED BY LAWA

- MOU developed with GDCD and LAWA leadership

LAWA SUBMITS PROJECT SUPPORT WORK FOR COST-SHARE VIA GDCD

- DWR will provide guidance on eligible costs for reimbursement

LAWA STAFF HAS ABILITY TO CONTACT PROJECT TEAM CONSULTANTS DIRECTLY

- Protocol in place to not “chase down rabbit holes”

LAWA STAFFING TIMELINE

JANUARY	FEBRUARY	MARCH
• Bogar/Feland/Grubb Co-Administrator • Staff Plan with Bogar, Feland, Grubb, OT • FAC meeting review	• TAC meeting • Board Meeting - FAC Recommendation	• FAC Meeting • TAC Meeting • Board Meeting • Governance Study Report to Committee
APRIL	**MAY**	**JUNE**
• FAC Meeting • TAC Meeting • Board Meeting • Updates based on Governance Study	• FAC Meeting • TAC Meeting • Board Meeting	• FAC Meeting • TAC Meeting • Board Meeting

120 DAY PLAN

- OT Organizational Support
- GDCD Admin Support
- Fargo/Grand Forks Staff Support

MID TERM PLAN (3-12 MONTHS)

- Staff/Contract Support
- Executive Director Search
- Organizational Structure Development

LONG TERM PLAN

- Full Time Executive Director
- Full Time Support Staff (admin/finance)
- Contracted Engineering Support
- Established Relationships with DWR/GDCD/USACE

Notice of Award

Date of Issuance January 20, 2026

Owner: Garrison Diversion Conservancy District	Owner's Task Orders Nos: 5562/5563
Engineer: Black & Veatch Corporation	Engineer's Project No.: 409655
Project: RRVWSP, Red River Valley Transmission Pipeline	Contract Name: Contract 6B/6C

Bidder:	Carstensen Contracting, Inc.
Bidder's Address:	800 Quartzite Street
	Dell Rapids, South Dakota 57022

TO BIDDER:
You are notified that Owner has accepted your Bid dated November 19, 2025, for the above Contracts, and that you are the Successful Bidder and are awarded a Contract for:

Red River Valley Water Supply Project
Red River Valley Transmission Pipeline
Combined Project Task Order 5562, Contract 6B and Task Order 5563, Contract 6C

The Contract Price of the awarded combined Contract is One Hundred Twenty-Five Million Seven Hundred Forty-One Thousand Nine Hundred Forty-Nine and 00/100 Dollars ($125,741,949.00). The amount of Unit Price Work is subject to adjustment. The extended prices are based on estimated quantities and payments will be made on actual quantities. Refer to General Conditions Paragraph 13.03, Instructions to Bidders Article 14, and Agreement Article 5 for information.

Electronic files with unexecuted counterparts of the Agreement will follow this Notice of Award under separate cover, and electronic pdf files of the Contract Documents were transmitted or made available to Bidder. Updated Issued for Construction documents will be provided to the Bidder after addenda and bidding documents are incorporated into the Contract Documents.

You must comply with the following conditions precedent within 15 days of the date you receive this Notice of Award:

1. Deliver to Owner the Contract Documents, fully executed by Bidder, leaving the date blank.

2. Deliver with the executed Contract Documents the Contract security (e.g., performance and payment bonds) and insurance documentation as specified in the Instructions to Bidders and General Conditions, Articles 2 and 6.

You are authorized to proceed with the limited obligations of the Contract Documents and within 45-days of the date you receive this Notice of Award you may submit to the Owner a progress payment application for payment of the following items:

1. Procurement of steel coil necessary for the manufacture of Steel Pipe per Section 40 05 24, and

2. Submittal of Shop Drawings and Certifications required by Section 40 05 24.

Failure to comply with these conditions within the time specified will entitle Owner to consider you in default, annul this Notice of Award, and declare your Bid security forfeited.

Within 15 days after you comply with the above conditions, Owner will return to you one fully executed counterpart of the Contract Documents, together with any additional copies of the Contract Documents as indicated in Paragraph 2.02 of the General Conditions.

Garrison Diversion Conservancy District
Owner

By: ______________________
Duane DeKrey
Title: General Manager

cc: Kip Kovar, GDCD
Kurt Ronnekamp, BV

Notice of Award

Date of Issuance January 20, 2026

Owner: Garrison Diversion Conservancy District	Owner's Task Order No.: 5571
Engineer: Black & Veatch	Engineer's Project No.: 409655
Project: RRVWSP, Red River Valley Transmission Pipeline	Contract Name: Contract 7A
Bidder: Carstensen Contracting, Inc.	
Bidder's Address: 800 East Quartzite Street, Dell Rapids, SD 57022	

TO BIDDER:

You are notified that Owner has accepted your Bid dated November 21, 2025, including Base Bid and Alternative 1 and Alternative 2 for the above Contract, and that you are the Successful Bidder and are awarded a Contract for construction of approximately 6.5 miles of 72-inch diameter steel water pipeline (Base Bid plus Alternative 1 and Alternative 2), including three 96-inch diameter trenchless wetland crossings. Strict segregation and stockpiling of topsoil and subsoil for pipe installation will be required. The work also includes an impressed current pipeline corrosion protection system, pipeline appurtenances, and all other work specified or shown on the Drawings.

The Contract Price of the awarded Contract is Fifty-Eight Million Nine Hundred Fifty-Nine Thousand Nine Hundred Ninety-Two and 00/100 Dollars ($58,959,992.00). The amount of Unit Price Work is subject to adjustment. The extended prices are based on estimated quantities and payments will be made on actual quantities. Refer to General Conditions Paragraph 13.03, Instructions to Bidders Article 14, and Agreement Article 5 for information.

Electronic files with unexecuted counterparts of the Agreement will follow this Notice of Award under separate cover, and electronic pdf files of the Contract Documents were transmitted or made available to Bidder. Updated Issued for Construction documents will be provided to the Bidder after addenda and bidding documents are incorporated into the Contract Documents.

You must comply with the following conditions precedent within 15 days of the date you receive this Notice of Award:

1. Deliver to Owner the Contract Documents, fully executed by Bidder, leaving the date blank.

2. Deliver with the executed Contract Documents the Contract security (e.g., performance and payment bonds) and insurance documentation as specified in the Instructions to Bidders and General Conditions, Articles 2 and 6.

You are authorized to proceed with the limited obligations of the Contract Documents and within 45 days of the date you receive this Notice of Award Submit to the Owner a progress payment application for payment for the following items.:

1. Procurement of steel coil necessary for the manufacture of Steel Pipe per Section 40 05 24, and
2. Submittal of Shop Drawings and Certifications required by Section 40 05 24.

Failure to comply with these conditions within the time specified will entitle Owner to consider you in default, annul this Notice of Award, and declare your Bid security forfeited.

Within 15 days after you comply with the above conditions, Owner will return to you one fully executed counterpart of the Contract Documents, together with any additional copies of the Contract Documents as indicated in Paragraph 2.02 of the General Conditions.

Garrison Diversion Conservation District
Owner

By: ______________________

Duane DeKrey

Title: General Manager

cc: Kip Kovar, GDCD
Kurt Ronnekamp, BV