

LAKE AGASSIZ WATER AUTHORITY

**SPECIAL MEETING
BOARD OF DIRECTORS**

**Video Conference
May 11, 2026**

A special meeting of the Lake Agassiz Water Authority (LAWA) board of directors was held by video conference on May 11, 2026. 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 Jeff Breker
Director Ann Broussard
Director Dave Carlsrud
Director Tom Erdmann
Director Alan Idso
Director Tim Meyer
Director Jim Schmaltz
Director Travis Schmidt
Alternate Brian Reilly for Director Keith Nilson
Secretary Duane DeKrey

MEMBERS ABSENT

Director Bernie Dardis

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

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

RED RIVER VALLEY WATER SUPPLY PROJECT (RRVWSP)

2025-2027 Revised Biennium Work Plan/Budget (ENDAWS)

Kip Kovar, Deputy Program Manager, RRVWSP Engineering, Garrison Diversion, presented updates to the RRVWSP Biennium Work Plan/Budget. Due to the recently announced federal funding of \$150 million for the Eastern North Dakota Alternate Water Supply (ENDAWS) portion of the project, revisions to the work plan are necessary to deploy the funds as quickly as possible.

Mr. Kovar stated the ENDAWS features include the westernmost 32 miles of the pipeline route, the Biota Water Treatment Plant (BWTP), storage tanks and electrical service.

The \$150 million in federal funds will be provided in two separate ways:

- 1) \$50 million will be provided through an existing MR&I Cooperative Agreement between Garrison Diversion and the Bureau of Reclamation (Reclamation).
- 2) A new agreement with Reclamation will be required before the remaining \$100 million is available.

Mr. Kovar explained Reclamation cannot begin work on the agreements until the engineering team determines which ENDAWS features will utilize the funding.

Mr. Kovar added it may take up to four months for Reclamation to modify the existing MR&I agreement for the initial \$50 million and up to six months before the additional \$100 million becomes available.

Mr. Kovar referenced the table illustrating the proposed Series F work plan revisions (Annex II). Under the existing biennium work plan, \$50 million in state and local spending had already been approved for ENDAWS, including BWTP final design, wetwell, utility extension design, intake tunnel work and a small contingency amount.

Three additional projects are proposed to leverage the state and local dollars and access the funding. These projects include:

- 1) Intake tunnel shaft liner (Contract 2)
- 2) Eleven miles of pipeline (Contract 3)
- 3) Five miles of pipeline (Contract 2B)

The revised ENDAWS work plan, including the combined federal (\$150 million), state and local (\$50 million) funding amounts, now totals \$200 million.

Mr. Kovar reported the revised ENDAWS work plan has also been presented to the LAWA Technical Advisory Committee, Financial Advisory Committee and Garrison Diversion's Red River Valley Committee and Board of Directors.

Shawn Gaddie, Advanced Engineering and Environmental Services (AE2S), stated HB 1020, approved during the last legislative session, established requirements regarding how state and local dollars are to be used in matching federal funds. There have been ongoing discussions with legislators over the past several years regarding how the state and local sponsors would share in the benefit if significant federal funding became available.

Mr. Gaddie explained the legislation provides that the state would receive 75 percent of the benefit associated with the federal funding, reflecting the state's percentage contribution toward the project cost share. Under that framework, the state would receive a corresponding percentage benefit from the federal dollars applied to offset project costs.

Mr. Gaddie referenced a flow chart (Annex III) showing that, in order to meet the requirements of HB 1020, 75 percent of the federal benefit would be allocated to the state. Under that framework, the state would contribute \$37.5 million in matching funds, leveraging its share to approximately \$150 million in project value.

Mr. Gaddie explained the remaining 25 percent of the benefit would accrue to the local sponsors, with a required local match of \$12.5 million leveraging up to approximately \$50 million in project value.

He stated the combined structure of the state, local and federal funds allows the spending of the Series F work plan on ENDAWS features to increase to a total of \$200 million.

Mr. Gaddie said a significant benefit of this approach, as discussions continue with the state regarding future ENDAWS funding and ongoing efforts to secure federal construction support, is the resulting revised cost-share structure for ENDAWS features moving forward. Under that structure, the anticipated funding participating would target:

- Federal share: 75 percent
- State share: 18.75 percent
- Local share: 6.25 percent

Mr. Gaddie stated the funding graphic had previously been reviewed with Senator Sorvaag and Representative Swiontek when only the initial \$50 million in federal funding was known. Discussions were held to ensure the funding structure was being interpreted consistently with the intent of HB 1020, and both legislators confirmed the approach reflected how they intended the legislation to work.

Mr. Kovar said the previously approved 2025-2027 biennium work plan/budget totaled \$273 million. With the proposed revisions, the total biennium budget would increase to \$423 million.

He noted with the revised 75 percent federal cost share structure, the state share for ENDAWS project features would be reduced to 18.75 percent and the local cost share to 6.25 percent.

Chair Mahoney asked where the additional state funding would come from.

Mr. Kovar replied there is no new state funding involved. The previously approved \$50 million in state and local funding remains unchanged, but those dollars are now being leveraged to access the additional federal funding.

Mr. Gaddie added the proposal (Annex IV) represents a net no-cost change to the state and local participants. The primary adjustment involves reallocating how the already approved state and local dollars are applied. There will likely be an administrative clean up item with the state to revise the approved cost-share allocation, but no request for additional state funding will be made.

Director Meyer asked when the new contracts will be bid.

Mr. Kovar responded the timeline will depend on how quickly Reclamation can complete required agreements, which must occur before the funding can be accessed. Potentially, the bidding could begin late this summer.

Duane Pool, Department of Water Resources, asked whether Reclamation would need congressional action to increase the authorized MR&I spending cap.

Merri Mooridian, Deputy Program Manager, RRVWSP Administration, Garrison Diversion, replied the initial \$50 million consists of FY2026 funding that Senator Hoeven previously secured, and authorization has already been increased under the overall federal MR&I ceiling. The additional \$100 million is coming through the One Big Beautiful Bill Act (OBBBA) and, based on current discussions, is not expected to require an additional increased MR&I authorization. Coordination continues with Senator Hoeven's office, Reclamation and the Department of Interior regarding the issue.

Motion by Vice Chair Bochenski to approve the proposed revisions to the ENDAWS portion of the RRVWSP 2025-2027 Biennium Work Plan/Budget resulting in a total budget amount of \$423 million. Second by Director Bigwood. Upon roll call vote, the following directors voted aye: Bigwood, Bochenski, Breker, Broussard, Carlsrud, Erdmann, Idso, Mahoney, Meyer, Schmaltz and Schmidt. Alternates voting aye: Reilly. Those voting nay: none. Absent: Dardis. Motion carried.

LAWA EXECUTIVE DIRECTOR POSITION UPDATE

Bruce Grubb, City of Fargo, provided an update on the executive director selection process. The job advertisement was posted for three weeks with an application deadline of May 1, and a total of seven applications were received. The Selection Committee reviewed the applications this morning.

Mr. Grubb said Fargo's Human Resources Department (HRD) is assisting with some follow-up activities related to the hiring process. The hiring schedule is:

- Candidate interviews: May 18, 2026
- LAWA Board recommendation: May 28, 2026
- Tentative start date: Mid-June 2026

Mayor Mahoney appointed a Selection Committee consisting of the chair and vice chair of the LAWA board, chair and vice chair of LAWA TAC, chair and co-chair of LAWA FAC, along with a staff member from Fargo's HRD as facilitator. Todd Feland has been designated by Vice Chair Bochenski to serve in his place on the committee.

Mr. Grubb stated he is also working on two agreements associated with the position. The first is an employment agreement between the executive director and the City of Fargo. Because LAWA does not yet have a formal organizational structure, Fargo has agreed to employ the position under contract with the city. The employment agreement addresses salary and benefits, support services and applicable employment policies.

The second agreement is a reimbursement agreement between Fargo and LAWA to reimburse Fargo for the portion of salary and benefits exceeding Fargo's cost share. It is being proposed to use the same cost-share methodology presented at the last board meeting. The

revised 2026 LAWA budget already includes salary and benefits for the executive director position.

Mr. Grubb further stated there will be additional ancillary expenses associated with the position, including office space, computers, printers and office supplies, which Fargo has decided to absorb without reimbursement. The only potential exceptions may be cell phone allowance and vehicle mileage reimbursement.

The meeting adjourned at 2:25 p.m.

Timothy Mahoney, Chair

Duane DeKrey, Secretary

REGISTRATION

LAWA Board Meeting
 Fargo Commission Chambers
 March 27, 2026

NAME	ORGANIZATION
Bruce Grubb	City of Fargo
Troy Hall	City of Fargo
Kip Kovar	Garrison Diversion
Merri Mooridian	Garrison Diversion
Lisa Schafer	Garrison Diversion
Brent Bogar	LAWA
Paul Boersma	Black & Veatch
Kurt Ronnekamp	Black & Veatch
Marc Pritchard	Moorhead Public Service
Todd Feland	City of Grand Forks
Steve Burian	Burian & Associates
Ken Vein	Garrison Diversion
Greg Bischoff	Garrison Diversion
Jeff LeDoux	Garrison Diversion
Shawn Gaddie	Advanced Engineering
Brent Brinkman	Cass Rural Water District
Brian Johnson	East Grand Forks Power & Light
Bennett Johnson	Vogel Law Firm
Katie Schmidt	Ohnstad Twichell
Pat Fridgen	Dept of Water Resources
Duane Pool	Dept of Water Resources
Joe Nett	Dept of Water Resources
Willy Galindo	City of West Fargo
Tim Paustin	Apex
Abby Ebach	Dept of Water Resources
Cory Drevecky	Dept of Water Resources
Brian Reilly	Walsh Rural Water District
Joe Zauner	American Pipe

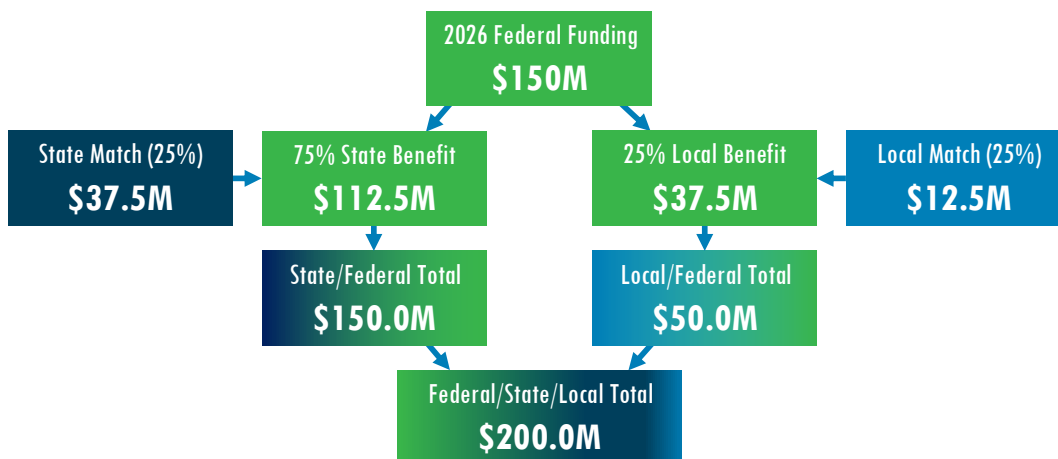
PROPOSED SERIES F WORK PLAN REVISIONS

LEVERAGING APPROVED SERIES F FEDERAL SPENDING

SERIES F APPROVED vs. POTENTIAL REVISED ENDAWS WORKPLAN (\$M)

TASK ORDER / PROJECT DESCRIPTION	APPROVED WORK PLAN STATE-LOCAL	REVISED WORK PLAN			WORK PLAN CHANGE STATE- LOCAL
		Federal	State-Local	Total	
Cost Share	100%	75%	25%	100%	
ENDAWS McClusky Facilities					
BWTP Final Design/Bidding	15.00	11.25	3.75	15.00	-11.25
WetwellExc / Site Dev / CPS	20.90	15.68	5.23	20.90	-15.68
Utility Extensions Design / Bidding / Construction*	4.50	3.38	1.13	4.50	-3.38
Intake, Tunnel, Shaft Liner Design / Bidding	2.00	1.50	0.50	2.00	-1.50
Intake, Tunnel, Shaft Liner Construction / CPS		20.63	6.88	27.50	6.88
ENDAWS Transmission Pipeline					
Contract 3 (~11mi) Construction / CPS		55.58	18.53	74.10	18.53
Contract 2B (~5mi) Construction / CPS		34.65	11.55	46.20	11.55
Contingency	7.60	7.35	2.45	9.80	-5.15
TOTAL	50.00	150.00	50.00	200.00	0.00

FEDERAL FUNDING — MATCHING THE FIRST \$150M REQUIREMENTS OF HB1020



Resultant Cost Share-Split on ENDAWS Features	Federal: 75%	State: 18.75%	Local: 6.25%
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PROPOSED SERIES F WORK PLAN REVISIONS LEVERAGING APPROVED SERIES F FEDERAL SPENDING

SERIES F APPROVED vs. POTENTIAL REVISED ENDAWS WORKPLAN (\$M)

TASK ORDER / PROJECT DESCRIPTION	APPROVED WORK PLAN			REVISED WORK PLAN			
	Total	State	Local	Total	Federal	State	Local
Cost Share	100.00%	75.00%	25.00%	100.00%	75.00%	18.75%	6.25%
ENDAWS McClusky Facilities							
BWTP Final Design/Bidding	15.00	11.25	3.75	15.00	11.25	2.81	0.94
Wetwell Exc / Site Dev / CPS	20.90	15.68	5.23	20.90	15.68	3.92	1.31
Utility Extensions Design / Bidding / Construction*	4.50	3.38	1.13	4.50	3.38	0.84	0.28
Intake, Tunnel, Shaft Liner Design / Bidding	2.00	1.50	0.50	2.00	1.50	0.38	0.13
Intake, Tunnel, Shaft Liner Construction / CPS				27.50	20.63	5.16	1.72
ENDAWS Transmission Pipeline							
Contract 3 (~11mi) Construction / CPS				74.10	55.58	13.89	4.63
Contract 28 (~5mi) Construction / CPS				46.20	34.65	8.66	2.89
Contingency	7.60	5.70	1.90	9.80	7.35	1.84	0.61
TOTAL	50.00	37.50	12.50	200.00	150.00	37.50	12.50