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**INTERIM FINANCING AGREEMENT  
SERIES F**

**BY AND BETWEEN  
GARRISON DIVERSION CONSERVANCY DISTRICT  
AND  
LAKE AGASSIZ WATER AUTHORITY  
AND  
CITY OF CARRINGTON, NORTH DAKOTA  
AND  
CITY OF COOPERSTOWN, NORTH DAKOTA  
AND  
CITY OF FARGO, NORTH DAKOTA  
AND  
CITY OF GRAND FORKS, NORTH DAKOTA  
AND  
CITY OF HILLSBORO, NORTH DAKOTA  
AND  
CITY OF MAYVILLE, NORTH DAKOTA  
AND  
CITY OF VALLEY CITY, NORTH DAKOTA**

**Dated as of October \_\_\_\_, 2025**

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**EXHIBIT A – 2025-2027 BUDGET FEATURES**  
**EXHIBIT B – LOCAL COST SHARE DISTRIBUTION**

## **INTERIM FINANCING AGREEMENT, SERIES F**

**THIS INTERIM FINANCING AGREEMENT, SERIES F** (the “Series F Agreement”), is entered this \_\_\_\_ day of \_\_\_\_\_, 2025 (the “Effective Date”), by and between GARRISON DIVERSION CONSERVANCY DISTRICT, a governmental agency, body politic and corporate of the State of North Dakota (“Garrison Diversion”); LAKE AGASSIZ WATER AUTHORITY, a governmental agency, body politic and corporate of the State of North Dakota (“LAWA”); CITY OF CARRINGTON, NORTH DAKOTA, a municipal corporation and political subdivision of the State of North Dakota (“Carrington”); CITY OF COOPERSTOWN, NORTH DAKOTA, a municipal corporation and political subdivision of the State of North Dakota (“Cooperstown”); CITY OF FARGO, NORTH DAKOTA, a municipal corporation and political subdivision of the State of North Dakota (“Fargo”); CITY OF GRAND FORKS, NORTH DAKOTA, a municipal corporation and political subdivision of the State of North Dakota (“Grand Forks”); CITY OF HILLSBORO, NORTH DAKOTA, a municipal corporation and political subdivision of the State of North Dakota (“Hillsboro”); CITY OF MAYVILLE, NORTH DAKOTA, a municipal corporation and political subdivision of the State of North Dakota (“Mayville”); CITY OF VALLEY CITY, NORTH DAKOTA, a municipal corporation and political subdivision of the State of North Dakota (“Valley City”), individually, a “Party,” and collectively, the “Parties.” The seven cities identified herein will be collectively referred to as the “Member Entities.”

### **RECITALS**

1. The State of North Dakota, acting through the legislature, enacted N.D.C.C. ch. 61-24 setting out the purposes, powers and duties of Garrison Diversion.
2. The North Dakota legislature, under N.D.C.C. § 61-24-01, has declared “necessary, that the Garrison diversion unit of the Missouri River basins project as authorized by Act of Congress approved December 22, 1944 [58 Stat. 887], and acts amendatory and supplementary thereto, be established and constructed” (the “GDU”).
3. The North Dakota Legislature, under N.D.C.C. § 61-41-02(2), has declared “the Red River Valley Water Supply Project [to be] critical to provide a dependable water supply for current and future generations in eastern North Dakota and is essential to provide for the long-term welfare, economic well-being, and quality of life for the entire state.” The Red River Valley Water Supply Project is referred to herein as the “Project.”
4. The North Dakota legislature enacted N.D.C.C. ch. 61-39 creating LAWA and setting out the powers and duties of LAWA.
5. The LAWA Board of Directors has approved and directed LAWA to proceed with a “Split Delivery” of the Project” whereby Garrison Diversion will deliver Project water via a pipeline from the Missouri River Basin to the Sheyenne River Outfall.
6. Consistent with the Split Delivery method for the Project, Garrison Diversion and LAWA will enter into future agreements relating to planning, construction, financing, operation and maintenance of the Project that shall provide for Garrison Diversion to deliver bulk water via a pipeline to LAWA at various locations including the Sheyenne River Outfall and shall provide, direct and authorize LAWA to administer the storage of Project water, connections to the Garrison

Diversion pipeline, coordinate requests for releases for Project water stored behind Baldhill Dam (and within the Lake Ashtabula reservoir), and deliver Project water to LAWA Members. Pursuant to negotiated terms in such agreements, LAWA will manage delivered Project water storage and distribution from the point of delivery from Garrison Diversion to LAWA, within and releases from Lake Ashtabula and to the Point of Diversion from LAWA to each and every one of its Members who purchase bulk water from LAWA. The Parties intend that such agreements between Garrison Diversion and LAWA shall also include a bulk water supply agreement between Garrison Diversion and LAWA for delivery of Project Water from the McClusky Canal to various locations including the Sheyenne River Outfall and into Lake Ashtabula, which will include provisions for capital repayment, operations and maintenance, permitted connections to Garrison Diversions pipeline, and replacement of Project features, among other things. The bulk water supply agreement will address aspects of either Party's role regarding filling, storage and releases of water from Lake Ashtabula. LAWA will develop water distribution contracts between LAWA and its members and will operate a Project water storage and distribution project from Lake Ashtabula and downstream to LAWA Members. Garrison Diversion will review and may provide input into the LAWA-LAWA Member agreements to confirm compatibility with overall Garrison Diversion's Project operations.

7. All parties recognize valid Thompson-Acker water rights held by Grand Forks, Fargo, West Fargo, Valley City, and Lisbon. Agreements or modifications, if any, related to these Thompson-Acker water rights will be negotiated and executed, solely and exclusively with the North Dakota Department of Water Resources and the listed rights holders above.

8. The Project features for which funds are being obtained or provided, as described in and/or pursuant to this Series F Agreement, are part of the Garrison Diversion Work Plan (see Exhibit A).

9. Garrison Diversion, LAWA, Carrington, Cooperstown, Fargo, Grand Forks, Hillsboro, Mayville, and Valley City enter this Interim Financing Agreement - Series F for the purpose of providing interim funds for the construction of the Project.

10. Through this Series F Agreement, the Parties wish to continue with the construction contemplated in the 2025-2027 Biennium Budget identified in Exhibit A, despite not having the other final agreements in place.

11. For so long as they continue to be part of the Project, the Member Entities herein agree to pay for the Local Project Cost based upon their relative proportion of water supply nominations for the Project, as a percentage of the total water supply nominations by all Member Entities, signing this Agreement. These payments are made by the Member Entities on behalf of LAWA. The Member Entities' respective payment obligations for Local Project Costs are identified on Exhibit B.

12. The Bank of North Dakota ("BND") has agreed to loan terms that include a 40 year repayment term, two percent (2%) interest, deferred payments for the Member Entities for two years from the date of closing, followed by three years of interest-only payments. The repayment and terms of this Agreement may be amended upon execution of the one or more of the agreements described in the Recitals above (as the case may be and as may be appropriate and agreed upon by

the Parties and BND), in a future Interim Financing Agreement, or through other agreements between all Parties.

**NOW THEREFORE**, in consideration of the mutual covenants made herein and for other valuable consideration, the receipt of which is hereby acknowledged, Garrison Diversion, LAWA, and Member Entities agree as follows:

**ARTICLE I.  
DEFINITIONS AND INTERPRETATION**

**Section 1.01** DEFINITIONS. All capitalized terms used, and not otherwise defined herein, shall have the meanings given to them in this Series F Agreement.

“CFS” shall mean cubic feet per second.

“Cooperation Agreement” means an agreement entered into between Garrison Diversion and LAWA dated May 8, 2020, which governs the general relationship as between Garrison Diversion LAWA.

“Debt Obligation” means any loan, note, bond, credit facility or other security instrument issued by a party to this Series F Agreement to provide either temporary or permanent financing of the Project.

“Interim Financing Agreement Series A” means the Interim Financing Agreement, Series A, by and between Garrison Diversion, LAWA, City of Fargo, and City of Grand Forks, dated November 15, 2020.

“Interim Financing Agreement Series B” means the Interim Financing Agreement, Series B, by and between Garrison Diversion, LAWA, City of Fargo, and City of Grand Forks, dated November 15, 2020.

“Interim Financing Agreement Series C” means the Interim Financing Agreement, Series C, by and between Garrison Diversion, LAWA, City of Fargo, and City of Grand Forks, dated August 5, 2021.

“Interim Financing Agreement Series D” means the Interim Financing Agreement, Series D, by and between Garrison Diversion, LAWA, City of Fargo, and City of Grand Forks, dated November 1, 2023.

“Interim Financing Agreement Series D – Small Systems Amendment” means the Interim Financing Agreement, Series D – Small Systems Amendment, by and between Garrison Diversion, LAWA, City of Carrington, City of Cooperstown, City of Fargo, City of Grand Forks, City of Hillsboro, City of Mayville, and City of Valley City, dated January 1, 2025.

“Interim Financing Agreement Series E” means the Interim Financing Agreement, Series E, by and between Garrison Diversion, LAWA, City of Fargo, and City of Grand Forks, dated \_\_\_\_\_, 2025.

**“Interim Financing Agreement Series F” or “Series F Agreement”** shall mean this Agreement.

**“Prior Interim Financing Agreements”** shall mean collectively the following agreements, (i) Interim Financing Agreement Series A (ii) Interim Financing Agreement Series B (iii) Interim Financing Agreement Series C (iii) Interim Financing Agreement Series D (iv) Interim Financing Agreement Series D – Small Systems Amendment (v) Interim Financing Agreement Series E.

**“Point of Diversion”** means the tract of land where Project water is withdrawn or diverted.

**“Project”** means the Red River Valley Water Supply Project.

**Section 1.02** INTERPRETATION.

(a) The headings of articles and sections are provided for convenience of reference only and will not affect the construction, meaning, or interpretation of this Series F Agreement. Any and all exhibits to this Series F Agreement are hereby incorporated by reference. The definition of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine, and neuter forms. The words “include,” “includes,” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise (i) any definition of or reference to any agreement, instrument, or other document herein shall be construed as referring to such agreement, instrument, or other document as from time to time amended, supplemented, or otherwise modified (subject to any restrictions on such amendments, supplements, or modifications as set forth herein), (ii) any reference herein to any person shall be construed to include such person’s permitted assigns, (iii) the words “herein,” “hereof,” and “hereunder,” and words of similar import, shall be construed to refer to this Series F Agreement in its entirety and not to any particular provision hereof, (iv) all references herein to articles, sections, exhibits, and schedules shall be construed to refer to articles and sections of, and exhibits and schedules to, this Series F Agreement, and (v) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts, and contract rights. In the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including” and the words “to” and “until” mean “to and including.”

(b) This Series F Agreement is not to be interpreted or construed against the interests of a Party merely because that Party proposed this Series F Agreement or some provision of it or because that Party relies on a provision of this Series F Agreement to protect itself. The Parties acknowledge and agree that this Series F Agreement has been prepared jointly by the Parties and has been the subject of arm’s length and careful negotiation, that each Party has been given the opportunity to independently review this Series F Agreement with legal counsel, and that each Party has the requisite experience and sophistication to understand, interpret, and agree to the particular language of the provisions of this Series F Agreement. Accordingly, in the event of an ambiguity in or dispute regarding the interpretation of this Series F Agreement, this Series F Agreement will not be interpreted or construed against the Party preparing it simply as a consequence of preparing it.

(c) The Parties to this Series F Agreement agree and acknowledge that this Series F Agreement is a multiparty agreement and the terms and conditions of the Cooperation Agreement do not apply to any of the Member Entities.

## **ARTICLE II. CONSTRUCTION CONTEMPLATED**

**Section 2.01** INTENT. Throughout this Series F Agreement, Garrison Diversion, subject to reimbursement from LAWA Member Entities, agrees to finance the local cost share to allow for the continued development of the 2025-2027 Biennium work plan items. The budget for the 2025-2027 Biennium work plan, with specific items to be financed through this Agreement, subject to approval under Section 2.04 of this Agreement is attached as Exhibit A. Garrison Diversion agrees and acknowledges that the LAWA, and each of the Member Entities (Carrington, Cooperstown, Fargo, Grand Forks, Hillsboro, Mayville and Valley City) have relied upon and will continue to rely upon recitals 1 through 9 of this Series F Agreement to enter into and in consideration for the performance of their respective reimbursement and payment obligations set forth in this Series F Agreement.

**Section 2.02** MEMBER ENTITY REPRESENTATIVE AND POINT OF CONTACT. As generally set forth in recitals 2 and 3 of this Agreement Garrison Diversion and LAWA will work in good faith to negotiate and enter into a Bulk Water Supply Agreement and LAWA and its Member Entities will work in Good Faith to negotiate and enter into the LAWA Member Entities Water Supply Agreements and other necessary agreements as between LAWA and its Member Entities. Regardless of which member entities participate in this Series F Agreement, LAWA will be the point of contact for the users and will represent all LAWA member entities in discussions and Garrison Diversion shall provide LAWA an opportunity to participate in meetings with state, federal or local agencies. A representative of LAWA will be invited to attend all such user meetings by Garrison Diversion.

**Section 2.03** PROJECT GENERALLY. The Project features for which moneys are being obtained and/or provided pursuant to this Series F Agreement identified in Exhibit A, and subject to approval under Section 2.04 of this Agreement and are to be financed, designed, built, constructed, owned, maintained, and operated by Garrison Diversion, with input and approval from LAWA under Section 2.04 of this Agreement unless and until alternative arrangements are agreed to by Garrison and LAWA. Garrison Diversion, with board approval from LAWA, may choose to use any legally authorized project delivery method to design, construct, own, maintain, and/or operate the construction features, as agreed under the terms of this, past and future agreements.

**Section 2.04** CONTRACT INPUT. Garrison Diversion will present all draft contracts and all consultant task orders to LAWA for review, input, and approval from the LAWA Board of Directors on the terms of the agreements and financial considerations. Commencing upon the effective date of this Agreement, Garrison Diversion shall provide to LAWA the following reports each and every month of this agreement; (i) a project schedule for the GD Project Portion showing activities, duration and sequencing for the planning, design and construction of each and every element of the GD Portion of the Project; (ii) a detailed cost breakdown of any and all GD Project Portion expenses for each month including, but not limited to contractor payments, consultant payments, attorneys fees and all other expenses in a form acceptable to LAWA's Representative.

**ARTICLE III.  
COST SHARE COMPONENTS**

**Section 3.01** COST SHARE FOR 2025-2027 BIENNIUM BUDGET. The North Dakota Legislature provided a grant for the Project during the 2025-2027 Biennium that authorized a budget of \$205 million in State funding, subject to a seventy-five percent (75%) state cost share of eligible costs, with the remainder paid by local entities. Garrison Diversion will obtain LAWA's approval of task orders that will obligate local cost share payments under this Section. After obtaining LAWA's approval of such task orders and construction contracts, Garrison Diversion will diligently pursue the work contemplated thereunder. Garrison Diversion will manage the contracts and consultants for the approved task orders and construction contracts under this Series F Agreement. Garrison Diversion will initially pay all related costs, subject to seventy five percent (75%) reimbursement from the State. The Local Project Cost will consist of the local 25% cost share of reimbursable costs plus any non-reimbursable costs.

**Section 3.02** INITIAL COST RESPONSIBILITY. This Series F Agreement solely addresses the Parties' responsibilities for their share of the costs associated with and limited to the specific categories identified in Exhibit A through the later of (1) June 30, 2027, if budgeted funds are expended by that date or (2) thereafter if the completion of the scope of work extends beyond that date and so long as there are budgeted funds available to complete the approved budget items

**Section 3.03** GARRISON DIVERSION WILL OBTAIN LOAN FOR LOCAL PROJECT COST. As set forth herein, Garrison Diversion shall be responsible for initially financing the Local Project Costs. To pay for the Local Project Costs, Garrison Diversion will obtain a loan from the Bank of North Dakota. The legislatively authorized repayment terms of the Bank of North Dakota financing will include a forty (40) year loan repayment term, two percent (2%) interest rate, a 2-year deferral period upon closing of the loan, and 3 year repayment of interest only in years 3 through 5 after the closing of the loan, and a period of shaped principal and interest in years 6-40 of loan repayment. The Parties understand and agree that the Member Entities will pay their pro rata share of Garrison Diversion's cost of financing and debt service on the financing as part of their payment obligations to Garrison Diversion, details of which will be included in the BND loan package.

**Section 3.04** PAYMENT BY MEMBER ENTITIES. The Member Entities will each reimburse Garrison Diversion for their proportion of Local Project Costs, subject to the maximums identified in Exhibit B, plus any debt service and financing costs. Each Member Entity agrees and covenants to to reimburse and pay its pro rata percent share of each loan payment from legally available revenues, ~~provided that, commencing October 1, 2026, each Member Entity's governing body must decide by October 7th of each year of this Series F Agreement to non-appropriate funds for this obligation and give all Parties notice to all pursuant to Section 6.02 of this Series F Agreement by October 15th of each year of this agreement. An event of non-appropriation under this section 3.04, shall be deemed a default under this Series F Agreement.~~ Each Member Entity will reimburse and pay to Garrison Diversion its pro rata percent of each loan payment at least 10 business days in advance of Garrison Diversion's loan payment due date. All payments made by Member Entities will be deemed to be made on behalf of LAWA and will meet the Member Entity's individual contribution requirements for Local Project Costs on behalf of LAWA. Member Entities do not have the authority to seek reimbursement from the other LAWA member entities for the funds they pay pursuant to this Series F Agreement, but the payments will

be used to offset each Member Entity's contribution obligations when the funding responsibilities are trued-up amongst all Project participants under the future Garrison Diversion Water Supply Agreement and/or the LAWA and LAWA Members Water Supply Agreement, as the case may be. All Member Entities' and Garrison Diversion's advance payments on behalf of LAWA's members in this and past Interim Financing Agreements will be equitably reallocated to all participating LAWA member entities based upon their final nominations under the future Garrison Diversion Water Supply Agreement and/or the LAWA and LAWA Members Water Supply Agreement, as the case may be. The amount subject to reallocation will include Local Project Costs and prorated financing costs referenced in Section 3.03.

**Section 3.05** REFUNDING. Member Entities agree that the funds they pay pursuant to this Series F Agreement are non-refundable in any and all cases except in the event Garrison Diversion does not award a contract for the construction of the infrastructure described in Exhibit A. If no construction contract is issued or if the Project is delayed indefinitely, as determined by Garrison Diversion and LAWA, Garrison Diversion will return any remaining unused funds remitted to Member Entities in proportion to the amounts each paid.

**Section 3.06** PROJECT RISKS. The Parties acknowledge and agree that there are a number of risks, any or all of which could occur, that could have the effect of increasing the cost of the Project and/or delaying and/or terminating the Project. This includes, by way of illustration and not limitation, the following: (i) litigation; (ii) court order; (iii) changes in legislation affecting the Project, LAWA, and/or the Garrison Diversion; (iv) environmental risks; (v) increased labor costs or costs of materials; (vi) the need to obtain Federal approvals, Federal permits, or additional Federal environmental review; (vii) the Federal Government's decision regarding any permitting or approvals required for the Project; (viii) a change in the State of North Dakota's financial ability to fund its portion of the Project; (ix) climate change and variability; and (x) political interference at the local, state, federal, or tribal level. That said, any increase in the identified budgeted costs would require approval of the LAWA Board and Garrison Diversion.

**Section 3.07** ASSIGNMENT. This Series F Agreement (and any interest herein or hereunder) may not be assigned, transferred, pledged, hypothecated, or encumbered without the prior written consent of the other Parties.

**Section 3.07****Section 3.08** MEMBER ENTITY PAYMENT COVENANT. Member Entity water rate increases shall not be required to be established or maintained by a Member Entity so long as the respective pro rata share of each loan payment attributed to that Member Entity is timely paid. If any such loan payment is not timely paid the Member Entity shall be obligated to establish and maintain rates, fees and charges at a level to pay the respective pro rate share of each loan payment and any other obligations payable from water utility revenues. Failure to pay its pro rata share of each loan payment shall be deemed a default under this Series F Agreement ("Default"). Upon Default, Garrison Diversion or BND may exercise any remedy available at law or in equity.

#### ARTICLE IV. FINANCING AND INVOICING

**Section 4.01** FINANCING ADMINISTRATION. Garrison Diversion will lead planning, design, construction, operation and maintenance of the items that are subject to this Series F

Agreement and approved pursuant to Section 2.04 of this Agreement. Garrison Diversion will advance funds for the initial work, subject to reimbursement from the State and LAWA through Member Entities. Member Entities will use whatever sources of funds are available to them to make payments, with no expectation that they will issue Debt Obligations.

**Section 4.02** SEPARATE PROJECT FUND. Garrison Diversion has a Project Fund for the financial administration of the items that are subject to this Series F Agreement and approved pursuant to Section 2.04 of this Agreement. The Project Fund is a separate fund used by Garrison Diversion only to pay costs and expenses that, under accepted accounting practices, constitute costs necessarily incurred to construct the items that are subject to this Series F Agreement and approved pursuant to Section 2.04 of this Agreement, including but not limited to land, easements, buildings, structures, administration costs, office space, vehicle costs, and all other costs related to Project implementation, along with machinery and equipment, and the cost of all architectural, engineering, legal and other professional services, printing and publication, and other costs reasonable, necessary, and incidental thereto, including issuance costs as it relates to the work contemplated under this Series F Agreement.

**Section 4.03** INVOICES AND PAYMENT. If any contractor invoices are due prior to the Bank of North Dakota loans being funded, Garrison Diversion will pay the contractor invoice and remit the same to Member Entities for payment of their respective share of each invoice. The amount included in invoices will not exceed the respective maximum amounts included on Exhibit B. Subject to any dispute by Member Entities, each will remit payment on an invoice for any undisputed balance within thirty (30) calendar days after receiving an invoice.

**Section 4.04** DISPUTE. For the purposes of this Series F Financing Agreement only, and not for purposes of amendment of any past agreements, the following dispute resolution process will apply. If a Member Entity and/or LAWA disputes any portion of a Garrison Diversion invoice, any undisputed portion of the invoice must be paid within thirty (30) days of the receipt of invoice. For any portion of an invoice in dispute, the disputing party must provide an explanation in writing regarding the specific basis of the dispute. Garrison Diversion will review the explanation and provide a written response within thirty (30) days of the receipt of the disputing party's explanation. If the Parties' staff members are unable to help the Parties reach consensus, representatives of each Party will meet and negotiate, in good faith, to resolve the dispute, including to participate in mediation. If the dispute is not resolved through this good faith negotiation and/or mediation, then the disputing Member Entity(ies) and/or LAWA or Garrison Diversion may seek review and determination by court of competent jurisdiction to resolve the dispute.

**Section 4.05** 2021-2023 BIENNIUM CREDIT AGREEMENT. The Parties agree that the financing arrangements set forth in the 2021-2023 Biennium Credit Agreement shall remain in full force and effect. The Parties intend that the 2021-2023 Biennium Credit Agreement and the financing arrangements set forth in this Series F Agreement shall remain in effect until the Parties enter into the Garrison Diversion Water Supply Agreement and/or the LAWA and LAWA Members Water Supply Agreement or as otherwise agreed to in a future interim financing agreement. Provided, the 2021-2023 Biennium Credit Agreement shall remain in full force and effect until terminated in accordance with Section 2.07 of the 2021-2023 Biennium Credit Agreement. The parties agree that Bank of North Dakota's rights as a third-party beneficiary, as

set forth in Section 3.01 of the 2021-2023 Biennium Credit Agreement, shall remain in full force and effect.

**ARTICLE V.  
TERMINATION AND STAY**

**Section 5.01** TERM. This Series F Agreement will be valid through June 30, 2027, or until the funds authorized and approved hereunder are spent on the identified construction expenses, whichever occurs later, provided that any and all outstanding payments due and owing by Member Entities at the time of termination of this Series F Agreement, which have not been reallocated pursuant to further agreements and any associated long-term financing documents, will not be terminated but are subject to the payment terms of this Series F Agreement and upon such payment the Member Entities' responsibilities to make payments hereunder will terminate.

**Section 5.02** TERMINATION BY MUTUAL AGREEMENT. The Parties may mutually agree, in writing, to terminate this Series F Agreement. Any and all payments due and owing by Member Entities at the time of termination of this Series F must be fully paid before the Member Entities' responsibility to make payments hereunder will terminate.

**ARTICLE VI.  
MISCELLANEOUS**

**Section 6.01** ENTIRE AGREEMENT. This Series F Agreement contains the entire and exclusive understanding of the Parties with respect to the subject matter thereof, and this Series F Agreement supersedes all prior agreements, understandings, statements, representations, and negotiations, in each case oral or written, between the Parties with respect to the subject matter of this Interim Financing Agreement Series F.

**Section 6.02** NOTICE. All notices under this Series F Agreement will be in writing and: (a) delivered personally; (b) sent by certified mail, return receipt requested; (c) sent by a recognized overnight mail or courier service, with delivery receipt requested; or (d) sent by facsimile or email communication followed by a hard copy and with receipt confirmed by telephone or return receipt (in the case of email communication), to the following addresses:

If to Garrison Diversion:      General Manager  
   Garrison Diversion Conservancy District Headquarters  
   PO Box 140  
   Carrington, ND 58421

If to LAWA:                      LAWA Board Chair and Brent Bogar  
   Lake Agassiz Water Authority  
   PO Box 140  
   Carrington, ND 58421

If to Carrington:                Attn: City Auditor  
   103 10th Ave N  
   PO Box 501  
   Carrington, ND 58421

If to Cooperstown:	Attn: City Auditor 611 9th St NE PO Box 712 Cooperstown, ND 58425
If to Fargo:	City Administrator Fargo City Hall 225 4 <sup>th</sup> St. N Fargo, ND 58102
If to Grand Forks:	City Administrator Grand Forks City Hall 255 N 4 <sup>th</sup> St. Grand Forks, ND 58203
If to Hillsboro:	Attn: City Auditor 9 South Main Street P.O. Box 400 Hillsboro, ND 58045
If to Mayville:	Attn: City Auditor 21 1st St NE Mayville, ND 58257
If to Valley City:	Attn: City Auditor 254 2nd Avenue NE Valley City, ND 58072

**Section 6.03** GOVERNING LAW. This Series F Agreement shall be controlled by the laws of the State of North Dakota. Any action brought as a result of any claim, demand, or cause of action arising under the terms of this Series F Agreement shall be venued in Cass County in the State of North Dakota, and the Parties waive any objection to personal jurisdiction.

**Section 6.04** SEVERABILITY. Each provision, section, sentence, clause, phrase, and word of this Series F Agreement is intended to be severable. If any provision, section, sentence, clause, phrase, and word hereof is held by a court with jurisdiction to be illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Series F Agreement.

**Section 6.05** MODIFICATIONS. Any modifications or amendments to this Series F Agreement must be in writing and signed by all Parties to this Series F Agreement.

**Section 6.06** BINDING EFFECT. This Series F Agreement shall be for the benefit of, and may be enforced only by, the Parties and is not for the benefit of, and may not be enforced by any third party.

**Section 6.07** REPRESENTATION. The Parties, having been represented by counsel or having waived the right to counsel, have carefully read and understand the contents of this Series F Agreement, and agree they have not been influenced by any representations or statements made by any other parties.

**Section 6.08** HEADINGS. Headings in this Series F Agreement are for convenience only and will not be used to interpret or construe its provisions.

**Section 6.09** REPRESENTATION OF AUTHORITY. Each Party signing this Series F Agreement represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Series F Agreement and that the Series F Agreement is a valid and legal agreement binding on such Party and enforceable in accordance with its terms.

**Section 6.10** FORCE MAJEURE. A Party shall not be held responsible for any delay or failure in performance of any part of this Series F Agreement to the extent such delay or failure is caused by fire, flood, explosion, war, embargo, government requirement, civil or military authority, act of God, or other similar causes beyond its control and without the fault or negligence of the delayed or non-performing party. The affected Party will notify the other Parties in writing within ten (10) days after the beginning of any such cause that would affect its performance. Notwithstanding, if a Party's performance is delayed for a period exceeding thirty (30) days from the date the other Parties receive notice under this section, the non-affected Parties will have the right, without any liability to the other Parties, to terminate this Series F Agreement. Ongoing litigation and any construction injunction do not qualify as force majeure events.

**Section 6.11** COUNTERPARTS; ELECTRONIC SIGNATURES. This Series F Agreement may be executed in two or more counterparts, each of which together shall be deemed an original, but all of which together shall constitute one and the same instrument. In the event that any signature is delivered by docu-sign, by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the Party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

**IN WITNESS WHEREOF**, Garrison Diversion, LAWA, and Member Entities caused this Series F Agreement to be executed.

*(Remainder of page intentionally left blank.)*

*Signature Page for the Garrison Diversion Conservancy District*

The governing body of the Garrison Diversion Conservancy District approved this Series F Agreement 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 Series F Agreement on the \_\_\_\_\_ day of \_\_\_\_\_, 2025.

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

By: \_\_\_\_\_  
Dr. Timothy Mahoney, Chair

ATTEST:

\_\_\_\_\_  
Secretary

*Signature Page for Carrington*

The governing body of the City of Carrington approved this Series F Agreement on the \_\_\_\_ day of \_\_\_\_\_, 2025.

City of Carrington, a governmental agency,  
body politic and corporate.

By: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary

*Signature Page for Cooperstown*

The governing body of the City of Cooperstown approved this Series F on the \_\_\_\_ day of \_\_\_\_\_, 2025.

City of Cooperstown, a governmental agency, body politic and corporate.

By: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary

*Signature Page for the City of Fargo*

The governing body of the City of Fargo approved this Series F Agreement on the \_\_\_\_\_ day of \_\_\_\_\_, 2025.

City of Fargo, a governmental agency, body politic and corporate

By: \_\_\_\_\_  
Dr. Timothy Mahoney, Mayor

ATTEST:

\_\_\_\_\_  
Secretary

*Signature Page for the City of Grand Forks*

The governing body of the City of Grand Forks approved this Series F Agreement on the \_\_\_\_\_ day of \_\_\_\_\_, 2025.

City of Grand Forks, a governmental agency, body politic and corporate

By: \_\_\_\_\_  
Brandon Bochenski, Mayor

ATTEST:

\_\_\_\_\_  
Secretary

*Signature Page for Hillsboro*

The governing body of the City of Hillsboro approved this Series F Agreement on the \_\_\_\_ day of \_\_\_\_\_, 2025.

City of Hillsboro, a governmental agency,  
body politic and corporate.

By: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary

*Signature Page for Mayville*

The governing body of the City of Mayville approved this Series F Agreement on the \_\_\_\_ day of \_\_\_\_\_, 2025.

City of Mayville, a governmental agency,  
body politic and corporate.

By: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary

*Signature Page for Valley City*

The governing body of the City of Valley City approved this Series F Agreement on the \_\_\_\_ day of \_\_\_\_, 2025.




City of Valley City, a governmental agency,  
body politic and corporate.

By: \_\_\_\_\_




ATTEST:

\_\_\_\_\_  
Secretary

**EXHIBIT A**  
**2025-2027 Biennium Budget Features**

  														
<b>2025 to 2027 Biennium Work Plan</b> (\$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 Biennium ENDAWS Project Development Budget (mil \$)			2025-27 Biennium RRVWSP Project Development Budget (mil \$)			2025-27 Biennium RRVWSP Project Constr Budget (mil \$) <sup>1,2,3</sup>			
					Total	Fed/Sta 75%	Local 25%	Total	State 75%	Local 25%	Total	State 75%	Local 25%	
1.	<b>Garrison Diversion Conservancy District Budget</b> Scope: Account for all costs for which Garrison Diversion is responsible and 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.	--	GDCD				\$ 1.00	\$ 0.75	\$ 0.25				
2.	<b>Property, Easements, and Crop Damage Payments<sup>4</sup></b> 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.	<b>Red River Valley Transmission Pipeline Contract 6B</b> 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.	9.22 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							\$ 6.24	\$ 4.68	\$ 1.56	
			Oct-25	Const, 2028 Fin							\$ 64.26	\$ 48.20	\$ 16.07	
4.	<b>Red River Valley Transmission Pipeline Contract 6C</b> 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.	8.42 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							\$ 7.14	\$ 5.35	\$ 1.78	
			Oct-25	Const, 2028 Fin							\$ 73.78	\$ 55.34	\$ 18.45	
5.	<b>Red River Valley Transmission Pipeline Contract 7A</b> 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.	6.52 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							\$ 5.83	\$ 4.37	\$ 1.46	
			Dec-25	Const, 2028 Fin							\$ 59.82	\$ 44.87	\$ 14.96	
6.	<b>McClusky Facilities Final Design Services &amp; Bidding Assist</b> 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.	<b>MO River Pumping Sta, Trans Main, &amp; Utilities Ext Ct 3</b> 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										

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 \$) <sup>1,2,3</sup>		
					Total	Fed/Sta 75%	Local 25%	Total	State 75%	Local 25%	Total	State 75%	Local 25%
8.	<b>McClusky Facilities Wetwell Excavation &amp; Site Dev Ct 1</b> 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 Svcs Const							\$ 1.20	\$ 0.90	\$ 0.30
9.	<b>McClusky Facilities Intake, Tunnel, &amp; Shaft Liner Ct 2</b> 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 Svcs Prof Svcs Const	\$ 2.00	\$ 1.50	\$ 0.50						
10.	<b>McClusky Facilities Utility Extensions Design</b> 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 Svcs	\$ 1.50	\$ 1.13	\$ 0.38						
11.	<b>PMIS Annual Licenses &amp; Continued Maint/Upgrades</b> 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 Svcs				\$ 0.69	\$ 0.52	\$ 0.17			
12.	<b>Program Management Support</b> 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 Svcs				\$ 0.75	\$ 0.56	\$ 0.19			
13.	<b>Project Participation Agreement Support</b> 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 Svcs				\$ 2.00	\$ 1.50	\$ 0.50			
14.	<b>Operational Planning Phase 4</b> 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 Svcs				\$ 1.50	\$ 1.13	\$ 0.38			

  													
2025 to 2027 Biennium Work Plan											September 2, 2025		
(\$273.33M Total Funding: \$0.00 Federal; \$205.00M State; \$68.33M Local Users)													
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 \$) <sup>1,2,3</sup>		
					Total	Fed/Sta 75%	Local 25%	Total	State 75%	Local 25%	Total	State 75%	Local 25%
	<b>Financial Planning Support</b>	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			
15.	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.												
	<b>Contingency</b>	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
16.	Scope: A budget reserve for task order additions to professional services, construction, legal, real estate, etc. TCs. Need: Address and pay for changes that are sure to occur.												
<b>TOTAL PROGRAM BUDGET</b>					<b>\$ 19.43</b>	<b>\$ 14.57</b>	<b>\$ 4.86</b>	<b>\$ 9.20</b>	<b>\$ 6.90</b>	<b>\$ 2.30</b>	<b>\$ 244.70</b>	<b>\$ 183.53</b>	<b>\$ 61.18</b>

**Notes:**

- Construction costs include management, engineering services during construction, inspection, field quality control, and construction.
- Projects indicated for construction funding in a given biennium will be shovel ready for construction at the start of the biennium.
- 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.
- 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.

**EXHIBIT B**  
**Local Project Cost Distribution**

Legislatively Approved State Grant: \$205,000,000 million

Local Cost Share Required: \$68,333,333.33 million

Local Cost Responsibility:

<b>Series F - Loan Principal Allocation Summary</b>		
<b>Exhibit B</b>		
<b>7/16/2025</b>		
<b>Participants</b>	<b>Systems Allocation Percentage</b>	<b>Series F - Total Principal</b>
Carrington / Carrington JDA	0.8050%	\$ 550,049.22
Cooperstown	0.5183%	354,180.45
Hillsboro	1.1948%	816,473.55
Mayville	1.1948%	816,473.55
Valley City	5.4507%	3,724,656.50
Grand Forks / East Grand Forks	16.1325%	11,023,898.38
Fargo / West Fargo / Cass Rural	74.7038%	51,047,601.67
<b>Total</b>	<b>100.0000%</b>	<b>\$68,333,333.33</b>