GARRISON DIVERSION CONSERVANCY DISTRICT

BOARD OF DIRECTORS

Special Meeting

Video Conference

November 24, 2025
9:30 AM

I. Call to Order – Greg Bischoff, Acting Chairman

II. Roll Call – Lisa Schafer

III. Red River Valley Water Supply Project

- A. **>*Interim Financing Agreement, Series F** – Merri Mooridian/Tami Norgard
- B. Water Revenue Bond, Series 2025C – Merri Mooridian/Mia Thibodeau
  1. **>*Financing Resolution**
  2. >Closing Certificate
  3. >Loan Agreement
  4. >Bond

IV. Adjourn

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

TABLE OF CONTENTS

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 (ii) 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 to reimburse and pay its pro rata percent 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.

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 4th St. N
Fargo, ND 58102

If to Grand Forks:	City Administrator Grand Forks City Hall 255 N 4th 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

RED RIVER VALLEY WATER SUPPLY PROJECT

Lake Agassiz Water Authority

2025 to 2027 Biennium Work Plan

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

September 2, 2025

No.	Scope of Work	Feature	Date Task Orders Auth	Note	2025-27 Bien ENDAWS Project Development Budget (mil $)			2025-27 Biennium RRVWSP Project Development Budget (mil $)			2025-27 Biennium RRVWSP Project Constr Budget (mil $)[1,2,3]		
					Total	Fed/Sta 75%	Local 25%	Total	State 75%	Local 25%	Total	State 75%	Local 25%
1.	**Garrison Diversion Conservancy District Budget** Scope: Account for all costs for which Garrison Diversion is responsible and not included in other Task Orders listed here. Need: Budget allocation for 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.	**Property, Easements, and Crop Damage Payments[4]** Scope: Crop damage payments to landowners and easement costs. Need: Treat landowners right and live up to commitments.	Easements for Washburn transmission main. Pay for crop damages program wide.	--	Crp Dmg				$ 1.82	$ 1.37	$ 0.46			
3.	**Red River Valley Transmission Pipeline Contract 6B** Scope: Pipeline installation, including construction phase engineering services by Engineer. Need: Continue progress of transmission pipeline installation for completion of RRVWSP by the target end date.	9.2± mi of 72" pl, including one 96" tunnel. Pipeline extends east from Contract 6A northeast of Kensal to a termination point southeast of Glenfield.	Jul-25 Oct-25	Prof Srvs Const, 2028 Fin							$ 6.24 $ 64.26	$ 4.68 $ 48.20	$ 1.56 $ 16.07
4.	**Red River Valley Transmission Pipeline Contract 6C** Scope: Pipeline installation, including construction phase engineering services by Engineer. Need: Continue progress of transmission pipeline installation for completion of RRVWSP by the target end date.	8.4± miles of 72" pl, including three 96" tunnels. Pipeline section extends east from Ct 6B near Glenfield to a termination point south of Sutton.	Jul-25 Oct-25	Prof Srvs Const, 2028 Fin							$ 7.14 $ 73.78	$ 5.35 $ 55.34	$ 1.78 $ 18.45
5.	**Red River Valley Transmission Pipeline Contract 7A** Scope: Pipeline installation, including construction phase engineering services by Engineer. Need: Continue progress of transmission pipeline installation for completion of RRVWSP by the target end date.	6.5± mi of 72" pl, including three 96" tunnels. Pl section extends east from Ct 6C near Sutton to a termination point south of Cooperstown.	Jul-25 Dec-25	Prof Srvs Const, 2028 Fin							$ 5.83 $ 59.82	$ 4.37 $ 44.87	$ 1.46 $ 14.96
6.	**McClusky Facilities Final Design Services & Bidding Assist** Scope: Final designs for McClusky Intake Pumping Station, Biota WTP, and McClusky Main Pumping Station. Need: Complete design so bids can be obtained for constructing the facilities.	165-cfs biota WTP, with chlorine and UV disinfection to meet NDPDES permit and FEIS requirements per Reclamation. Chloramines for residual disinfectant in pipeline.	Oct-25	Prof Srvs	$ 15.00	$ 11.25	$ 3.75						
7.	**MO River Pumping Sta, Trans Main, & Utilities Ext Ct 3** Scope: Final design, construction, and construction phase services for pumping station and transmission pl for Washburn. Need: Advance design, obtain bids, and construct new raw water supply for City of Washburn.	Raw water pumping station and transmission main from Missouri River Pumping Station to the City of Washburn water treatment plant.	Jan-26 Jan-27 Jan-27	Prof Srvs Prof Srvs Const				$ 0.40	$ 0.30	$ 0.10			

RED RIVER VALLEY WATER SUPPLY PROJECT

Lake Agassiz Water Authority

2025 to 2027 Biennium Work Plan

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

September 2, 2025

No.	Scope of Work	Feature	Date Task Orders Auth	Note	2025-27 Bien ENDAWS Project Development Budget (mil $)			2025-27 Biennium RRVWSP Project Development Budget (mil $)			2025-27 Biennium RRVWSP Project Constr Budget (mil $)[1,2,3]		
					Total	Fed/Sta 75%	Local 25%	Total	State 75%	Local 25%	Total	State 75%	Local 25%
8.	**McClusky Facilities Wetwell Excavation & Site Dev Ct 1** Scope: Construction and construction phase services for initial project at greenfield stie. Need: Prepare site and ready it for future construction of the biota water treatment plant.	Access road improvements from Highway 200 north to the future biota water treatment plant site. Mass excavation of site and excavation of intake ps shaft.	Apr-26 Apr-26	Prof Srvs Const							$ 1.20 $ 12.00	$ 0.90 $ 9.00	$ 0.30 $ 3.00
9.	**McClusky Facilities Intake, Tunnel, & Shaft Liner Ct 2** Scope: Final design services and bidding assistance for second construction project at the facilities site. Need: Complete specialty work ahead of the main biota water treatment plant construction.	Passive intake screens/structure on the McClusky Canal along with a 72" tunnel to the shaft/pumping station wetwell. Concrete shaft liner inside circular shaft excavated under Ct 1.	Jan-26	Prof Srvs Prof Srvs Const	$ 2.00	$ 1.50	$ 0.50						
10.	**McClusky Facilities Utility Extensions Design** Scope: Final design services and bidding assistance for power, natural gas, water utility extensions to the new sites. Need: There is no 3-phase power available at the site so one needs to be developed to supply power needs of new facility.	Electrical system design to support a new power supply to the biota water treatment plant and associated ps along with the new ground storage reservoirs site.	Jan-26	Prof Srvs	$ 1.50	$ 1.13	$ 0.38						
11.	**PMIS Annual Licenses & Continued Maint/Upgrades** Scope: Annual software license renewal for expanded team and consulting support for training and configuration services. Need: Create greater efficiency and documentation for significant amount of construction related documents.	Vendor fees (e-Builder & DocuSign) for licenses of expanded team and consulting support for training of GCs/subs and workflow/report additions and mods.	Sep-25	Prof Srvs				$ 0.69	$ 0.52	$ 0.17			
12.	**Program Management Support** Scope: Overall program management, planning, budgeting, scheduling, and other support for Garrison Diversion. Need: Consulting services of a broad programmatic nature not included under project-specific design or construction TOs.	Overall planning, management, administration, scheduling, budgeting, coordination, meeting preparation/attendance, regulatory interface, reporting, etc.	Oct-25	Prof Srvs				$ 0.75	$ 0.56	$ 0.19			
13.	**Project Participation Agreement Support** Scope: User briefings and necessary support, including conceptual designs, to secure project commitments. Need: Define pipeline extensions to identify for users how and at what cost water will be delivered to their communities.	Size pipelines, pumping stations, channels, storage, etc. and other necessary infrastructure to deliver raw water to end users. Update CapEx estimates to reflect market.	Oct-25	Prof Srvs				$ 2.00	$ 1.50	$ 0.50			
14.	**Operational Planning Phase 4** Scope: System modeling, evaluation, planning, and report development documenting results/findings/outcomes. Need: Finalize Garrison Diversion, State Water Commission, and USACE roles for system operation.	Refine details of diversions to/from Lake Ashtabula. Finalize stakeholder roles and responsibilities as it relates to system operation.	Oct-25	Prof Srvs				$ 1.50	$ 1.13	$ 0.38			

RED RIVER VALLEY WATER SUPPLY PROJECT

Lake Agassiz Water Authority

2025 to 2027 Biennium Work Plan

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

September 2, 2025

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

Notes:

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

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:

Series F - Loan Principal Allocation Summary		
Exhibit B		
7/16/2025		
Participants	**Systems Allocation Percentage**	**Series F - Total Principal**
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
Total	**100.0000%**	**$68,333,333.33**

$68,330,000
GARRISON DIVERSION CONSERVANCY DISTRICT
WATER REVENUE BOND, SERIES 2025C

FINANCING RESOLUTION

WHEREAS, the State of North Dakota, acting through the legislature, has authorized Garrison Diversion Conservancy District (the "GDCD") to acquire, construct, improve and own the Red River Valley Water Supply project; and

WHEREAS, pursuant to the Cooperation Agreement between the GDCD and Lake Agassiz Water Authority dated as of May 8, 2020 (the "Cooperation Agreement"), the GDCD is responsible for financing the Red River Valley Water Supply project, including the local cost share for the Local Project Costs for the 2025-2027 Biennium Work; and

WHEREAS, the Bank of North Dakota ("BND") is authorized to provide loans for water supply projects pursuant to the terms of the Water Infrastructure Revolving Loan Fund, N.D.C.C. Section 6-09-49.2; and

WHEREAS, the GDCD has made timely application to BND pursuant to the requirements of the Water Infrastructure Revolving Loan Fund to finance all or a portion of the cost of the Project and BND has approved the GDCD's application pursuant to the terms of a commitment letter dated June 18, 2025 and the amendment thereto dated August 20, 2025 (together, the "Commitment Letter"); and

WHEREAS, the GDCD is authorized to issue revenue bonds pursuant to North Dakota Century Code ("N.D.C.C.") Chapter 61-24; and

WHEREAS, the GDCD, Lake Agassiz Water Authority, the City of Fargo, City of Grand Forks, City of Cooperstown, City of Carrington, City of Hillsboro, City of Mayville and City of Valley City, North Dakota have entered into an Interim Financing Agreement Series F dated as of December 1, 2025 which provides for the payment of debt service on the Bond.

NOW, THEREFORE, BE IT RESOLVED by the governing body of the GDCD as follows:

SECTION 1. DEFINITIONS. As used in this Resolution, the following words shall have the following meanings:

"***BND***" means the Bank of North Dakota.

"***Board***" means the GDCD's Board of Directors.

"***Bond Fund***" or "***2025C Bond Fund***" means the 2025C Bond Fund established pursuant to Section 9 hereof.

"***Bond***" means the Garrison Diversion Conservancy District, Water Revenue Bond, Series 2025C issued pursuant to this Resolution.

"***Bondholders***" means the person or persons in whose name such Bond shall be registered.

"***Commitment Letter***" means the BND Commitment Letter dated June 18, 2025 and the amendment thereto dated August 20, 2025.

"***Cooperation Agreement***" means the Cooperation Agreement between the GDCD and Lake Agassiz Water Authority dated as of May 8, 2020.

"***Default***" means any event specified in Section 13(a) of this Resolution.

"***Facilities***" means, collectively, the water, water treatment, storage and distribution facilities comprising the Red River Valley Water Supply Project, including any improvements, betterments, additions, renewals and replacements thereto.

"***GDCD***" means the Garrison Diversion Conservancy District, a governmental agency, body politic and corporate of the State of North Dakota duly organized and existing under the provisions of N.D.C.C. Chapter 61-24.

"***Loan Agreement***" means the Loan Agreement between the GDCD and BND dated as of December 1, 2025.

"***Local Project Costs***" means the Local Project Costs as defined in the Series F Agreement.

"***Member Entities***" means City of Fargo, City of Grand Forks, City of Cooperstown, City of Carrington, City of Hillsboro, City of Mayville and City of Valley City, North Dakota political subdivisions and their successors and assigns.

"***Member Entity Revenues***" means, together, the payments actually received from the Member Entities made pursuant to the Series F Agreement.

"***N.D.C.C.***" means the North Dakota Century Code.

"***PPA***" means the future Project Participation Agreement, or other similar agreement between GDCD and Lake Agassiz Water Authority on behalf of its members.

"***Project***" means the local cost share for the 2025-2027 Biennium work of the Red River Valley Water Supply Project, including the Eastern North Dakota Alternate Water Supply portion.

"***Project Fund"*** means the Project Fund established pursuant to Section 9.03 of the Cooperation Agreement.

"***Registrar***" means the Secretary, or any entity which is under contract with the GDCD to serve as paying agent and registrar for the Bond and its successors and assigns.

"***Series F Agreement***" means the Interim Financing Agreement Series F between the GDCD, Lake Agassiz Water Authority, and the Member Entities, dated as of December 1, 2025.

SECTION 2. AUTHORIZATION. Pursuant to the authority of N.D.C.C. Chapter 61-24 and the provisions of this Resolution, a bond of the Garrison Diversion Conservancy District entitled to the benefits, protection and security of such provisions is hereby authorized in the aggregate principal amount of not to exceed **Sixty Eight Million Three Hundred Thirty Thousand Dollars** ($68,330,000). The Bond shall be designated "$68,330,000 Garrison Diversion Conservancy District, Water Revenue Bond, Series 2025C", issued for the purpose of constructing the Project and paying related costs of issuance.

SECTION 3. SALE OF THE BOND. The Bond is hereby sold through negotiated sale to the BND on the terms and conditions set forth in the Commitment Letter and herein at a purchase price of not to exceed $68,330,000, or such lesser amount as may be advanced pursuant to the Loan Agreement for the completion of the Project. The GDCD agrees to pay to all costs associated with the issuance and sale of the Bond. The Bond shall consist of a single term bond in the amount of not to exceed $68,330,000 and shall be advanced pursuant to the Loan Agreement. The Bond shall be issued only in fully registered form without coupons.

SECTION 4. TERMS. The Bond shall be dated December 10, 2025, or as otherwise agreed to. The Bond shall mature on April 1, 2065, and shall bear interest at the rate of 2.00% payable on April 1 and October 1 in each year commencing October 1, 2027 (each, an "Interest Payment Date"); provided that interest shall accrue on the outstanding amount of the Bond from the date of the first advance pursuant to the Loan Agreement.

The Bond is subject to semi-annual mandatory principal installments commencing October 1, 2030, with the last principal payment being made on April 1, 2065, subject however to the final debt schedule to be attached to the Bond upon the final loan advance in accordance with Section 1.06 of the Loan Agreement. The preliminary debt schedule has been presented to the Board and is hereby approved. Each loan advance shall be recorded on the grid on the reverse of the Bond.

Interest on the Bond and the principal thereof shall be payable in lawful money of the United States of America by check, wire, or other electronic transfer. Interest shall be payable to the person in whose name the Bond is registered at the close of business on the fifteenth (whether or not a business day) of the month immediately preceding an Interest Payment Date. Interest on the Bond shall cease at maturity or on a date prior thereto on which it has been duly called for redemption unless the holder thereof shall present the same for payment and payment is refused. The Bond shall be payable from the 2025C Bond Fund established herein.

SECTION 5. REDEMPTION. The Bond is subject to prepayment, in whole or in part, on any date at the option of the GDCD upon 30 days' written notice at a price equal to the principal amount thereof plus accrued interest.

SECTION 6. PREPARATION AND EXECUTION; FORM OF BOND. The Bond shall be printed under the supervision and at the direction of the Secretary, executed by the manual signature of the Board Chair, sealed with the GDCD's official seal, if any, and attested to by the manual signature of the Secretary and delivered to BND at closing. The Bond shall be reproduced in substantially the form on file with the Secretary.

SECTION 7. DEDICATION OF MEMBER ENTITY REVENUES. Pursuant to N.D.C.C. Section 61-24-08(20) and (22) the GDCD hereby dedicates and pledges for the payment of the principal and interest on the Bond, the Member Entity Revenues. The collection of the Member Entity Revenues and the dedication of such shall be irrepealable so long as any principal of or interest on the Bond remains outstanding and unpaid.

SECTION 8. SECURITY. The Bond shall be a limited obligation of the GDCD and shall be payable solely from the Member Entity Revenues, as provided by this Resolution and does not constitute a debt of the GDCD within the meaning of any constitutional or statutory limitation. The Bond shall not be payable from nor charged upon any funds other than the Member Entity Revenues and earnings thereon pledged to the payment thereof, nor shall the GDCD be subject to any pecuniary liability thereon. The Bond shall not constitute a charge, lien, nor encumbrance, legal or equitable, upon any property of the GDCD and no Bondholder shall ever have the right to compel any exercise of the taxing power of the GDCD to pay the principal or interest on the Bond, other than the Member Entity Revenues herein pledged to the payment of the Bond.

SECTION 9. BOND FUND. So long as the Bond is outstanding and unpaid, the Secretary shall maintain a sinking fund as a separate and special bookkeeping account on the official books and records of the GDCD, to be designated as the 2025C Water Revenue Bond Fund (the "2025C Bond Fund"), to be used for no purpose other than the payment of the principal of and interest on the Bond. The 2025C Bond Fund shall be credited with all Member Entity Revenues. The money and investments in the 2025C Bond Fund are irrevocably pledged to and shall be used to the extent required for the payment of principal of and interest on the Bond when and as the same shall become due and payable and for that purpose only.

SECTION 10. PROJECT FUND. The Board previously established a Project Fund pursuant to Section 9.03 of the Cooperation Agreement. As Bond proceeds are needed for Project costs, the GDCD shall submit requests in accordance with Section 1.06 of the Loan Agreement and deposit each advance of Bond proceeds in the Project Fund.

SECTION 11. GENERAL COVENANTS. The GDCD hereby covenants and agrees with the Bondholders as follows:

(*a*) That it will, to the extent the Member Entity Revenues are sufficient, promptly cause the principal and interest on the Bond to be paid as they become due.

(*b*) That it will enforce the obligations of the Member Entities under the Series F Agreement and upon execution, obligations of the Member Entities and/or LAWA under the PPA. Should GDCD fail or refuse to enforce the Series F Agreement, BND, as a third-party beneficiary of the Series F Agreement, may seek enforcement of the Series F Agreement.

(*c*) That it will maintain complete books and records relating to the operation of the Facilities, the Project Fund and the 2025C Bond Fund and will cause such books and records to be audited annually at the end of each fiscal year in accordance with Generally Accepted Accounting Standards. The audit report shall be provided to BND.

(*d*) That it will not issue bonds or other obligations having a claim upon the Member Entity Revenues.

(*e*) That it will operate the Project in an efficient and economical manner and maintain, preserve and keep every part of the Facilities in good repair, working order and condition.

(*f*) The GDCD may not sell or exchange or otherwise dispose of any property constituting a part of the Project unless such property is either worn out or obsolete or, in the opinion of the GDCD, is no longer useful in the operation of the Facilities. Any proceeds of such sale, exchange or other disposition not used to replace the property so sold or exchanged shall be deposited in the 2025C Bond Fund.

SECTION 12. REGISTRATION AND TRANSFER. The Bond is transferable upon the books of and at the principal office of the Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar and with such assurances as the Registrar may request concerning the validity and legality of such transfer, duly executed by the registered owner or his attorney; and may also be surrendered in exchange for bonds of other authorized denominations. Upon such transfer or exchange the GDCD will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange. No transfer of the Bond shall be required to be made during the fifteen days next preceding an interest payment date, nor during the forty-five days next preceding the date fixed for redemption of such Bond.

The Bond shall be registered as to both principal and interest and the Registrar shall establish and maintain a register for the purposes of recording the names and addresses of the registered owners and assigns, the dates of such registration and the due dates and amounts for payment of principal and interest on the Bond; and the GDCD and the Registrar may deem and treat the person in whose name any Bond is registered as the absolute owner thereof, whether the Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the GDCD nor the Registrar shall be affected by any notice to the contrary.

SECTION 13. DEFAULT AND REMEDIES.

(*a*) The following events shall constitute Default:

(*i*) failure to pay Bond principal or interest when due; or

(*ii*) failure to perform any other obligation of the GDCD imposed by this Resolution, the Loan Agreement or the Bond, but only if:

(*A*) the failure continues for a period of more than thirty (30) days after demand has been made on the GDCD to remedy the failure, and

(*B*) the GDCD fails to take reasonable steps to remedy the failure within that thirty-day period; or

(*iii*) imposition of a receivership upon the GDCD; or

(*iv*) written admission by the GDCD that the GDCD is unable to pay its debts as they become due.

(*b*) Upon Default, any Bondholder may exercise any of the following remedies:

(*i*) by mandamus or other suit, action, or proceeding at law or in equity, enforce the holder's rights against the GDCD and its Board and any of its officers, agents, and employees and may require the GDCD or the Board or any officers, agents, or employees of the GDCD or Board to perform their duties and obligations under Chapter 61-24, N.D.C.C. and the covenants and agreements contained herein;

(*ii*) By action or suit in equity, require the GDCD and the Board to account as if they were the trustees of an express trust;

(*iii*) By action or suit in equity, enjoin any acts or things that may be unlawful or in violation of the rights of the Bondholders; or

(*iv*) Bring suit upon the Bond.

A right or remedy conferred by this Section upon any Bondholder is not intended to be exclusive of any other right or remedy, but each such right or remedy is cumulative and in addition to every other right or remedy and may be exercised without exhausting and without regard to any other remedy conferred by this Section or by any other law of the State.

SECTION 14. INSURANCE. The GDCD covenants to maintain insurance appropriate to the risks associated with operation of its Facilities.

SECTION 15. LEASES. The GDCD may lease as lessor, make contracts or grant licenses for the operation of, or grant easements or other rights with respect to any part of the Facilities if such lease, contract, license, easement or right does not, in the opinion of the GDCD, impede the operation of the Facilities, or violate any term or condition of the Loan Agreement.

SECTION 16. AMENDMENT OF RESOLUTION.

(*a*) This Resolution may be amended without the consent of any Bondholders for any one or more of the following purposes:

(*i*) to add to the covenants and agreements of the GDCD in this Resolution any other covenants and agreements thereafter to be observed by the GDCD or to surrender any right or power herein reserved to or conferred upon the GDCD;

(*ii*) to cure any ambiguity or formal defect contained in this Resolution, if that cure does not, in the judgment of the Board, adversely affect the interests of the Bondholders; or

(*iii*) to make any other change which, in the opinion of Counsel to the GDCD and BND Counsel, is not to the prejudice of the Bondholders, collectively.

(*b*) This Resolution may be amended for any other purpose only upon consent of not less than 50% in aggregate principal amount of the Bond outstanding; provided, however, that no amendment shall be valid which:

(*i*) extends the maturity of the Bond, reduces the rate of interest upon the Bond, extends the time of payment of interest on the Bond, reduces the amount of principal payable on any Bond, or reduces any premium payable on the Bond, without the consent of the affected Bondholder; or

(*ii*) reduces the percentage of Bondholders required to approve the amendatory resolutions.

SECTION 17. DISCHARGE. When the Bond, and the interest thereon, has been discharged as provided in this Section, all pledges, covenants and other rights granted by this Resolution shall cease. The GDCD may discharge the Bond installments due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full; or if any Bond installment or interest thereon should not be paid when due, the same may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued from the due date to the date of such deposit. The GDCD may also discharge all prepayable Bond installments called for redemption on any date when they are prepayable according to their terms, by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full, provided that notice of the redemption thereof has been duly given as provided herein. The GDCD may also discharge all or part of the Bond at any time by irrevocably depositing in escrow with a suitable bank or trust company for the purpose of paying all or part of the principal and interest due on the Bond prior to the date upon which the same will be prepayable according to their terms, and paying such Bond on that date, a sum of cash and securities which are general obligations of the United States or securities the principal and interest payments on which are guaranteed by the United States, or deposits in the Bank of North Dakota which, as provided by N.D.C.C. Section 6-09-10, are guaranteed by the State of North Dakota, in such aggregate amount, bearing interest at such rates and maturing or callable at the holder's option on such dates as shall be required to provide funds sufficient for this purpose; provided that notice of the redemption of all prepayable Bond installments on or before such date has been duly given as required herein.

SECTION 18. OTHER DOCUMENTS AND PROCEEDINGS. The Chair and Secretary (the "Authorized Officers") are hereby authorized and directed to execute and carry out or cause to be carried out the obligations which are necessary or advisable in connection with this Resolution and Loan Agreement and the issuance, sale and delivery of the Bond. The Authorized Officers are further authorized and directed to prepare, execute and furnish to the attorneys passing on the legality of the Bond, certified copies of all proceedings, ordinances, resolutions and records and all such certificates and affidavits and other instruments as may be required to evidence the legality and marketability of

the Bond, and all certified copies, certificates, affidavits and other instruments so furnished shall constitute representations of the GDCD as to the correctness of all facts stated or recited therein.

SECTION 19. LOAN AGREEMENT. The Board has received the proposed Loan Agreement to purchase the Bond upon the terms and conditions set forth therein and in the Commitment Letter. The Board hereby finds and determines the Loan Agreement to be in the best interest of the GDCD and hereby accepts the Loan Agreement and instructs the Authorized Officers to execute the Loan Agreement on behalf of the GDCD, with such modifications as may be approved by the Authorized Officers. The Loan Agreement is hereby incorporated by reference and the sale of the Bond is hereby awarded to BND. Each and all of the provisions of this Resolution relating to the Bond are intended to be consistent with the provisions of the Loan Agreement, and to the extent that any provision in the Loan Agreement is in conflict with this Resolution as it relates to the Bond, that provision in the Loan Agreement shall control and this Resolution shall be deemed accordingly modified. The Loan Agreement may be attached to the Bond and shall be attached to the Bond if the holder of the Bond is any person other than BND.

SECTION 20. CERTIFICATES. The Authorized Officers, in consultation with counsel, are hereby authorized to deliver certificates which cure ambiguities, defects or omissions herein, correct, amend or supplement any provision herein, all in furtherance of the financing contemplated by the Commitment Letter. Such authorization shall include, but is not limited to, adjustment of the debt schedule and issuance of a revised bond in the event the preliminary debt schedule is adjusted with the consent of BND. Supplemental or amended documents may be executed by the Authorized Officers without Board approval.

SECTION 21. ELECTRONIC SIGNATURES. The Board authorizes the Authorized Officers to execute documents relating to the issuance of the Bond using electronic signatures. The electronic signatures of the Authorized Officers shall be as valid as an original signature of such official and shall be effective to bind such official to any document relating to the issuance of the Bond. For purposes hereof, "electronic signature" means a manually signed original signature that is then transmitted by electronic means.

SECTION 22. INTERIM FINANCING AGREEMENT SERIES F. The Series F Agreement provides that the Member Entities shall pay a proportional share of debt service on the Bond. The percentages and corresponding principal amounts are as follows: City of Fargo (74.7038%) ($51,047,601.67), City of Grand Forks (16.1325%) ($11,023,898.38), City of Cooperstown (0.5183%) ($354,180.45), City of Hillsboro (1.1948%) ($816,473.55), City of Carrington (0.8050%) ($550,049.22), City of Mayville (1.1948%) ($816,473.55) and City of Valley City (5.4507%) ($3,724,656.50). GDCD covenants to take such action as may be necessary to enforce the terms of the Series F Agreement and, upon execution, the PPA or similar agreement.

(*remainder of page intentionally left blank*)

Dated: November 24, 2025.

GARRISON DIVERSION CONSERVANCY DISTRICT Attest:

_____ _____

Chair, Board of Directors Secretary

The governing body of the GDCD acted on the foregoing resolution at a properly noticed meeting held in Carrington, North Dakota, on November 24, 2025, with the motion for adoption made by _____ and seconded by _____; on roll call, the following vote was recorded:

1.	Jay Anderson	Aye - Nay - Absent - Abstain
2.	Greg Bischoff	Aye - Nay - Absent - Abstain
3.	Jeff LeDoux	Aye - Nay - Absent - Abstain
4.	Ken Vein	Aye - Nay - Absent - Abstain
5.	Cliff Hanretty	Aye - Nay - Absent - Abstain
6.	Michael Tweed	Aye - Nay - Absent - Abstain
7.	Mark Cook	Aye - Nay - Absent - Abstain
8.	Bruce Klein	Aye - Nay - Absent - Abstain
9.	David Johnson	Aye - Nay - Absent - Abstain
10.	Kenny Rogers	Aye - Nay - Absent - Abstain
11.	Donald Zimbleman	Aye - Nay - Absent - Abstain
12.	Steve Metzger	Aye - Nay - Absent - Abstain
13.	Nikki Boote	Aye - Nay - Absent - Abstain
14.	Robin Arndt	Aye - Nay - Absent - Abstain
15.	Dave Anderson	Aye - Nay - Absent - Abstain
16.	Kyle Blanchfield	Aye - Nay - Absent - Abstain
17.	Kelly Klosterman	Aye - Nay - Absent - Abstain
18.	Brian Orn	Aye - Nay - Absent - Abstain
19.	Jim Pellman	Aye - Nay - Absent - Abstain
20.	Brandon Krueger	Aye - Nay - Absent - Abstain
21.	Geneva Kaiser	Aye - Nay - Absent - Abstain
22.	Bill Ongstad	Aye - Nay - Absent - Abstain
23.	Roger Gunlikson	Aye - Nay - Absent - Abstain
24.	Larry Kassian	Aye - Nay - Absent - Abstain
25.	Margo Knorr	Aye - Nay - Absent - Abstain
26.	Steve Forde	Aye - Nay - Absent - Abstain
27.	Jason Siegert	Aye - Nay - Absent - Abstain
28.	Alan Walter	Aye - Nay - Absent - Abstain

GARRISON DIVERSION CONSERVANCY DISTRICT

$68,330,000
WATER REVENUE BOND, SERIES 2025C
(WATER INFRASTRUCTURE REVOLVING LOAN FUND)

CLOSING CERTIFICATE

The undersigned hereby certify that as of December 10, 2025, they are the duly elected or appointed, qualified and acting Chair and Secretary of the Board of Directors (the "Board") of the Garrison Diversion Conservancy District ("GDCD"), and as such are familiar with GDCD's properties, affairs and records, and further certify as follows:

1. A. GDCD is a governmental agency, body politic and corporate of the State of North Dakota duly organized and existing under the provisions of North Dakota Century Code (the "N.D.C.C."), Chapter 61-24. The persons listed below constitute the duly elected or appointed, qualified and acting members of the Board and the officers of GDCD.

Name	Office	Term Expires
Jay Anderson, Ransom County	Chairman	12-31-28
Greg Bischoff, Barnes County	1st Vice Chairman	12-31-28
Jeff LeDoux, Cass County	2nd Vice Chairman	12-31-28
Ken Vein, Grand Forks County	Director	12-31-26
Cliff Hanretty, McHenry County	Director	12-31-26
Michael Tweed, Eddy County	Director	12-31-28
Mark Cook, Renville County	Director	12-31-26
Bruce Klein, LaMoure County	Director	12-31-28
David Johnson, Benson County	Director	12-31-26
Kenny Rogers, Bottineau County	Director	12-31-28
Donald Zimbleman, Dickey County	Director	12-31-28
Steve Metzger, Foster County	Director	12-31-28
Nikki Boote, Griggs County	Director	12-31-28
Robin Arndt, McKenzie County	Director	12-31-28
Dave Anderson, Pierce County	Director	12-31-26
Kyle Blanchfield, Ramsey County	Director	12-31-26
Kelly Klosterman, Richland County	Director	12-31-26
Brian Orn, Sargent County	Director	12-31-28
Jim Pellman, Sheridan County	Director	12-31-28
Brandon Krueger, Steele County	Director	12-31-28
Geneva Kaiser, Stutsman County	Director	12-31-26
Bill Ongstad, Wells County	Director	12-31-26
Roger Gunlikson, Williams County	Director	12-31-28

Larry Kassian, Burleigh County	Director	12-31-28
Margo Knorr, McLean County	Director	12-31-26
Steve Forde, Nelson County	Director	12-31-28
Jason Siegert, Traill County	Director	12-31-26
Alan Walter, Ward County	Director	12-31-26
Duane DeKrey	General Manager / Secretary	Appointed
Merri Mooridian	Administrative Officer	Appointed

B. All of the above officers of GDCD have been duly elected or appointed and qualified for their respective offices, and all of the officers are now in lawful incumbency of their respective offices.

C. The State of North Dakota, acting through the legislature, established GDCD in 1955. The legislature has authorized GDCD to acquire, construct, improve and own the Red River Valley Water Supply project.

D. Regular meetings of the Board are held quarterly at GDCD offices located at 401 Highway 281 NE, Carrington, North Dakota. The official newspaper of GDCD is *The Foster County Independent*, published weekly in Carrington, North Dakota.

E. GDCD's federal tax identification number is 45-6004929.

2. This Certificate is given with regard to the issuance of GDCD's Water Revenue Bond, Series 2025C in an original principal amount not to exceed $68,330,000 (the "Bond"). The Bond is issued for the purpose of financing the local cost share of the 2025-2027 Biennium Work of the Red River Valley Water Supply project, including the Eastern North Dakota Alternate Water Supply portion (the “Project”). All regular or special meetings of the Board held in conjunction with the issuance of the Bond were conducted with prior notice to the public in compliance with N.D.C.C. Sections 44-04-19 and 44-04-20. All formal actions relative to the adoption of the Resolution were taken in an open meeting of the Board, and all deliberations of the Board which resulted in formal action were in meetings open to the public.

3. Pursuant to law and the Financing Resolution adopted November 24, 2025 (the "Resolution"), the undersigned Chair and Secretary certify they officially signed and executed the Bond dated December 10, 2025, and maturing on or before April 1, 2065. The undersigned Chair and Secretary are delegated with the responsibility of issuing and delivering the Bond and GDCD has authorized by all necessary action the execution, issuance, delivery and due performance of the Bond; and the Bond, as executed, issued and delivered, is in the form approved by the Resolution. The Bond has been sold to the Bank of North Dakota (“BND”) pursuant to the provisions of the Commitment Letter dated June 18, 2025 and the amendment thereto dated August 20, 2025, and the Water Infrastructure Revolving Loan Fund, N.D.C.C. Section 6-09-49.2.

4. Pursuant to the Resolution, the Chair and Secretary certify they have signed and executed the Loan Agreement between GDCD and the Bank of North Dakota dated as of December 1, 2025 (the "Loan Agreement").

5. There is no litigation pending or, to the actual knowledge of any of the undersigned, threatened, to restrain or enjoin the issuance, sale or delivery of the Bond, or in any way contesting or affecting any authority for the issuance of the Bond to finance the Project or the validity and binding legal obligation thereof, or any substantive or procedural debt limit restrictions, or to prevent the execution, registration, certification or delivery thereof, or to amend, cancel or revoke any proceedings taken incidental to the Bond and the pledge of the Member Entity Revenues (as defined in the Resolution), or in any way contesting the corporate existence, boundaries or powers of GDCD or the right of its officers to their respective offices.

6. All outstanding obligations of GDCD, including the Bond, are within all applicable state constitutional and statutory debt limitations of GDCD. No event of default under the Resolution or Loan Agreement and no event that, with the giving of notice or lapse of time or both, would become an event of default under the Resolution or Loan Agreement has occurred and is continuing.

7. GDCD is not in violation of any provision of its policies, procedures or ordinances, and to the best of GDCD's knowledge, GDCD is not in violation of any provision of or in default under any indenture, mortgage, deed of trust, indebtedness, agreement, instrument, judgment, decree, order, statute, rule or regulation to which it is a party or by which any of its property is bound, other than violations and defaults which would have no material adverse effect on the transaction contemplated by the Resolution and Loan Agreement.

8. The execution and delivery of the Resolution and Loan Agreement, and the carrying out of the terms thereof, do not and will not result in a violation of any provision of or in a default under the N.D.C.C. or any indenture, resolution, mortgage, deed of trust, or other agreement to which GDCD is a party or by which it or any of its property is bound.

9. All elections, notifications, certifications, hearings and all other actions required to be taken by or on behalf of GDCD have been given, made, held or otherwise performed as required by any GDCD policies, procedures or ordinances and by N.D.C.C. Chapter 61-24 for the irrevocable pledge of the Participant Revenues authorized by the Resolution for the payment of the semi-annual principal installments and interest when due on the Bond.

Dated: December 10, 2025.

GARRISON DIVERSION CONSERVANCY DISTRICT

_____ _____

Chair, Board of Directors Secretary

LOAN AGREEMENT
(Water Infrastructure Revolving Loan Fund)

THIS LOAN AGREEMENT (the " Loan Agreement") dated as of December 1, 2025, between the **BANK OF NORTH DAKOTA**, an agency of the State of North Dakota ("BND") and **GARRISON DIVERSION CONSERVANCY DISTRICT**, a political subdivision of the State of North Dakota ("GDCD").

ARTICLE I
TERMS AND CONDITIONS

Section 1.01. Terms. BND hereby commits, subject to the availability of funds and the conditions hereinafter set forth, and pursuant to Chapter 61-24 of the North Dakota Century Code ("N.D.C.C.") to purchase from GDCD its $68,330,000 Water Revenue Bond, Series 2025C (the "Bond"), dated December 10, 2025, bearing interest at a rate of 2.00% fixed to maturity. The Bond is issued for the purpose of financing the local cost share of the 2025-2027 Biennium work of the Red River Valley Water Supply project, including the Eastern North Dakota Alternate Water Supply portion (the "Project"). The Bond shall have semi-annual principal and interest payments as set forth in the schedule attached to the Bond subject to adjustment as provided in Section 1.06 below, and made a part hereof, commencing October 1, 2027 as to interest and October 1, 2030, as to principal, and on each April 1 and October 1 thereafter to and including April 1, 2065, on which date all unpaid interest and principal on the Bond shall be due and payable in full.

Section 1.02. Authority and Source of Funds. GDCD acknowledges that the source of funds for the purchase of the Bond by BND is the Water Infrastructure Revolving Loan Fund established by N.D.C.C. Section 6-09-49.2 and all amendments, regulations, policies, guidelines and procedures promulgated thereunder (together, the "Program") and that GDCD must comply with all eligibility requirements of the Program, BND and the Industrial Commission of North Dakota.

Section 1.03. Source of Payment. The Bond is payable as to principal and interest from revenues received from the Member Entities (as defined in the Resolution) pursuant to Interim Financing Agreement Series F (as defined in the Resolution) (the “Interim Financing Agreement Series F”) (the “Member Entity Revenues”). The Member Entity Revenues are paid to reimburse GDCD for the Member Entities proportions of the Local Project Cost, in accordance with the Interim Financing Agreement Series F and in accordance with the future project participation agreement (“PPA”). GDCD irrevocably pledges the Member Entity Revenues received under the Interim Financing Agreement Series F and the PPA. GDCD will take such action as is necessary to enforce the Interim Financing Agreement Series F and, upon execution, the PPA, and collect the Member Entity Revenues.

Section 1.04. Mandatory Payments. The principal and interest due on the Bond shall be paid in semi-annual installments in the amounts and on the dates set forth in the amortization schedule attached to the Bond and subject to adjustment pursuant to Section 1.06 below, and by reference made a part hereof ("Mandatory Payments"), and subject to the right of GDCD to prepay the Bond,

and subject to adjustment pursuant to Section 1.06 below. Any principal or interest received by BND in excess of the amounts set forth in the amortization schedule attached to the Bond, as then in effect, which is not a Mandatory Payment, or is not designated as an optional payment under Section 1.05 by GDCD, shall be, in the sole option and discretion of BND (i) applied to a future Mandatory Payment, (ii) treated as a prepayment of principal on the Bond, or (iii) returned to GDCD as an overpayment.

Section 1.05. Optional Payments. GDCD may prepay the Bond, in whole or in part, without penalty, on any date at a price equal to 100% of the principal amount to be prepaid, together with interest thereon to the redemption date. Not less than 30 days prior to the date specified for redemption, GDCD will cause notice of the redemption to be mailed to BND. The principal amount of a partial prepayment may, in the sole option and discretion of GDCD, (i) be applied to a future principal payment of the Bond in a manner determined by BND, or (ii) be applied to reduce each unpaid semi-annual principal installment required with respect to the Bond in the proportion that such installment bears to the total of all unpaid principal installments (i.e., the remaining principal payment schedule shall be re-amortized to provide proportionately reduced principal payments in each year).

Section 1.06. Draws of Bond Proceeds. The proceeds of the Bond are appropriated by GDCD to pay expenses necessarily incurred in the construction and completion of the Project and to pay costs associated with the issuance of the Bond, to include reimbursement to GDCD for advances made for such costs or to refund amounts borrowed for the Project. BND will disburse the proceeds of the Bond upon (a) execution and delivery by GDCD of this Loan Agreement, (b) issuance by GDCD of the Bond and delivery to BND, (c) the delivery to BND of any required closing documents and opinions and (d) submission to and approval by BND of Requisitions for Payment in the form approved by BND. Requests for draws on the Bond proceeds, in the form of Requisitions for Payment, shall be submitted by GDCD to BND from time to time in accordance with procedures established by BND. BND shall not be accountable for the use or application by GDCD or any other party of any funds which BND has released in accordance with the terms of this Loan Agreement. After all claims and expenses with respect to the Project and the issuance of the Bond have been duly paid and satisfied, the amortization schedule for the Bond shall be adjusted to reflect the total principal amount drawn under this Loan Agreement. Interest shall accrue on the outstanding amount of the Bond advanced by BND from the date of the first advance.

Section 1.07. Closing Agent. BND may designate and appoint the Bank of North Dakota Trust Department as its Closing Agent for this loan. If so designated and appointed, GDCD will close the loan with the Closing Agent at a time agreed upon by GDCD and the Closing Agent.

Section 1.08. Additional Debt. GDCD shall not incur, create or assume any debt of any kind secured by the Member Entity Revenues without the consent of BND.

Section 1.09. Project Participation Agreement. BND shall approve the loan repayment provisions in the PPA, or similar agreement, prior to adoption of the document by GDCD.

ARTICLE II
REPRESENTATIONS OF PARTIES

Section 2.01. Representations of GDCD. GDCD covenants and agrees (i) that the proceeds of the Bond shall be used and expended in a manner consistent with the BND Commitment Letter dated June 18, 2025 and the amendment thereto dated August 20, 2025 (together, the "Commitment Letter"), this Loan Agreement and the Program, (ii) to cooperate with BND in the observance and performance of the respective duties, covenants, obligations and agreements of GDCD and BND under this Loan Agreement; (iii) that it will, in compliance with and pursuant to the provisions of N.D.C.C. Chapter 61-24, the Series F Agreement and, upon execution, the PPA promptly cause the principal and interest on the Bond to be paid as they become due; (iv) to provide from its own fiscal resources all moneys in excess of the total amount of the Bond required to complete the construction of the Project; (v) to provide financial statements to BND on an annual basis; and (vi) to observe and perform its duties, covenants, obligations and agreements under the Financing Resolution adopted by the governing body of GDCD on November 24, 2025 (the "Resolution").

Section 2.02. Representations of BND. BND is duly organized and existing under the constitution and laws of the State, has full power and authority, including N.D.C.C. Section 6-09-49.2, to enter into the transactions contemplated by this Loan Agreement, and by proper action has duly authorized the execution and delivery of this Loan Agreement.

ARTICLE III
DEFAULT AND REMEDIES

Section 3.01. Events of Default. The following are events of default under this Loan Agreement ("Event of Default"): (i) failure of GDCD to make a Mandatory Payment on the Bond when due; (ii) failure of GDCD to comply with any provision of this Loan Agreement, the Resolution or the Bond for a period of thirty (30) days, after written notice from BND unless GDCD provides a written plan acceptable to BND providing for such a cure of the matter creating the default; (iii) a default under the Series F Agreement; or (iv) any representation made by or on behalf of GDCD contained in this Loan Agreement or in any instrument furnished in compliance with or with reference to this Loan Agreement or the Bond, is false or misleading in any material respect.

Section 3.02. Remedies. Whenever an Event of Default referred to in Section 3.01 shall have occurred and be continuing, following not less than 30 days written notice to GDCD of such Event of Default, BND shall have the right to take, or to direct its authorized agent to take, any action permitted or required under the Resolution or this Loan Agreement or exercise whatever other remedy at law or in equity is available to BND to collect the amounts then due and thereafter to become due hereunder or to enforce the performance and observance of any duty, covenant, obligation or agreement of GDCD hereunder. BND may also exercise one or more of the following remedies: (i) withhold approval of any request to disburse Bond proceeds, (ii) reject any pending application by GDCD for financial assistance, and (iii) to the extent permitted by law, demand in writing immediate payment of the Bond in full and, upon such demand, the outstanding principal

amount of the Bond will be immediately due and payable, with interest accrued thereon to the date of payment.

ARTICLE IV
GENERAL

Section 4.01. Assignments. This Loan Agreement may not be assigned by GDCD without the written consent of BND. BND may assign this Loan Agreement, following written notice of such assignment to GDCD.

Section 4.02. Notices. All notices under this Loan 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:

(a) BND:	Bank of North Dakota 1200 Memorial Hwy PO Box 5509 Bismarck, ND 58506-5509 Attn: Commercial Loan Department
(b) GDCD:	Garrison Diversion Conservancy District Headquarters PO Box 140 Carrington, ND 58421-0140 Attn: General Manager

Section 4.03. Binding Effect. This Loan Agreement shall inure to the benefit of and shall be binding upon BND and GDCD and their respective successors and assigns.

Section 4.04. Severability. In the event any provision of this Loan Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision thereof.

Section 4.05. Amendments, Changes and Modifications. Except as otherwise provided herein, this Loan Agreement may not be amended, changed, modified or altered except in writing and signed by both parties.

Section 4.06. Execution in Counterparts. This Loan Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 4.07. Termination of Loan Agreement. This Loan Agreement shall terminate when the Bond is fully paid and retired or upon agreement of the parties in writing and signed by both parties.

Section 4.08. Applicable Law. This Loan Agreement shall be governed by and construed in accordance with the laws of the State of North Dakota.

Section 4.09. Complete Agreement. This Loan Agreement represents (along with the documents referred to in this Loan Agreement), the entire agreement between GDCD and BND with respect to its subject matter.

Section 4.10. Representation of Authority. Each party signing this Loan Agreement represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Loan Agreement and that the Loan Agreement is a valid and legal agreement binding on such party and enforceable in accordance with its terms.

Section 4.11. Electronic Signatures. The parties agree that the electronic signature of a party to this Loan Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Loan Agreement. For purposes hereof: (i) "electronic signature" means a manually signed original signature that is then transmitted by electronic means; and (ii) "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a portable document format ("pdf") or other replicating image attached to an electronic mail or internet message.

(*Remainder of page intentionally left blank.*)

SIGNATURE PAGE TO LOAN AGREEMENT
(Water Infrastructure Revolving Loan Fund)

IN WITNESS WHEREOF, BND and GDCD have caused this Loan Agreement to be duly executed by their duly authorized officers as of the date first written above.

BANK OF NORTH DAKOTA

_____
Authorized Officer

GARRISON DIVERSION CONSERVANCY DISTRICT **Attest:**

_____ _____
Chair, Board of Directors Secretary

R-1

GARRISON DIVERSION CONSERVANCY DISTRICT
WATER REVENUE BOND, SERIES 2025C
(WATER INFRASTRUCTURE REVOLVING LOAN FUND)

Term Bond

Principal Amount: Not to Exceed Sixty Eight Million Three Hundred Thirty Thousand Dollars ($68,330,000)
(Final Principal Amount as recorded on the attached schedule and grid herein)

Registered Holder: Bank of North Dakota
Bismarck, North Dakota

Dated Date	**Maturity Date**	**Interest Rate**	**CUSIP**
December 10, 2025	April 1, 2065	2.00%	NA
Interest Payment Dates	**Initial Interest Payment Date**	**Registrar/Paying Agent**	
April 1 and October 1	October 1, 2027	District Secretary	

GARRISON DIVERSION CONSERVANCY DISTRICT ("GDCD"), a governmental agency, body politic and corporate of the State of North Dakota acknowledges itself indebted and for value received hereby promises to pay to the Registered Holder on the Record Date (the 15th day of the month, whether or not a business day, immediately preceding each payment date) the principal installments set out in the amortization schedule attached hereto and prepared by the Registered Holder (which schedule shall be revised in accordance with Section 1.06 of the Loan Agreement in the event funds are advanced to GDCD other than as originally set forth in said amortization schedule), and on the Maturity Date unless redeemed prior thereto as provided in the Resolution, as further specified in Section 1.05 of the Loan Agreement. The amount shown on the books and records of the Registered Holder shall be prima facie evidence of the Principal Amount of the Bond then outstanding; and, on the final maturity of the Bond, or earlier full redemption, all outstanding principal balance and all accrued and unpaid interest on the Bond must be paid. This Bond shall bear interest on the outstanding Principal Amount at the Interest Rate specified above from the date of the first advance to the Initial Interest Payment Date and on each Interest Payment Date thereafter, including the Maturity Date. All accrued interest from the date of the first advance shall be paid on the Initial Interest Payment Date. Such interest will be payable by check, wire or other electronic transfer to the Registered Holder.

This bond is the duly authorized bond of GDCD (the "Bond") issued by GDCD in the principal amount of not to exceed $68,330,000 under and pursuant to North Dakota Century Code ("N.D.C.C.") Chapter 61-24 and a resolution adopted by the Board of Directors on November 24, 2025 (the "Resolution"). The Bond is issued for the purpose of financing the local share of the 2025-2027 Biennium work of the Red River Valley Water Supply Project, including the Eastern North Dakota Alternate Water Supply portion. Additional terms and conditions for the repayment of the Bond are contained in the Loan Agreement between the Bank of North Dakota and GDCD dated as of December 1, 2025 (the "Loan Agreement"). Capitalized terms used herein which are not specifically defined herein shall have the same meaning given to such terms in the Loan Agreement and the Resolution. Copies of the Resolution and the Loan Agreement are on file with GDCD in the office of the General Manager in Carrington, North Dakota, or such other location as may from time to time be specified.

The Bond:

(i) is transferable, as provided in the Resolution;
(ii) is subject to optional redemption, as provided in the Resolution and as further specified in the Loan Agreement; and
(iii) is subject to the payment of the principal installments set out in the attached amortization schedule.

Additional provisions of this Bond are contained on the reverse hereof and such provisions shall for all purposes have the same effect as though fully set forth at this place.

IN WITNESS WHEREOF, the Garrison Diversion Conservancy District, by its Board of Directors, has caused the Bond to be executed in its behalf by the manual signature of the Chair of the Board and the official seal, if any, to be imprinted hereon and attested to by the manual signature of the Secretary.

GARRISON DIVERSION CONSERVANCY DISTRICT

_____
Chair, Board of Directors
(SEAL)

ATTEST:

_____
Secretary

The Bond is a limited obligation of GDCD and is payable solely from a pledge of the Member Entity Revenues and from the funds provided for in the Resolution. No holder or holders of the Bond shall ever have the right to compel any exercise of the taxing power of GDCD to pay the Bond or the interest thereon. The Bond shall not constitute a charge, lien, nor encumbrance, legal or equitable, upon any property of GDCD or upon any income, receipts, or revenues of GDCD other than such Member Entity Revenues as further described in the Resolution, and this Bond does not constitute a debt of the State of North Dakota within the meaning of any constitutional or statutory limitation. It is hereby recited that all acts, conditions, and things required by law to exist, happen, and to be performed precedent to and in the issuance of the Bond have existed, happened, and been performed in due time, form, and manner as required by law; and that the amount of the Bond, together with all other indebtedness of GDCD, does not exceed any limit prescribed by Article X Section 15 of the Constitution of the State of North Dakota or N.D.C.C. Section 21-03-04.

The Registered Holder may, and is hereby authorized by GDCD to, set forth on the grid attached hereto, or in other comparable records maintained by it, the amount of each advance, all payments and prepayments of principal and interest received, the current outstanding principal balance, and other appropriate information. The aggregate unpaid amount of the Bond set forth in any records maintained by the Registered Holder with respect to this Bond shall be presumptive evidence of the principal amount owing and unpaid on this Bond. Failure of the Registered Holder to record the principal amount of any advance on the grid attached hereto shall not limit or otherwise affect the obligation of GDCD to repay the principal amount of the Bond and all interest accruing thereon.

Record of Advances

Amount	Date	Officer's Initials	Amount	Date	Officer's Initials
(1) $			(9) $		
(2) $			(10) $		
(3) $			(11) $		
(4) $			(12) $		
(5) $			(13) $		
(6) $			(14) $		
(7) $			(15) $		
(8) $			(16) $		
		Total			

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ (please print or typewrite name and address of transferee) the within Bond and all rights and title thereunder, and hereby irrevocably constitutes and appoints _____, attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed: _____

NOTICE: Signature(s) must be guaranteed by an "eligible guarantor institution" that is a member of or a participant in a "signature guarantee program" (*e.g.,* the Securities Transfer Agents Medallion Program, the Stock Exchange Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program).

PLEASE INSERT TAXPAYER INDENTIFICATION NUMBER, SOCIAL SECURITY NUMBER OR OTHER IDENTIFYING NUMBER OF ASSIGNEE _____