

**GARRISON DIVERSION CONSERVANCY DISTRICT
SPECIAL BOARD MEETING**

Video Conference

December 30, 2024

A special meeting of the Garrison Diversion Conservancy District Board of Directors was held by video conference on December 30, 2024. The meeting was called to order by Chairman Alan Walter at 10:31 a.m.

DIRECTORS PRESENT

Chairman Alan Walter
Vice Chairman Jay Anderson
Second Vice Chairman Greg Bischoff
Director Dave Anderson
Director Kyle Blanchfield
Director Cliff Hanretty
Director Dave Johnson
Director Geneva Kaiser
Director Larry Kassian
Director Bruce Klein
Director Jeff LeDoux
Director Steve Metzger
Director Brian Orn
Director Jim Pellman
Director Kenny Rogers
Director Jason Siegert
Director Mike Tweed
Director Ken Vein
Director Donald Zimbleman
Secretary Duane DeKrey

DIRECTORS ABSENT

Director Nikki Boote
Director Richard Cayko
Director Mark Cook
Director Steve Forde
Director Kelly Klosterman
Director Margo Knorr
Director Ward Koeser
Director Brandon Krueger
Director Bill Ongstad

OTHERS PRESENT

Merri Mooridian, Administrative Officer, Garrison Diversion Conservancy District, Carrington, North Dakota

Kimberly Cook, Communications Director, Garrison Diversion Conservancy District, Carrington, North Dakota

Tami Norgard, Vogel Law Firm, Fargo, North Dakota

Mia Thibadeau, Fryberger Law Firm, Duluth, Minnesota

Terry Effertz, Lobbyist, Effertz Law, Bismarck, North Dakota

Shawn Gaddie, Advanced Engineering and Environmental Services, Grand Forks, North Dakota

Brent Bogar, Consultant, Lake Agassiz Water Authority, Bismarck, North Dakota

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

RED RIVER VALLEY WATER SUPPLY PROJECT (RRVWSP)

Water Revenue Bond, Series 2025 - - Merri Mooridian, Administrative Officer, Garrison Diversion, said the purpose of today's special board meeting is to approve the financing resolution for part two (D2) of the \$60 million loan (Series D) that was received from the Bank of North Dakota. Fargo and Grand Forks signed for part one (D1) of the loan in the amount of \$48.7 million.

Ms. Mooridian referred to the financing resolution included with the meeting materials, which is for the remaining \$11.3 million in loan funds. Also included with the meeting materials are the closing certificate, loan agreement and bond. A copy of the financing resolution is attached to these minutes as Annex I.

Financing Resolution

Mia Thibadeau, Fryberger Law Firm, reviewed the resolution authorizing issuance of the \$11,302,440 revenue bond to finance the D2 portion of the Bank of North Dakota Water Infrastructure Revolving Loan. The loan was split into two tranches to allow time to obtain commitment from the small users. Those commitments are now in hand with five small users, in addition to Fargo and Grand Forks, committing to pay a portion of the debt service on this bond. The D2 Agreement has been signed by all parties. In the D2 Agreement, those cities of the small users, along with Fargo and Grand Forks, agree to pay an allocated portion of the debt service on this obligation.

In addition, Fargo and Grand Forks, remain committed in the D1 financing to pay the debt service on the 2023 revenue bond that was issued.

The loan itself has a rate of two percent interest with the first estimated interest payment being April 1, 2027, and the first estimated principal payment being April 1, 2030.

Ms. Thibadeau stated the loan agreement, which is approved as part of the resolution, allows Garrison Diversion to draw this as a drawdown obligation. As construction costs come in, the draws will be made. The proceeds are not all advanced at closing. In fact, the loan will be closed without an initial disbursement.

Vice Chairman J. Anderson asked if there is an estimated timetable when the first draw will take place.

Ms. Thibadeau replied this depends on when the contractor needs to be paid.

Ms. Mooridian reminded the board of the extension that was approved. The first draw was to have taken place in August 2024. The first draw needs to occur by February 10, 2025. The engineering team has been working with the contractor to assure the advance of funds takes place in time.

Ms. Thibadeau commented there are some items required for closing. Opinions are being received from all of the cities' attorneys, which state the D2 Agreement is a binding obligation of those parties. All of the Memorandums of Commitment (MOC) have been received from each of the cities except Grand Forks, which had some proposed edits to the documents. She would like to see signoff by Grand Forks' attorney, as well as Garrison Diversion and Lake Agassiz Water Authority's (LAWA) legal counsels before the loan would be funded.

Director D. Anderson stated the interest will accrue for a couple of years; therefore, there will be more than one year of interest due in 2027. Does all of the interest need to be paid with the first payment?

Ms. Thibadeau replied they are larger interest payments, but they appear to be evenly distributed so the first six payments are approximately the same.

Director Orn asked how often will the agreement change when all of the other entities sign on to the RRVWSP.

Ms. Mooridian said the entities signing the MOC right now have no financial commitment. Only the cities signing the D2 Agreement will have a financial commitment at this time. When everyone signs the Project Participation Agreement (PPA), that is when each of the systems will have a financial commitment.

Chairman Walter asked what is the status on the MOC with Grand Forks.

Tami Norgard, Vogel Law Firm, informed the board she received a version of the MOC from Grand Forks' attorney on December 27 with a request for an edit. She has forwarded that on to Garrison Diversion staff, LAWA's attorneys, Chair Mahoney and Brent Bogar. This morning, Grand Forks came back with additional requests, which were forwarded to the same group of people.

Ms. Norgard stated Grand Forks is saying they do not want the MOC to make them bound to sign the PPA. She has made it very clear that it does not, and that is the position that has always been taken. All the user presentations have said the MOC binds you to enter into the Series D2 Agreement so they agree to their share of the \$11.3 million financing. It does not commit you to sign the PPA unless you are in agreement with it at the end. Grand Forks' attorney is asking for some edits to the MOC language making it extra clear they are not bound to the PPA.

Ms. Norgard added she does not see a problem with the changes Grand Forks is asking for. This process is being worked through.

Ms. Thibadeau said the changes requested do not change the terms of the arrangement.

Motion by Director Siegert to approve the financing resolution for the RRVWSP Water Revenue Bond, Series 2025, through the Bank of North Dakota Water Infrastructure Revolving Loan Fund in the amount of \$11,302,440. Second by Director Metzger. Upon roll call vote, the following director voted aye: J. Anderson, D. Anderson, Bischoff, Blanchfield, Hanretty, Johnson, Kaiser, Kassian, Klein, LeDoux, Metzger, Orn, Pellman, Rogers, Siegert, Tweed, Vein, Walter and Zimbleman. Those voting nay: none. Absent and not voting: Boote, Cayko, Cook, Forde, Klosterman, Knorr, Koeser, Krueger and Ongstad. Motion carried.

Ms. Thibodeau commented the financing resolution authorizes the signature of the loan agreement and ancillary documents. These documents do not need to be separately acted upon. They only need to be signed and delivered in order for the loan to close.

The meeting adjourned at 10:56 a.m.

(SEAL)

Alan Walter, Chairman

Duane DeKrey, Secretary

\$11,302,440
GARRISON DIVERSION CONSERVANCY DISTRICT
WATER REVENUE BOND, SERIES 2025

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 Project Costs for the 2023-2025 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 August 17, 2023 and the amendment thereto dated August 13, 2024 (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, and each D2 Participant (as defined herein) have entered into a Memorandum of Commitment wherein each D2 Participant agrees to pay its portion of the 2023-2025 Biennium Work; and

WHEREAS, the GDCD, Lake Agassiz Water Authority, the City of Fargo and the City of Grand Forks have entered into an Interim Financing Agreement Series D dated as of November 1, 2023 (the "D1 Agreement") as amended by the Interim Financing Agreement Series D Small System Amendment between the GDCD, Lake Agassiz Water Authority, and the D2 Participants, dated as of January 1, 2025 which provides for the payment of debt service on the Bond (the "D2 Amendment"). The D1 Agreement as amended by the D2 Amendment is referred to herein as the Series D Agreement.

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:

"**2023-2025 Biennium Work**" means the "Project Costs" as defined in the Series D Agreement.

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

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

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

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

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

"**Cities**" means the City of Fargo, North Dakota and the City of Grand Forks, North Dakota, North Dakota political subdivisions and their successors and assigns.

"**Commitment Letter**" means the BND Commitment Letter dated August 17, 2023 and the amendment thereto dated August 13, 2024.

"**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.

"**D1 Agreement**" means the Interim Financing Agreement Series D between the GDCD, Lake Agassiz Water Authority, and the Cities, dated as of November 1, 2023.

"**D2 Amendment**" means the Interim Financing Agreement Series D Small System Amendment between the GDCD, Lake Agassiz Water Authority, and the D2 Participants, dated as of January 1, 2025, which provides for the payment of debt service on the Bond.

"**D2 Participants**" means collectively, the cities of Carrington, Cooperstown, Fargo, Grand Forks, Hillsboro, Mayville, and Valley City, North Dakota and their successors and assigns.

"**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 January 1, 2025.

"**Local Project Costs**" has the meaning given in the Series D Agreement.

"**Memorandum of Commitment**" means agreements between the GDCD, Lake Agassiz Water Authority, and each D2 Participant regarding its portion of the 2023-2025 Biennium Work.

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

"*Participant Revenues*" means, together, the payments actually received from the D2 Participants made pursuant to the D2 Amendment.

"*PPA*" means the future Project Participation Agreement.

"*Project*" means the Local Project Costs for the 2023-2025 Biennium Work of the Red River Valley Water Supply Project.

"*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 D Agreement*" means the D1 Agreement as amended by D2 Amendment.

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 **Eleven Million Three Hundred Two Thousand Four Hundred Forty Dollars** (\$11,302,440). The Bond shall be designated "\$11,302,440 Garrison Diversion Conservancy District, Water Revenue Bond, Series 2025", 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 \$11,302,440, 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 \$11,302,440 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 January 6, 2025, or as otherwise agreed to. The Bond shall mature on April 1, 2064, and shall bear interest at the rate of 2.00% payable on April 1 and October 1 in each year commencing April 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 April 1, 2030, with the last principal payment being made on April 1, 2064, subject however to the final amortization schedule to be attached to the Bond upon the final loan advance in accordance with Section 1.06 of the Loan Agreement. The preliminary amortization 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 2025 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 PARTICIPANT 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 Participant Revenues. The collection of the Participant Revenues and the dedication of such shall be irrevocable so long as any principal 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 Participant 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 Participant 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 Participant 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 2025 Water Revenue Bond Fund (the "2025 Bond Fund"), to be used for no purpose other than the payment of the principal of and interest on the Bond. The 2025 Bond Fund shall be credited with all Participant Revenues. The money and investments in the 2025 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 Participant 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 D2 Participants under the Memorandum of Commitment and the Series D Agreement and, upon execution, the PPA. Should GDCD fail or refuse to enforce the Memorandum of Agreement and the Series D Agreement, BND, as a third-party beneficiary of the Series D Agreement, may seek enforcement of the Series D Agreement.

(c) That it will maintain complete books and records relating to the operation of the Facilities, the Project Fund and the 2025 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 Participant 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 2025 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 of the 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 amortization schedule and issuance of a revised bond in the event the preliminary amortization schedule is adjusted with the consent of BND.

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 D. The D2 Amendment provides that the D2 Participants 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%) (\$8,443,353), City of Grand Forks (16.1325%) (\$1,823,370), City of Valley City (5.4507%) (\$616,064), City of Mayville (1.1948%) (\$135,046), City of Hillsboro (1.1948%) (\$135,046), City of Carrington (0.8050%) (\$90,979), and City of Cooperstown (0.5183%) (\$58,582). GDCD covenants to take such action as may be necessary to enforce the terms of the Series D Agreement and, upon execution, the PPA or similar agreement.

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Dated: December 30, 2024.

GARRISON DIVERSION CONSERVANCY DISTRICT

Alan M. Walter
Chair, Board of Directors

Attest:
[Signature]
Secretary

The governing body of the GDCD acted on the foregoing resolution at a properly noticed meeting held in Carrington, North Dakota, on December 30, 2024, with the motion for adoption made by Jason Siegert and seconded by Steve Metzger; on roll call, the following vote was recorded:

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