

**GARRISON DIVERSION CONSERVANCY DISTRICT  
SPECIAL BOARD MEETING  
2024 BUDGET HEARING**

**Garrison Diversion Conservancy District  
Carrington, North Dakota  
September 14, 2023**

A special meeting of the Garrison Diversion Conservancy District (Garrison Diversion) Board of Directors took place on September 14, 2023, at the Garrison Diversion Conservancy District in Carrington, North Dakota, to hold a public hearing regarding the 2024 Garrison Diversion budget. The meeting was called to order by Alan Walter, Chairman, at 9:15 a.m.

**MEMBERS PRESENT**

Chairman Alan Walter  
Vice Chairman Jay Anderson  
Second Vice Chairman Greg Bischoff  
Director Dave Anderson  
Director Steve Forde (by video conference)  
Director Dave Johnson (by video conference)  
Director Geneva Kaiser  
Director Bruce Klein  
Director Ward Koeser (by video conference)  
Director Brandon Krueger  
Director Larry Kassian (by video conference)  
Director Jeff LeDoux (by video conference)  
Director Steve Metzger  
Director Bill Ongstad  
Director Brian Orn  
Director Jim Pellman (by video conference)  
Director Kenny Rogers  
Director Mike Tweed  
Director Ken Vein (by video conference)  
Director Donald Zimbleman (by video conference)

**MEMBERS ABSENT**

Director Kyle Blanchfield  
Director Nikki Boote  
Director Richard Cayko  
Director Mark Cook  
Director Cliff Hanretty  
Director Kelly Klosterman  
Director Margo Knorr  
Director Jason Siegert

## **OTHERS PRESENT**

Garrison Diversion staff members and others were present. A copy of the registration sheet is attached to these minutes as Annex I.

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

## **BANK SIGNATORY CHANGE**

### **Signature Card**

Merri Mooridian, Administrative Officer, Garrison Diversion, said due to Cindy Hewitt leaving employment with Garrison Diversion, First International Bank is requiring authorization from the board to remove her name from the bank signature card. A motion to do so is recommended.

**Motion by Director Metzger to authorize the removal of Cindy Hewitt from the First International Bank signature card. Second by Director Orn. Upon voice vote, motion carried.**

## **RED RIVER VALLEY WATER SUPPLY PROJECT (RRVWSP)**

### **Series D Interim Financing Agreement**

Ms. Mooridian provided a funding overview for the RRVWSP. During the 2023 legislative session, \$180 million was approved for this biennium. Legislative intent is to provide 75% cost share funding of approximately \$953 million for the RRVWSP. There was also \$60 million allocated within the Water Infrastructure Revolving Loan Fund (WIRLF). The Series D Interim Financing Agreement has been drafted to address funding for the local cost share.

Tami Norgard, Vogel Law, provided a review of the Series D Interim Financing Agreement, stating the agreement will be between Garrison Diversion, LAWA, Fargo and Grand Forks. It is very similar to the past financial agreements, with some key differences in terms of who is paying for what. In each of the first three interim financing agreements, Series A, B and C, Fargo, Grand Forks and Garrison Diversion stepped up and paid for the small users' portion of the cost share, which is to be reimbursed when the Project Participation Agreements (PPA) are signed.

Ms. Norgard said because of the increased funding received from the state legislature, the local contribution has gotten larger at \$60 million. Under the Series D Agreement, Grand Forks and Fargo have agreed to guarantee their 82% portion. The remaining 18% portion is attributed to the smaller users and is being negotiated.

Ms. Norgard commented Series D has been divided into two tranches of debt. As it starts out, Fargo and Grand Forks will pay the initial 82%, which is the first tranche. Then, once it is known which of the smaller users are part of the RRVWSP and sign the PPA, those users make up the second tranche.

Ms. Norgard added the loan period for the \$60 million through the WIRLF is 40-years at two percent interest to cover the local cost share.

Mia Thibodeau, Fryberger Law Firm, noted there would be two bonds issued to evidence the Bank of North Dakota (BND) financing. The first tranche would include Fargo and Grand Forks' proportionate share of the local project costs and would be secured by a pledge of revenues from the two cities. The second tranche would represent the smaller users' proportionate share of local project costs and would be secured by a pledge of revenues from the small users.

Ms. Thibodeau said Series D states Garrison Diversion must meet with the smaller users and obtain a definitive nomination, but if any small users do not participate, their share would be reallocated among all users who have signed a PPA. Exhibit B to the financing agreement would then be adjusted to increase shares proportionately among all users.

The bond documents for tranche one should be ready for approval by Garrison Diversion's October board meeting. Tranche two documents would come after all the user meetings have taken place.

**Motion by Vice Chairman J. Andreson to approve Interim Financing Agreement Series D by and between Garrison Diversion, Lake Agassiz Water Authority, City of Fargo and City of Grand Forks with final edits to be approved by the chairman, bond counsel and general counsel. Second by Director Tweed. Upon roll call vote, the following directors voted aye: D. Anderson, J. Anderson, Bischoff, Forde, Johnson, Kaiser, Kassian, Klein, Koeser, Krueger, LeDoux, Metzger, Ongstad, Orn, Pellman, Rogers, Tweed, Vein, Walter and Zimbleman. Those voting nay: none. Absent and not voting: Blanchfield, Boote, Cayko, Cook, Hanretty, Klosterman, Knorr and Siegert. Motion carried.**

### **Construction Report**

Kip Kovar, District Engineer, Garrison Diversion, provided an update on construction activities taking place on Contract 5B, Transmission Pipeline East, and what the board members will see on the site tour following this meeting.

### **2024 BUDGET HEARING**

Chairman Walter stated according to North Dakota Century Code, a public budget hearing must be held each year for the purpose of adopting Garrison Diversion's final budget and making the annual tax levy. He called on Ms. Mooridian to review Garrison Diversion's 2024 budget.

Ms. Mooridian presented and reviewed Garrison Diversion's 2024 Budget by category, which is the same budget presented to the Board of Directors on July 19, 2023, in Dickinson. Total revenues projected for 2024 are \$160,643,375 and projected expenditures are \$159,634,400.

Ms. Mooridian also presented the resolution making a one-mill levy on all property in the Garrison Diversion Conservancy District. The 2024 budget and budget resolution are attached to these minutes as Annex II.

**Motion by Director Metzger to adopt the 2024 Garrison Diversion budget and approve the budget resolution making a one-mill levy on all property in the Garrison Diversion Conservancy District. Second by Director Klein. Upon roll call vote, the following directors voted aye: D. Anderson, J. Anderson, Bischoff, Forde, Johnson, Kaiser, Kassian, Klein, Koeser, Krueger, LeDoux, Metzger, Ongstad, Orn, Pellman, Rogers, Tweed, Vein, Walter and Zimbleman. Those voting nay: none. Absent and not voting: Blanchfield, Boote, Cayko, Cook, Hanretty, Klosterman, Knorr and Siegert. Motion carried.**

The meeting/hearing adjourned at 9:50 a.m.

(SEAL)

ATTEST:

---

Chairman Alan Walter

---

Secretary Duane DeKrey

# REGISTRATION

SPECIAL BOARD OF DIRECTORS MEETING  
Carrington, ND  
September 14, 2023

NAME	ADDRESS
Tami Norgard Kp Kovan	Vogel GDCB
Mami Mami Lisa Schaper	GOCO BOCCAD
Dust Melny	CDD
ON-LINE	
Mia Thibodeau	Fryberger Law Firm

**RESOLUTION**

Annex II  
23-197

**Adopted September 14, 2023 by Board of Directors of  
the Garrison Diversion Conservancy District  
Approving its Budget for the Period January 1, 2024, through December 31, 2024  
Making a Levy on all Property  
in the Garrison Diversion Conservancy District**

**WHEREAS**, the Garrison Diversion Conservancy District, a governmental agency established by the North Dakota Legislature by virtue of Chapter 61-24 of the North Dakota Century Code, as amended, is authorized to make a tax levy to finance its operations in accordance with said Chapter 61-24 of the North Dakota Century Code, as amended, did, on January 26, 1966, make a one-mill on all taxable property located within the Garrison Diversion Conservancy District to pay its administrative expenses and the obligations it has assumed under contracts negotiated with the United States and irrigation districts in the Garrison Diversion Conservancy District area and establish such reserves necessary to meet its contractual obligations and to carry out its purposes as provided by law--said tax levy to be continued each year until modified or reduced by appropriate action of the Board of Directors of the Garrison Diversion Conservancy District; and

**WHEREAS**, the Board of Directors of the Garrison Diversion Conservancy District, as required by Section 61-24-09 of the North Dakota Century Code, has duly considered a budget for the period beginning January 1, 2024, and ending December 31, 2024; and

**WHEREAS**, the Board of Directors of the Garrison Diversion Conservancy District did on July 11, 1973, by resolution duly adopted, modify its action of January 26, 1966, making a continuing one-mill levy on all taxable property in the Garrison Diversion Conservancy District so as to provide that said Board will make a levy each year in an amount sufficient to provide funds for its annual budget as authorized by law.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Garrison Diversion Conservancy District, at a meeting assembled this fourteenth day of September 2023, that this Board approved a budget for the fiscal year January 1, 2024, through December 31, 2024, requiring an amount of \$4,405,000 for its operations; and

**BE IT FURTHER RESOLVED** the Board of Directors hereby makes a one-mill levy on each dollar of taxable valuation on all taxable property located in each of the counties in the Garrison Diversion Conservancy District, to-wit:

Barnes	Eddy	McHenry	Ransom	Steele
Benson	Foster	McKenzie	Renville	Stutsman
Bottineau	Grand Forks	McLean	Richland	Traill
Burleigh	Griggs	Nelson	Sargent	Ward
Cass	LaMoure	Pierce	Sheridan	Wells
Dickey		Ramsey		Williams

Such levy, together with the estimated balance on hand January 1, 2024, and interest from investments in reserves and other income, has been found necessary by the Board of Directors of the Garrison Diversion Conservancy District to provide the sum of \$4,405,000 required to meet the necessary District expenditures for its operations, contractual obligations, and reserves for the period January 1, 2024, through December 31, 2024; and

**BE IT FURTHER RESOLVED** that the county auditor of each county in the Garrison Diversion Conservancy District, as set forth above, be and is hereby notified to take appropriate action in accordance with Section 61-24-11 of the North Dakota Century Code and spread on the records for tax levy a levy upon the taxable property in the county of one mill as is authorized under the provisions of Chapter 61-24 of the North Dakota Century Code; and

**BE IT FURTHER RESOLVED** that the secretary-treasurer of the Garrison Diversion Conservancy District be, and is hereby, directed to mail to the county auditor of each county in the Garrison Diversion Conservancy District, as set forth above, a copy of this resolution, duly certified by him and bearing the seal of the Garrison Diversion Conservancy District, and a copy of the budget covering the expenses estimated by the Board of Directors of the Garrison Diversion Conservancy District as necessary for the period of January 1, 2024, through December 31, 2024, and a copy of this resolution and budget to the North Dakota Tax Commissioner.

### CERTIFICATE

I, Duane DeKrey, the secretary-treasurer of the Garrison Diversion Conservancy District, do hereby certify and return the within and foregoing instrument is a true and correct copy of a resolution approving the budget for the Garrison Diversion Conservancy District for the period January 1, 2024, through December 31, 2024, and making a one-mill levy on all property within the Garrison Diversion Conservancy District, duly approved and adopted by the Board of Directors of the Garrison Diversion Conservancy District at a meeting on the fourteenth day of September 2023.



---

Duane DeKrey, Secretary-Treasurer  
Garrison Diversion Conservancy District

(SEAL)

# GARRISON DIVERSION CONSERVANCY DISTRICT



## 2024 Annual Budget



**GARRISON DIVERSION CONSERVANCY DISTRICT  
PRELIMINARY BUDGET OF REVENUES AND EXPENDITURES  
January 1, 2024 to December 31, 2024**

	General Fund	Operations & Maintenance Fund	Municipal, Rural, and Industrial Fund	Red River Valley Water Supply Project	Irrigation Fund	Total
<b>REVENUES:</b>						
Irrigation Admin	\$ 975					\$ 975
Project Income						\$ -
Lease Income						\$ -
Miscellaneous Income	\$ -					\$ -
Interest Income	\$ 366,000		\$ 60		\$ 2,700	\$ 368,760
Tax Levy/State Aid	\$ 4,190,000					\$ 4,190,000
O&M Non-project Income		\$ 193,000				\$ 193,000
Contract Revenue	\$ 72,000	\$ 4,417,300	\$ 30,104,940	\$ 120,663,000	\$ 633,400	\$ 155,890,640
<b>Total Revenues</b>	<b>\$ 4,628,975</b>	<b>\$ 4,610,300</b>	<b>\$ 30,105,000</b>	<b>\$ 120,663,000</b>	<b>\$ 636,100</b>	<b>\$ 160,643,375</b>
<b>EXPENDITURES:</b>						
Directors Expense	\$ 255,000					\$ 255,000
Employee Expenses	\$ 1,540,000	\$ 2,343,800	\$ 82,000			\$ 3,965,800
Administrative Expenses	\$ 204,000	\$ 105,000				\$ 309,000
Public Education	\$ 163,000					\$ 163,000
Professional Services	\$ 781,000	\$ 93,000		\$ 1,250,000		\$ 2,124,000
Irrigation Development	\$ 93,000					\$ 93,000
Recreation Matching	\$ 860,000					\$ 860,000
Water Assistance Grant	\$ 300,000					\$ 300,000
Irrigation Districts Expenses	\$ 2,000					\$ 2,000
Maintenance & Repairs	\$ 82,000	\$ 886,500			\$ 418,100	\$ 1,386,600
Capital Purchases	\$ 125,000	\$ 420,000		\$ 118,750,000		\$ 119,295,000
MR&I Project Expenditures			\$ 30,000,000			\$ 30,000,000
Debt Service Payments				\$ 413,000	\$ 187,000	\$ 600,000
Interest on Debt Service				\$ 250,000	\$ 31,000	\$ 281,000
<b>Total Expenditures</b>	<b>\$ 4,405,000</b>	<b>\$ 3,848,300</b>	<b>\$ 30,082,000</b>	<b>\$ 120,663,000</b>	<b>\$ 636,100</b>	<b>\$ 159,634,400</b>
Revenues Over (Under) Expenditures*	\$ 223,975	\$ 762,000	\$ 23,000			\$ 1,008,975
Transfers In (Out)	\$ 785,000	\$ (762,000)	\$ (23,000)			-
<b>Net Change in Fund Balance</b>	<b>\$ 1,008,975</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,008,975</b>

**GARRISON DIVERSION CONSERVANCY DISTRICT  
PRELIMINARY BUDGET EXPENDITURES  
January 1, 2024 to December 31, 2024**

Annex II  
23-201

	<b>Budget 2024</b>
<b>Directors Expense</b>	
Directors Per Diem	135,000
Directors Exp	120,000
<b>Total Directors Expense</b>	<b>255,000</b>
<b>Employee Expense</b>	
Employee Salaries	972,000
General Managers Expense	21,000
Travel	61,000
Administrative Officer	25,000
District Engineer	10,000
Engineer	5,000
Communications Director	6,000
Emp Exp Other	15,000
Professional Development	17,000
Employee Training	15,000
Wellness Program	2,000
Benefits	469,000
GDCD FICA	82,000
Retirement	149,000
Hospital & Life Insurance	191,000
Unemployment Comp	5,000
Vision / Dental	13,000
Workforce Safety Insurance	1,000
Long Term Disability Ins	10,000
Vacation/Sick Leave Liability	18,000
<b>Total Employee Expense</b>	<b>1,540,000</b>
<b>Administration</b>	
Postage	3,500
Communications	16,000
Utilities	35,000
Meetings & Events	9,500
Subscriptions	6,500
Miscellaneous	3,500
Data Processing	22,500
Employee Recruiting	5,000
Supplies	11,500
Small Office Equipment	25,000
Dues	14,000
Insurance	17,000
Annual Independent Audit	35,000
<b>Total Administration</b>	<b>204,000</b>
<b>Public Education</b>	
GDCD Tours	10,000
ND Water Users	20,000
ND Water Coalition	14,000
ND Water Magazine	18,000
Missouri River Joint Board	21,000
Upper Sheyenne	50,000
Conferences/Sponsorships	20,000
Miscellaneous	10,000
<b>Total Public Education</b>	<b>163,000</b>

**GARRISON DIVERSION CONSERVANCY DISTRICT  
PRELIMINARY BUDGET EXPENDITURES  
January 1, 2024 to December 31, 2024**

Annex II  
23-202

	<b>Budget 2024</b>
<b><u>Professional Services</u></b>	
Communications	140,000
Engineering	125,000
<b>RRVWSP Development</b>	<b>313,000</b>
Technical Support for LAWA	15,000
Engineering	100,000
Legal	122,000
Financial	10,000
Consultants	50,000
Meeting, Misc. Exp	16,000
Prof Services Other	45,000
Legal Services	158,000
<b>Total Professional Services</b>	<b>781,000</b>
<b><u>Irrigation Development</u></b>	
ND Irrigation Association	50,000
NDSU Oakes Irrigation Site	-
Bob Titus Lease	17,000
Irrigation Development	26,000
<b>Total Irrigation Development</b>	<b>93,000</b>
<b><u>Recreation</u></b>	
Recreation Matching	850,000
DWRA Recreation Program	10,000
<b>Total Recreation</b>	<b>860,000</b>
<b><u>Water Assistance</u></b>	
Water Assistance Grant	<b>300,000</b>
<b><u>Irrigation District Expense</u></b>	
Irrigation District Expenses	2,000
<b>OTA Title Transfer</b>	<b>-</b>
Technical Support	-
Legal	-
<b>Total Irrigation District Expense</b>	<b>2,000</b>
<b><u>Maintenance &amp; Repair</u></b>	
Equipment Maintenance	27,000
Small Yard Equipment Purchases	5,000
Land & Bldg Maintenance	35,000
Auto Expense	15,000
<b>Total Maintenance &amp; Repair</b>	<b>82,000</b>
<b><u>Capital Purchases</u></b>	
Office Equip & Furniture	50,000
Yard Equipment	20,000
Vehicle	40,000
Land & Buildings	15,000
<b>Total Capital Purchases</b>	<b>125,000</b>
<b>General Fund Subtotal</b>	<b>4,405,000</b>

**GARRISON DIVERSION CONSERVANCY DISTRICT  
PRELIMINARY BUDGET EXPENDITURES  
January 1, 2024 to December 31, 2024**

Annex II  
23-203

	<b>Budget 2024</b>
<b>Irrigation Fund</b>	
McClusky Canal Irrigation	418,100
Construction	-
Operations	418,100
Debt Payments	218,000
Principal	187,000
Interest	31,000
<b>Total Irrigation Fund</b>	<b>636,100</b>
<b>GDU O &amp; M</b>	
Salaries & Benefits	2,276,000
Salaries	1,529,000
Benefits	747,000
Travel	8,200
Training	1,600
Utilities	90,000
Contracted Services (Eng / Survey)	93,000
Supplies	226,000
Equipment Purchases	420,000
Small Equipment Purchases	15,000
Equipment Rental	8,000
Equipment Maintenance	216,000
Safety	58,000
Miscellaneous	15,000
Materials	421,500
<b>Total GDU O &amp; M</b>	<b>3,848,300</b>
<b>MR&amp;I Fund</b>	
Salaries & Benefits	82,000
State Administration	-
MR&I Project Expenditures	30,000,000
<b>Total MR&amp;I Fund</b>	<b>30,082,000</b>
<b>RRV Water Supply Project</b>	
ROW	1,250,000
Construction	117,500,000
Salaries & Benefits	-
Financing/Legal/Administration	1,250,000
Debt Payments	663,000
Principal	413,000
Interest	250,000
<b>Total RRVWSP</b>	<b>120,663,000</b>
<b>TOTAL ALL FUNDS</b>	<b>159,634,400</b>