

Manager which shall not exceed the amounts set forth in the preceding paragraph. The proposed initial budget shall include all fees and expenses relating to the planning, design and development of the Project prior to the Project's authorization, including fees associated with employing a Project Manager and Lobbyist. When the amounts initially approved by all members in above paragraph are expended, the Diversion Authority shall propose a new budget, which must be approved by all of the members through a vote of their governing bodies.

**ARTICLE IX.
PROJECT PLANNING, DESIGN AND DEVELOPMENT COSTS**

The planning, design and development of the Project will be partially funded with Federal monies and partially funded with local monies. The local cost share will be that portion of the total cost of the Project through execution of the PPA not provided by the Federal Government (hereinafter the "Non-Federal Design Cost"). **The Minnesota share of the total Non-Federal Design Cost shall be ten (10%) percent.** The North Dakota share of the total Non-Federal Design Cost shall be ninety (90%) percent. The Minnesota members to this Agreement have determined, or will determine, by separate agreement the share of the Minnesota cost each will bear. The North Dakota members to this Agreement have determined, or will determine, by separate agreement the share of the North Dakota cost each will bear.

With respect to the 10% Minnesota share of the Non-Federal Design Cost, it is understood and agreed that that North Dakota members will initially pay all

costs contemplated herein until such time as a Project Partnership Agreement is entered into with the United States Army Corps of Engineers and said 10% Minnesota share shall either be reimbursed by the Minnesota members at a future date after the Project Partnership Agreement is approved or be paid toward other Project costs by the Minnesota members. The parties recognize that to the extent that one or more North Dakota members advance funds toward said 10% Minnesota share, the members will make arrangements to account for the loss of time-value of such money that is advanced and to make appropriate arrangements to offset such loss of time-value of such money. Such appropriate arrangements may include payment of interest at a rate to be agreed upon by the affected members, by offsetting lost time-value by the responsible Minnesota member advancing other Project costs that would otherwise be paid by the affected North Dakota member or by such other arrangements to be agreed by the affected members. Both separate agreements have provided, or will provide, that the Diversion Authority has the authority to enforce said separate agreements and both separate agreements authorize the Diversion Authority to enforce the agreements. Each party to this Agreement may fund its share of the local cost by whatever means it deems appropriate. The Diversion Authority or any party to this Agreement may obtain a court order directing a party to fund its share of the cost of the Project.

**ARTICLE X.
PROJECT OPERATIONS AND MAINTENANCE COSTS**

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