

FLOOD DIVERSION BOARD OF AUTHORITY
Thursday, December 13, 2012
3:30 PM

Fargo City Commission Room
Fargo City Hall
200 3rd Street North

1. Call to order
2. Approve minutes from previous meeting Item 2. Action
3. Approve order of agenda Action
4. Program Management Consultant (PMC) update Information/action
 - a. Monthly report (Tom O'Hara)
 - b. Joint technical update
 - Corps of Engineers monthly update (Terry Williams/Brett Coleman)
 - Upstream area levees status (Terry Williams/Bruce Spiller)
 - c. Status of Authority Work Directives and Task Orders (Bruce Spiller)
 - d. Approval of new Task Order Amendments (Bruce Spiller) Item 4d.
 - e. Post-feasibility/NEPA actions and decisions timeline Item 4e.
 - f. Demonstration of staging area flood impacts animation
5. Committee updates Information/action
 - a. Retention effort update from Red River Basin Commission (Yohe)
 - b. Land Management Committee (Dennis Walaker)
 - Committee report
 - Staging area mitigation
 - c. Public Outreach Committee (Rodger Olson)
 - Committee report Item 5c. (1)
 - d. Finance Committee (Michael Montplaisir)
 - Committee report
 - Kindred School District fact sheet Item 5d. (1)
 - CH2MHill contract extension Item 5d. (2)
 - Assignment of Cass County Joint Water Resource District to lead development of assessment district plan Item 5d. (3)
 - Approve Houston-Moore Group adjusted rate schedule for 2013 Item 5d. (4)
6. Voucher approval Item 6. Action
7. Other Business
8. Next Meeting
9. Adjournment

cc: Local Media

**FLOOD DIVERSION BOARD OF AUTHORITY
NOVEMBER 8, 2012—3:30 PM**

1. MEETING TO ORDER

A meeting of the Flood Diversion Board of Authority was held Thursday, November 8, 2012, at 3:30 PM in the Fargo City Commission Room with the following members present: Cass County Commissioner Darrell Vanyo; Cass County Commissioner Scott Wagner; West Fargo City Commissioner Mike Thorstad; Cass County Joint Water Resource District Manager Rodger Olson; Fargo City Commissioner Tim Mahoney; Fargo City Commissioner Brad Wimmer; Fargo City Commissioner Mike Williams; Clay County Commissioner Kevin Campbell; and Moorhead City Council Member Nancy Otto. Also present was ex-officio member Gerald Van Amburg, Buffalo-Red River Watershed District.

Staff members and others present: Cass County Administrator Keith Berndt; Fargo City Administrator Pat Zavoral; Clay County Administrator Brian Berg; Moorhead City Manager Mike Redlinger; Fargo City Engineer Mark Bittner; Fargo City Engineer April Walker; Moorhead City Engineer Bob Zimmerman; Cass County Engineer Jason Benson; Tom O'Hara, Program Manager, CH2MHill; Bruce Spiller, CH2MHill; Aaron Snyder, Branch Chief for Project Management & Development, Corps of Engineers; Brett Coleman, Project Manager, Corps of Engineers; and Terry Williams, Project Manager, Corps of Engineers.

2. MINUTES APPROVED

MOTION, passed

Mr. Wagner moved and Mr. Mahoney seconded to approve the minutes from the October 11, 2012, and October 23, 2012, meetings as written. Motion carried.

3. AGENDA ORDER

MOTION, passed

Mr. Mahoney moved and Mr. Wagner seconded to approve the order of the agenda as presented. Motion carried.

4. PROGRAM MANAGEMENT FIRM UPDATE

Program manager consultant monthly report

Mr. O'Hara provided an update on activities over the last month including design efforts on bridges; completion of alignment analysis and refinement on southern and western alignments; preliminary development of the Oxbow area levee option along with formation of a Corps-led project delivery team; and close out of FY2012 activities and transition to FY2013 work plan.

Corps of Engineers status update

Terry Williams said Corps of Engineers led-design efforts continue to be on schedule and under budget; the National Environmental Policy Act (NEPA) process to address project modifications has begun; and work continues on Phase II cultural surveys.

Western alignment decision

Ms. Williams said the western alignment extends from the Sheyenne River to the Maple River and was shifted west of the Raymond interchange on I-94 and will re-route Drain 14. The alignment is offset from the existing Sheyenne Diversion channel, which resolves the technical issues while being the most consistent with the feasibility study alignment. She said a press release will be sent tomorrow with an updated map.

Oxbow area ring dike/levee option

Ms. Williams said a Corp-led effort has begun to address the conditions submitted from the City of Oxbow associated with a ring dike/levee concept.

Ms. Williams briefly discussed other Corps of Engineers levee projects, i.e. Halstad, Minnesota; Argusville, North Dakota; and Oslo, Minnesota. She outlined the construction costs and damages prevented as a result of the levees. She said the Corps has a Levee Safety Program, which assesses the integrity and viability of levee systems.

Post-feasibility alternative decision on southern alignment

Bruce Spiller from CH2MHill said initially four southern alignment alternatives were studied and then narrowed down to two options, VE-13 Option A and VE-13 Option C. The program management consulting team recommends the board approve VE-13 Option A as the preferred alignment. He said fewer businesses and homes are impacted, and the overall project cost is reduced significantly. Also, this alternative reduces impacts upstream and maintains impacts downstream.

MOTION, passed

Mr. Wagner moved and Mr. Mahoney seconded that the Flood Diversion Board of Authority provides its position to the Corps of Engineers and endorses proposed alternative VE-13 Option A as the preferred southern alignment. On roll call vote, the motion carried unanimously.

Timeline on post-feasibility/NEPA actions

Mr. O'Hara discussed a timeline for board decisions regarding the western alignment, VE-13 Option A (southern alignment), and the Oxbow area levee option. He said final board input on the Oxbow area levee is scheduled for May 2013 with the NEPA review completed and findings presented in July 2013.

Mr. Campbell asked about the authorization process on the federal level. Mr. Snyder said Congress needs to take action, and Mr. Mahoney said a decision could possibly be considered by Congress in the spring of 2013.

Task orders update

Mr. Spiller provided an update on amended task orders with the Houston-Moore Group (HMG), which total \$650,000 and involves bridge design work; post-feasibility engineering analysis; land management services; work-in-kind (WIK); and hydrology/hydraulic modeling; and a new task order with HMG for design and support for the Red River in-town levees and Oxbow area levee.

Mr. Spiller also discussed an amendment to the contract with the Minnesota Department of Natural Resources to extend the period of performance required to complete the scoping phase for the Minnesota Environmental Impact Statement (EIS). The total cost for the amendment to the EIS is \$115,500.

MOTION, passed

Mr. Wagner moved and Mr. Mahoney seconded to approve the Task Orders with HMG in the amount of \$650,000. On roll call vote, the motion carried unanimously.

MOTION, passed

Mr. Wagner moved and Mr. Campbell seconded to approve the Minnesota EIS Amendment No. 1 to complete the EIS scoping phase in the amount of \$115,500. On roll call vote, the motion carried unanimously.

Mr. Spiller also updated the board on the status of existing task orders.

5. UPDATES FROM COMMITTEES

Retention efforts update from Red River Basin Commission

Mr. Vanyo asked for a monthly update from the Red River Basin Commission to be provided regarding upstream retention efforts. Mr. Olson said work has begun on the first phase area (upstream to Halstad) with retention site modeling to determine mainstream and regional impacts and prioritization.

Land Management Committee

Mr. Vanyo provided an update on topics discussed at the Land Management Committee meeting held earlier this afternoon, which include continuing analysis on the levee/ring dike concept in the Oxbow area, an update from the Agricultural Policy Subcommittee, and purchase agreements for two hardship properties.

Purchase offer for hardship acquisitions

Mr. Vanyo said purchase agreements were drafted and offers were made to three property owners. Two of the owners agreed upon the sale terms and the third owner is waiting on a second appraisal. The committee approved purchase agreements for two properties. There was discussion about the future of the three homes. Mr. Vanyo said they will be rented and managed by the property management firm selected by the board.

MOTION, passed

Mr. Wimmer moved and Mr. Campbell seconded to approve agreements to purchase two properties determined to be in compliance with the conditions of the adopted Hardship Policy by the Hardship Review Committee. The properties will be purchased at the appraised value plus \$6,000 to compensate for relocation expenses in the amounts of \$217,000 and \$347,000. On roll call vote, the motion carried unanimously.

Public Outreach Committee

Mr. Olson said the Public Outreach Committee met on November 7th, and he provided an update on topics discussed at the meeting: efforts continue with the collection and posting of public comments and questions to the website regarding the project; the e-newsletter will be distributed on November 12th and will include a link to view an interactive staging area animation; a public information meeting will be held in Horace on November 14th; a fish passage project public meeting will be held on November 15th; an outreach and communications plan was prepared and will be a “living” document with regular updates added as the project continues; and NDSU hosted a four-part speaker series through their Department of Emergency Management on the diversion project.

Finance Committee

Mr. Montplaisir said the Finance Committee met on November 7th, and he provided an update on the following topics:

Financing options

The committee approved the payment of non-contract bills, which continue to be paid on a cash basis. He said short-term and long-term financing options continue to be reviewed, and different legislative options to help with financing were discussed. He said the Water Resource Districts have helped in providing information on special assessment districts, and the committee reviewed the “Schedule and Tasks for Development of a Special Assessment District” and gave preliminary approval to that document.

Jon Diebel from CH2MHill prepared a FY2012 summary report with expenditures/obligations of the Diversion Board and Corps of Engineers, which were broken down into work categories.

Hardship purchases

The committee approved purchase agreements for two hardship properties.

Kindred School District tax levy

Mr. Montplaisir discussed how the Kindred School District was affected as a result of a 20% property value reduction on City of Oxbow properties. He said the financial impact amounts to \$51,486, and the tax burden shifts so that Oxbow residents will pay less in taxes and the rest of the school district will pay slightly more to make up the difference.

Mr. Vanyo said this issue will be formally discussed at next month’s Land Management and Finance Committee meetings, and then at the Diversion Board meeting.

Mr. Berndt said that despite the 20% reduction in Oxbow values, the overall school district value increased by 7.42%.

**6. VOUCHERS, Approved
*MOTION, passed***

Mr. Mahoney moved and Mr. Wagner seconded to approve the vouchers as presented. Motion carried.

7. OTHER BUSINESS

Mr. Vanyo thanked Mr. Wagner for his service on the board. Mr. Wagner is retiring from the county commission next month.

8. NEXT MEETING DATE

The next meeting will be held on Thursday, December 13, 2012, at 3:30 PM.

9. ADJOURNMENT

MOTION, passed

On motion by Mr. Wimmer, seconded by Mr. Wagner, and all voting in favor, the meeting was adjourned at 4:35 PM.

Minutes prepared by Heather Worden, Cass County Administrative Assistant

Task Order Summary

Date: December 13, 2012

Houston-Moore Group Task Order Summary	Increased Amount (\$)
Task Order No. 1-Amendment 1 Project Management	36,000
Task Order No. 5-Amendment 3 Post-Feasibility Engineering Analysis	-10,000
Task Order No. 8-Amendment 3 Work-In-Kind	0
Task Order No. 9-Amendment 3 Hydrology and Hydraulic Modeling	55,000
Task Order No. 13-Amendment 1 Levee Design and Design Support	150,000
Total of Task Orders	231,000

Task Order Summary for Houston-Moore Group

Task Order No. 1 – Amendment 1 Project Management

Increase \$36,000
No Schedule Extension

Description:

This amendment to Task Order No. 1 adds the following scope of work: prepare project presentation materials, project animation, and project presentation to be given at requested public events, in particular for the In-Town and Upstream Staging Area Levees.

Background:

Provide additional public involvement assistance to USACE in design support services for design of ring levees in the upstream staging area.

Task Order No. 5 – Amendment 3 Post-Feasibility Engineering Analysis

Decrease \$10,000
No Schedule Extension

Description:

Scope for basin-wide retention support has been removed from Task Order No. 5 and will be added to Task Order No. 9 – Hydrology and Hydraulic Modeling.

Background:

Basin-wide retention support primarily involves modeling and is more aligned with Task Order No. 9 – Hydrology and Hydraulic Modeling. By moving this portion of the scope to another task order, Task Order No. 5 can be closed at the end of the year.

Task Order No. 8 – Amendment 3 Work-In-Kind

No Change in Cost
No Schedule Extension

Description:

Task Order No. 8 provides Work-in-Kind services as requested by USACE. This amendment defines scope under On-Call Services :

Subtask E.IV Geomorphology Consulting: Provide senior engineer for ongoing engineering consultation, preparation for workshop with the Minnesota Department of Natural Resources (MN DNR), and workshop participation.

Background:

USACE requested the Diversion Authority to assist with the MN DNR workshop. The work is creditable as Work-in-Kind.

\$207,000 is currently available for On-Call Services under this Task Order No. 8. Amendment 3 will be allocated \$15,000 and the On-Call Services allowance will be decreased \$15,000. Therefore, no change to the contract amount for Task Order No. 8.

**Task Order No. 9 – Amendment 3
Hydrology and Hydraulic Modeling**

**Increase \$ 55,000
No Schedule Extension**

Description:

Task Order No. 9 provides Hydrology and Hydraulic (H&H) Modeling services. It adds additional scope under **Subtask F. On-call Services** and **Subtask G. Basin-wide Retention Support**.

F.VI. Update HEC-RAS Model

Update the HEC-RAS model geometry for the revised western alignment from the Maple River to the Sheyenne River and the proposed upstream staging area ring levees; and provide on-going hydrology and hydraulic modeling services as requested in order to keep HEC-RAS model consistent with project features.

Background:

USACE requested the Diversion Authority to provide the above described work as creditable Work-in-Kind assistance.

Cost of Subtask F.VI. = \$36,000

\$65,900 is currently available for On-Call Services under this Task Order No. 9. Amendment 3 will be allocated \$36,000 and the On-Call Services allowance will be decreased by \$36,000.

G. Basin-wide Retention Support

Assist Owner with developing a method of evaluating existing, planned, or potential regional retention projects potential benefits of the Diversion Project. Provide technical assistance to the RRBC in its study “Halstad Upstream Retention (HUR) Modeling – Phase 1”. Evaluate up to two (2) proposed retention projects.

Background:

The Diversion Board has authorized up to \$25 million for Basin-wide Retention Projects that are compatible with, and provide benefits for, the Diversion Project. An initial study is underway by the Red River Basin Commission (RRBC).

This subtask is not creditable by USACE.

Cost of Subtask G. = \$55,000

**Task Order No. 13 – Amendment 1
Levee Design and Design Support**

**Increase \$ 150,000
No Schedule Extension**

Description:

The Diversion Authority has requested additional design and design support assistance for ring levee and non-structural improvement evaluations in the upstream staging area, in addition to the Oxbow, Hickson, Bakke area, including Comstock, Christine, Wolverton, and individual structures in areas where staged water impacts are expected to be less than one foot in depth.

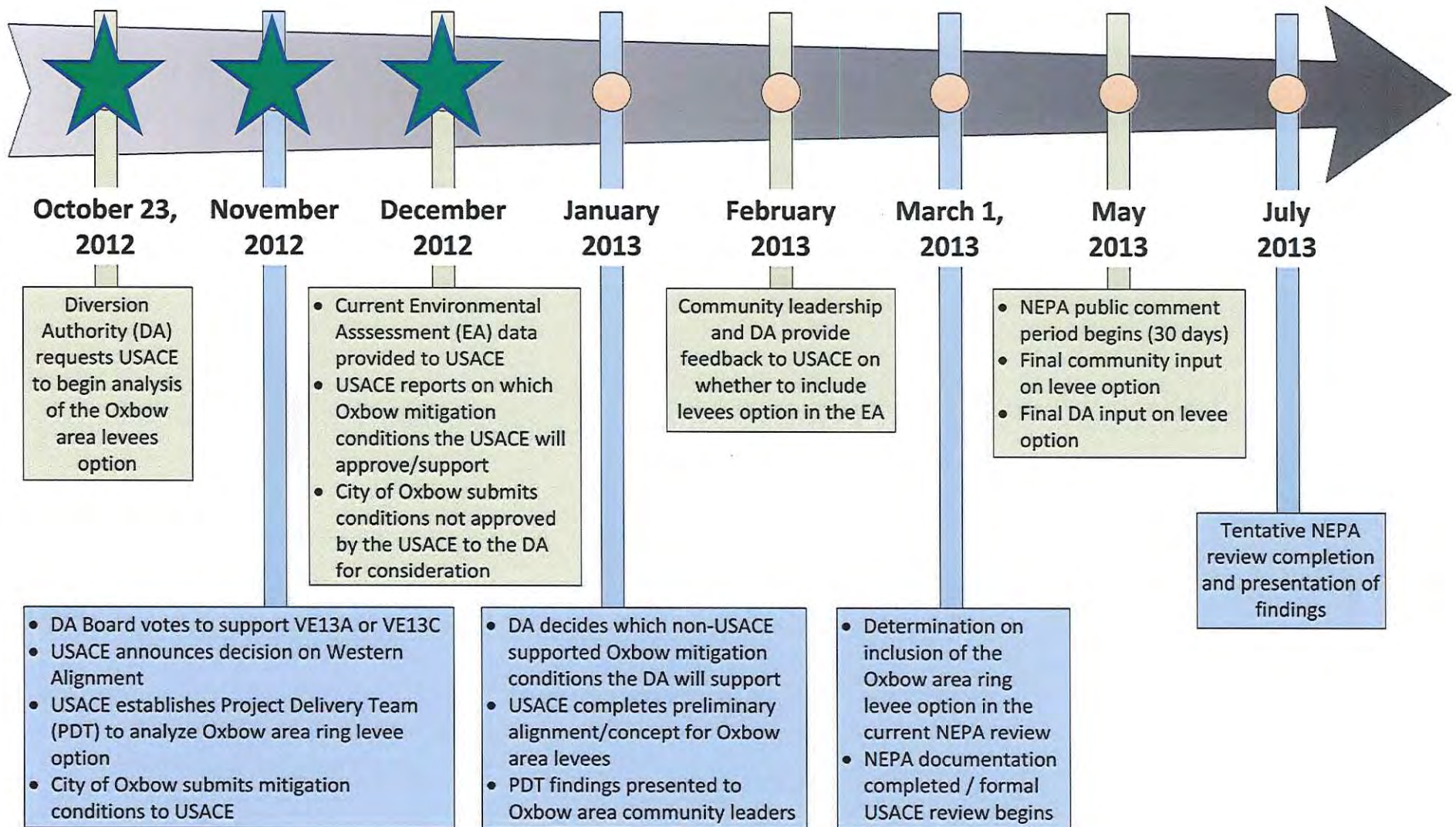
Background:

As part of Work-In-Kind, provide assistance to USACE in design and design support activities for design of ring levees in the upstream staging area in the Oxbow, Hickson, Bakke area.

The USACE has not yet determined the creditability of this work.

Cost = \$150,000

Post-Feasibility/NEPA Actions and Decisions Timeline



Public Outreach Committee Report

For Diversion Authority – December 13, 2012

- Township Officers Meeting: Local Drainage and Transportation Outreach: Rodger Olson and representatives of local engineering firms attended the Cass County Township Officers Association meeting on November 29 in Casselton. Our presentation included an overview of the project and recent decisions, such as increasing in-town flows, adjustable gates on diversion channel inlet, finalizing southern and western channel alignment, and consideration of ring levees for Oxbow/Hickson/Bakke area. We also presented information on Local Drainage and Transportation Planning aspects of the project.
- Special Assessment District: A special assessment district is being considered for the North Dakota local cost share of the FM Area Diversion Project. This local share will be financed. The repayment will be amortized over a long period—perhaps 40 years or more. While annual sales tax revenues from Cass County and the City of Fargo should be sufficient to make the “mortgage payments” for the local project costs, an assessment district will provide the back-up needed in order to sell the bonds to finance the project.
- Horace Community Meeting: The Diversion Authority held a community meeting in Horace, ND on November 14 for people in the Horace area. Presentations were given and a question and answer session was held.
- Oxbow/Hickson/Bakke Ring Levee Community Meeting: A meeting for Oxbow, Hickson and Bakke-area landowners is being planned for 6pm on Tuesday, January 8th at Bennett Elementary School in Fargo. The meeting will focus on the specific properties impacted and seek local input on whether a ring levee is the preferred course of action. 30-minute individual landowner meetings are also being scheduled on a first-come, first-served basis. These individual meetings will include a Corps representatives and a local sponsor representative. Appointments are available from 7:45 p.m. to 9:15 p.m. on January 8th after the landowner meeting (Bennett Elementary School); Wednesday, January 9th from 8 a.m. to 8 p.m. (Hickson Community Center); and Thursday, January 10th from 8 a.m. to 11:30 p.m (Hickson Community Center).
- Business Community Outreach: The Chamber has restated their number 1 priority being permanent flood protection and they are proceeding with the development of a task force consisting of business leaders. The outreach team will be working with the Chamber Task Force to provide regular updates to the business community about the project.
- FMDiversion.com: Several new maps have been added to the Maps section of fmdiversion.com, including four maps which show the final, detailed alignment of the Diversion Project. Also, various maps of the selected alignment showing the Staging Area in operation during various levels of flood events were posted in the Maps section.
- E-Newsletter Update: The next edition of the Diversion Dialogue E-Newsletter is set to be distributed on Monday, December 17. It will include the following articles:
 1. Details on the New Diversion Project Alignment: We will include links to new maps highlighting the final alignment of the Diversion Project, which are posted on fmdiversion.com.
 2. Ring Diking Report: An update on discussions and planning surrounding the proposed construction of a ring dike to protect the Oxbow/Hickson/Bakke areas from Project impacts.
 3. Summary of November Legislative Open House: We will summarize the key information on the Project shared at the Legislative Open House held on November 20th.
 4. USACE Update: The USACE will provide an update on their activities related to the project.

FM AREA DIVERSION PROJECT

Kindred School District Tax Loss Fact Sheet

Date: 12/13/2012

The Kindred Public School District, located in Cass, Richland, and Ransom Counties has asked that the Diversion Board of Authority reimburse the District for revenues they claim they lost as a result of devaluation of properties in the City of Oxbow due to the proposed FM Area Diversion Project. This paper provides a series of facts and background associated with this request as well as potential future implications.

Background Information

The request from the Kindred Public School District is the result of the State Board of Equalization lowering the values in the City of Oxbow by 20% for the 2012 tax year, which the on a worksheet dated October 10, 2012 shows the loss to be \$73,153.

The \$73,153 figure that the Kindred Public School District used as a tax revenue loss attributed to the proposed FM Area Diversion Project is incorrect as it was based on the estimated taxable value provided in July, not the actual, final taxable value determined in October.

The actual reduction in tax revenue due to the devaluation of the City of Oxbow properties is \$51,417. The Cass County Auditor's office can supply details to substantiate this value.

The City of Oxbow employs an assessor to establish their value every year for assessment purposes. The City of Oxbow is charged under state law with assessing all taxable property within their jurisdiction at its "true and full value".

For the 2011 tax year the City of Oxbow lowered their property valuations by 80%. During the Cass County equalization meeting, the Cass County Commission raised the values for the 2011 tax year back to the value they were at before the City of Oxbow action to lower them by 80%.

For the 2012 tax year, the City of Oxbow requested that Cass County lower the City's property valuations by 50%. The Cass County Commission, in their role as the County Board of Equalization opted to leave the valuations at the initially established 2012 values. The City of Oxbow appealed this decision to the State Board of Equalization who lowered the values by 20%.

However, the Kindred Public School District did not see an actual tax revenue reduction in 2012 because the district levied the dollars and the county computed the mill levy to raise the dollars the district requested. The result of the devaluation of the Oxbow properties was a tax shift in which the property owners in the City of Oxbow will pay less in property taxes and the rest of



the property owners in the Kindred Public School District will pay more in property taxes to offset the lower taxes in Oxbow. The Kindred Public School District is not out any tax dollars, it is instead a redistribution of the tax burden.

The actual tax levy for the Kindred Public School District did not go up for the 2012 taxes, it went down from 187.91 mills to 179.22 mills due to an overall valuation increase of \$908,270, or 5.64%.

All entities that levy taxes in the City of Oxbow are affected similarly to the Kindred Public School District. The taxpayers in Cass County, Weed Control District, Vector Control District, Soil Conservation District, Garrison Diversion Conservancy District, State Medical School, Horace Rural Fire District, and the Southeast Cass Water Resource District are all affected by that lowered valuation. In the case of the City of Oxbow, to compensate for the reduced value, their mill levy went up from 35.08 to 53.57 for the General Fund.

Property values in the Oxbow area may increase over time if the ring levee concept is constructed, resulting in near 500-year flood protection for the communities. At such time, property tax revenue for the Kindred School district (and other entities) would likely increase.

Over the past several years, Cass County has purchased over \$16 million in property value and the City of Fargo has purchased about \$30 million in property value. These properties have largely been from the Fargo Public School and had a taxable value of about \$2 million.

Future Implications

Devaluation requests from other jurisdictions could be anticipated in the future.

As the Diversion Authority starts to acquire property for the FM Area Diversion Project, the property tax revenue will decrease without a mill levee adjustment.

The Flood Diversion Authority currently does not have a policy to address the loss of tax revenue associated with the FM Area Diversion Project. A Diversion Authority policy could include an option to provide jurisdictions payments in lieu of taxes for certain circumstances/conditions, for example.

AMENDMENT ONE to
Task Order No.2
Diversion Board of Authority
Fargo-Moorhead Area Diversion Project
Program Management Consultant – Basic Program Management Services

Item 5d. (2)

This Amendment No. 1 is to Task Order No.2, Program Management Consultant – Basic Program Management Services for the Fargo Moorhead Metro Flood Diversion Project.

The purpose of this Amendment is to extend the period of performance for services under Task Order No. 2, modify the Scope of Services, and modify the budget and payment provisions as described in this Amendment.

1. Modify the Scope of Services as follows:
 - a. Delete the following scope items:
 - i. 1.3.1 HSE (Health, Safety, and Environment)
 - ii. 1.3.2 Quality Management
 - iii. 3.3.4 Task Order Closeout
 - iv. 3.4.3 Project/Program Performance Portal
 - v. 3.5 GIS Development and Application
2. Modify the Scope not included in this Task Order as follows:
 - a. Replace "December 30, 2012" with "June 30, 2013"
 - b. Replace "\$29 million" with "\$29 million in FY13 funds and \$3.3 million in FY12 carry-over funds".
3. Modify the Time for Rendering Services as follows;
 - a. Replace "End December 30, 2012" with "End June 30, 2013".
4. Modify the Budget and Payments to ENGINEER as follows:
 - a. Increase the budgetary amount for services identified under this Task Order by \$2,900,000. Budget total as amended is \$5,000,000.
5. Add under Other Modifications to the Agreement:
 - a. For services rendered after December 28, 2012, revise the Labor Per Diem rates in Attachment A of the Agreement as follows:

Labor Classification	Attachment A Per Diem Rate (\$ per hour)	Revised Per Diem Rate without Expenses (\$ per hour)	Reduced Per Diem Rate (\$ per hour)
Deputy Program Manager	\$305	\$275	
Program Manager	\$325	\$295	
Principal in Charge	\$350		\$295 (capped rate)

- b. Add the following to Attachment A, Section D. EXPENSE PER DIEM:
 - i. For staff assigned to the project on a long-term basis under a "Temporary Project Assignment Agreement" project allowance, the project allowance will be invoiced on a monthly basis. The project allowance includes local living expenses and periodic transportation to and from the staff's home location.
- c. In Attachment A, replace "2012" with "2013".

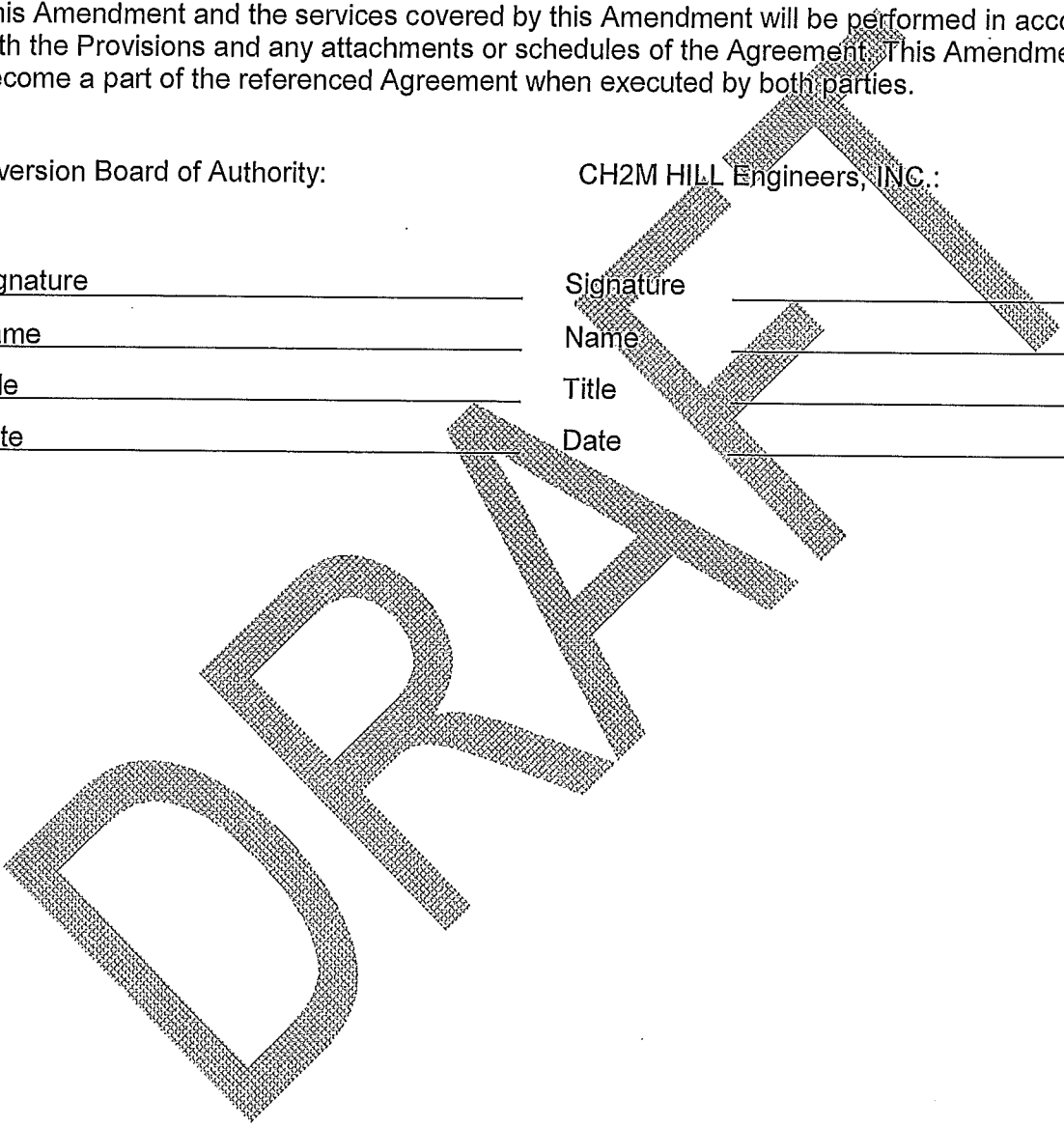
This Amendment and the services covered by this Amendment will be performed in accordance with the Provisions and any attachments or schedules of the Agreement. This Amendment will become a part of the referenced Agreement when executed by both parties.

Diversion Board of Authority:

CH2M HILL Engineers, INC.:

Signature _____
 Name _____
 Title _____
 Date _____

Signature _____
 Name _____
 Title _____
 Date _____





FM AREA DIVERSION PROJECT

Diversion Project Assessment Committee

DECISION PAPER NO.: **DP-00021**

Date: 12/13/2012

RECOMMENDED FOR DIVERSION AUTHORITY BOARD ACTION:

That the Diversion Board of Authority assign the Cass County Joint Water Resources District (CCJWRD) the responsibility of developing an assessment district for the North Dakota local cost share of the FM Area Diversion Project.

SUMMARY OF DECISION TOPIC:

Funding of the North Dakota local share of the FM Area Diversion Project is expected to come from sales taxes in the City of Fargo and Cass County. The voters of Fargo and Cass County have already given their approval for their sales taxes to be used for this purpose. During the initial planning and design phases of the Project the incoming sales tax will be sufficient to keep up with costs being incurred by the Diversion Authority. However, as the Diversion Authority expenditures increase to meet the required pace of design, land acquisition, and especially to fund construction, incoming sales taxes will not be sufficient to keep up with expenses. As such, one or more bond issues will become necessary to maintain proper cash flow for the FM Area Diversion Project.

Staff is currently looking at options on how to get the most funding at the lowest interest rate utilizing the two sales taxes. One bond financing option available is for both the City of Fargo and Cass County to issue sales tax bonds. However, there are several challenges associated with sales tax bonds. As such, for a variety of factors, it is recommended to pursue development of an assessment district backed by general obligation bonds. The attached article titled "Methods of Financing the North Dakota Local Cost Share of the Diversion Project" by Brian Neugebauer provides details of the challenges associated with sales tax bonds and advantages of utilizing the CCJWRD to develop an assessment district and issue general obligation improvement bonds. One of the primary benefits is to reduce the cost of financing while still utilizing sales tax proceeds as the funding source.

The CCJWRD maintains certain statutory rights under North Dakota Century Code to administer an assessment district of this sort. CCJWRD proposed to exercise these rights on behalf of and as a key member of the Flood Diversion Authority. The CCJWRD will form a Diversion Project Assessment Committee (DPAC) comprised of its Board Members as well as to be determined appointees from Cass County, City of Fargo, and City of West Fargo for the purposes of soliciting input to the process of developing the assessment district. The CCJWRD has established the attached suggested schedule of duties associated with forming the DPAC and developing the assessment district. The schedule of duties identifies the tasks for the CCJWRD and the Diversion Authority Finance Committee.

CCJWRD shall lead the DPAC and secure input from the Finance Committee, Public Outreach Committee, and Technical Advisory Staff, and work through the Finance Committee for reporting to the Diversion Board of Authority.

Attachment 1-Methods of Financing Article

Attachment 2-Schedule of Duties

Submitted by:



Tom O'Hara
CH2M HILL
Program Manager
Fargo-Moorhead Area Diversion Project

12/13/12

Date

Brian C. Berg, Clay County Administrator
Concur: 12/07/12 Non-Concur: _____

Michael J. Redlinger, Moorhead City Manager
Concur: 12/05/12 Non-Concur: _____

Keith Berndt, Cass County Administrator
Concur: 12/05/12 Non-Concur: _____

April Walker, Fargo City Engineer
Concur: 12/07/12 Non-Concur: _____

Mark Bittner, Fargo Director of Engineering
Concur: 12/07/12 Non-Concur: _____

Unavailable (12/07/12)
Pat Zavoral, Fargo City Administrator
Concur: _____ Non-Concur: _____

Unavailable (12/07/12)
David Overbo, Clay County Engineer
Concur: _____ Non-Concur: _____

Robert Zimmerman, Moorhead City Engineer
Concur: 12/05/12 Non-Concur: _____

Methods of Financing the North Dakota Local Cost Share of the Diversion Project

By Brian D. Neugebauer, Southeast Cass Water Resources District Bond Counsel, Ohnstad Twichell Attorneys

July 2012 “Diversion Dialogue” e-newsletter article

Although no final decisions have been made by the Diversion Authority on exactly how to fund the North Dakota local share of the Diversion Project, it is expected that sales taxes in the City of Fargo and Cass County will fund a lion’s share of that cost. The voters of Fargo and Cass County have already given their approval for their sales taxes to be used for this purpose. During the initial design phases, the incoming sales tax has been sufficient to keep up with costs being incurred by the Diversion Authority. However, as the Diversion Authority expenditures increase to step up the pace of design, to start land acquisition, and especially to fund construction, incoming sales taxes will not be sufficient to keep up with expenses. As such, one or more bond issues will become necessary to maintain proper cash flow for the Diversion Project.

Staff is now looking at options on how to get the most funding at the lowest interest rate utilizing the two sales taxes. The most obvious method is for both the City of Fargo and Cass County to issue sales tax bonds for that purpose. However, there are four problems with sales tax bonds. First, in order to be marketable, there must be substantial coverage for the proposed debt service. As a simple example, if the debt service on a sales tax bond was \$500,000 a year, there may be a need for \$725,000 of sales tax receipts a year. That is, to be marketable in the first place, many financial advisors suggest having 1.5 coverage for sales tax bonds. The reason for this is that bond buyers are concerned that the amount of sales tax receipts may go down in the future, so they want extra coverage to insure being paid. With the recent recession, many cities across the nation have had significant declines in their sales tax collections, which have made bond buyers even more concerned about coverage than in the past. The proper coverage requirement can be debated, but the higher the coverage provided, the lower the interest rate, and the lower the coverage provided, the higher the interest rate, until reaching a point where the bonds are not even marketable.

The second problem with sales tax bonds is that bond buyers also require that there be a reserve fund of about 10% of the issue size. Buyers are again worried about sales tax fluctuations, and the reserve fund gives them that protection. However, it also reduces by 10% the amount of bond proceeds available to pay the local share of the Diversion Project.

The third problem is that the market does not let the issuer take advantage of the sales tax receipts climbing during the term of the bond. For the same coverage reasons set out above, the market will only size a bond issue on past sales tax receipts, not projected sales tax receipts in the future, thus reducing the size of the bond issue.

The fourth problem is that sales tax bonds are not backed by the full faith and credit of the Issuer. When Fargo sells refunding improvement bonds, under North Dakota law, the bonds are backed by the full faith and credit of the City, and as a result, the interest rate is lower on those bonds than if Fargo issued sales tax bonds. With a higher interest rate, more sales tax receipts would be required to pay interest, making less revenue available to pay the local share of the Diversion Project.

With these factors in mind, staff has discussed another possible financing vehicle which would still use the two sales taxes of the City and County, but avoid the problem areas discussed above. That vehicle would be the issuance of an improvement bond by the Cass County Joint Water Resource District. Without getting into the details of such an issue, the Water Resource District does have the authority to issue an improvement bond and assess all benefitting property their proper proportion of the Project. That bond would be a general obligation of Cass County whose full faith and credit would be pledged for the payment of the bonds. As part of the documentation, the two sales taxes would be pledged as additional security for the payment of the Bonds, and in fact would be the sole, or at least primary, source of payment of the bonds. In that the bonds would be a general obligation of the county, the coverage issue and need for a reserve fund go away. In that the bonds are a general obligation of Cass County, the interest rate would be lower than a sales tax bond. Finally, the size of the issue could be based on a projection of future increases in the sales tax receipts over the entire term of the bonds, thus increasing the potential size of the bond issue.

For those outside the benefitting area of the Diversion Project, there is really almost no risk of Cass County ever having to levy a general tax on all property in the county to make up a deficiency in a bond payment. That is because the issue would be sized to be paid with the sales tax receipts. If for some reason they were insufficient, the full amount of the issue is also secured from special assessments from benefitting property. Those assessments would not be levied as long as sales tax receipts meet projections, but if the projected sales tax collections for the next year would not be sufficient to make bond payments, the Water Resource District could actually certify enough assessments to meet the shortfall. In effect, there would be double coverage on the Bonds, so the County general fund is really not at risk.

There are two other advantages of having the Water Resource District issue the bonds in the manner proposed above. First, after the project is constructed and the two sales taxes to pay for that construction end, there will still be a need to finance the operation and maintenance of the Diversion Project. The Water Resource District, under State law, can levy an ongoing maintenance levy for that purpose, and would be in a position to do so. Secondly, although again, no decisions have yet been made by the Diversion Authority, if more funding was required over and above what the two sales taxes could generate, a portion of the bonds could actually be paid by assessments.

It is likely, therefore, that in the future, the Diversion Authority will discuss the possibility of having the Water Resource District issue bonds for the Diversion Project in order to get lower interest rates, and to maximize the amount of the local share of the Diversion Project that can be paid with bond proceeds.

Suggested schedule of duties to develop an assessment district and bond sale by Cass County Joint Water Resource District (CCJWRD) for the North Dakota Local Cost Share of the FM Area Diversion Project

CASS COUNTY JOINT WATER RESOURCE DISTRICT (CCJWRD) Tasks:

- CCJWRD will form a ND FM Diversion Project Assessment Committee (DPAC) to consider and recommend a proposed assessment methodology, and to conduct public information meetings to prepare for an assessment vote to assist with financing for the ND local costs of the FM Area Diversion Project.
- CCJWRD will retain AE2S to serve as consultant engineer regarding assessment process. AE2S would prepare information for DPAC meetings and to conduct public information meetings regarding the proposed assessment district. AE2S will also assist CCJWRD in preparation of other documents necessary for the assessment process. AE2S would cooperate with CCJWRD staff (including consultants Moore Engineering and Ohnstad Twichell), the City of Fargo, the City of West Fargo, and Cass County as needed to prepare for DPAC meetings.
- CCJWRD will direct their staff engineer, Moore Engineering, to attend DPAC meetings and to advise CCJWRD throughout the assessment district process.
- CCJWRD and the DPAC will rely upon and coordinate the technical details of the Project with the US Army Corps of Engineers (USACE) and other consultants providing work-in-kind for the Project.
- CCJWRD will direct their staff attorney, Ohnstad Twichell, to represent CCJWRD and to conduct necessary legal work regarding the assessment district process, in accordance with the water resource district assessment process under North Dakota law. The CCJWRD staff attorney will work with the legal team representing the Flood Diversion Authority.
- CCJWRD will direct their office staff to support DPAC meetings as needed, including meeting preparation, preparation of requisite legal notices, and minute preparation and distribution. CCJWRD office staff will also provide meeting invitations to DPAC members, and meeting notices to other interested local entities, including the cities of Horace and Harwood, and to other interested local entities upon request.
- CCJWRD will participate as a member of DPAC.
- CCJWRD will provide final approval of Preliminary Assessment List and Final Assessment List.
- CCJWRD will conduct the WRD assessment process for an assessment district vote, and conduct the bond sale for financing a portion of the North Dakota local cost share of the FM Area Diversion Project after approval by the DPAC, the Flood Diversion Authority Finance Committee, and the Flood Diversion Authority Board.

DIVERSION AUTHORITY FINANCE COMMITTEE Tasks:

- The Finance Committee will determine the date to commence DPAC meetings, with the understanding the assessment process will likely take at least 8 months before vote and 11 months before bond sale.
- The Finance Committee will recommend the size and timing of bond sale to the Flood Diversion Authority Board for decision.
- The Finance Committee will coordinate with Program Management and Financial Management consultants to determine bond sale alternatives.
- The Finance Committee will recommend the total amount of benefits to be assessed to the Flood Diversion Authority Board for decision (example could be \$450 million or all of estimated ND local costs).
- The Finance Committee will recommend an amount of sales tax revenue to pledge to bond payments to the Flood Diversion Authority Board, City of Fargo, and Cass County for decision.

DIVERSION PROJECT ASSESSMENT COMMITTEE (DPAC) Tasks and Description:

- The DPAC would consist of 11 members, comprised of 5 CCJWRD board members, 2 members appointed by the city of West Fargo, 2 members appointed by the city of Fargo, and 2 members appointed by Cass County.
- A quorum of DPAC would require 3 CCJWRD members, and 6 DPAC members total.
- Meetings would require legal notice as CCJWRD meetings because a quorum of CCJWRD members would be present, and may also require legal notice as Diversion Authority meetings. CCJWRD office staff will prepare, file, and circulate notices as required by North Dakota's open meetings laws.
- Consensus will be sought for decisions by the DPAC. In the event of a roll call vote, a super majority (two thirds) of the members attending and majority of the CCJWRD members attending will be required.
- Develop assessment methodology.
- Conduct public informational meetings.
- Recommend approval of the Preliminary Assessment List to the Finance Committee, the Diversion Authority Board, and the CCJWRD Board.
- Recommend approval of Final Assessment List to the Finance Committee, the Diversion Authority Board, and the CCJWRD Board.

Berndt, Keith

From: Jeff Volk [JVolk@mooreengineeringinc.com]
Sent: Thursday, December 06, 2012 9:38 PM
To: Berndt, Keith
Cc: Bruce Spiller; Lee Beauvais; Greg Thielman
Subject: FM Metro Des
Attachments: 2013 Revised Rate Schedule - Appendix 2 to EXHIBIT C.pdf

Keith Berndt – Designated Owners Representative

The Houston-Moore Group respectfully requests a contact revision to adjust our billing rate schedule effective January 5, 2013. The proposed rate revision is approximately a 4% increase to the current rate schedule.

An annual rate schedule adjustment is provided in Exhibit C Article 2 Section C2.02 B. 6. of the owner-engineer agreement.

I have attached a proposed form of contract amendment for this request.

Please feel free to contact me if you have any questions.

Thank you for your consideration.

Jeffrey J. Volk, PE & RLS
President
Houston-Moore Group, LLC

President & CEO
moore engineering, inc.
925 10th Avenue East
West Fargo, ND 58078

Phone: 701-499-5814 Direct
Phone: 701-282-4692 Receptionist
Fax: 701-282-4530
e-mail: jvolk@mooreengineeringinc.com
Web: <http://www.mooreengineeringinc.com>

This is **Appendix 2 to EXHIBIT C**, consisting of _____ pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services – Task Order Edition** dated _____,

Standard Hourly Rates Schedule – Revised effective January 5, 2013

Current agreement for engineering services stipulates that the standard hourly rates are subject to review and adjustment per Exhibit C. Hourly rates for services after January 5, 2013 are revised as follows:

**Houston-Moore Group, LLC.
2013 Fee Schedule**

<u>Category</u>	<u>Rate/Hour</u>	<u>Category</u>	<u>Rate/Hour</u>
Principal Engineer	\$170.00	Senior GIS Project Manager	\$142.00
Senior Project Manager	\$164.00	GIS Manager	\$137.00
Senior Project Engineer	\$153.00	GIS Technician III	\$115.00
Project Manager	\$148.00	GIS Technician II	\$99.00
Professional Engineer	\$137.00	GIS Technician I	\$94.00
Project Engineer	\$121.00	Senior Land Surveyor	\$134.00
Graduate Engineer	\$104.00	Land Surveyor	\$121.00
Legislative/Grant Specialist	\$139.00	Survey Manager	\$115.00
ROW Coordinator	\$109.00	Graduate Land Surveyor	\$97.00
Senior Environmental Project Manager	\$165.00	GPS Survey Crew Chief	\$142.00
Senior Environmental Scientist	\$144.00	Survey Crew Chief	\$99.00
Environmental Scientist	\$124.00	Survey Tech III	\$77.00
Scientist	\$107.00	Survey Tech II	\$66.00
Graduate Scientist	\$97.00	Survey Tech I	\$55.00
Senior Designer	\$121.00	CADD Manager	\$115.00
Designer	\$102.00	CADD Technician III	\$109.00
Senior Construction Engineer	\$134.00	CADD Technician II	\$99.00
Construction Engineer	\$113.00	CADD Technician I	\$94.00
Graduate Construction Engineer	\$97.00	Administrative Assistant	\$68.00
Engineering Technician III	\$97.00	Receptionist	\$60.00
Engineering Technician II	\$87.00	Bookkeeper	\$82.00
Engineering Technician I	\$76.00	Business Manager	\$142.00
Technician Intern	\$67.00		

IN WITNESS WHEREOF, the parties hereto have executed this Amendment,
the Effective Date of which is indicated on Page 1.

FM Diversion Board of Authority

By: _____

Name: _____

Title: _____

Date: _____

Houston-Moore Group, LLC

By: _____

Name: _____

Title: _____

Date: _____

FM Diversion Authority
Fiscal Accountability Report Design Phase (Fund 790)
As of 11/30/2012

	2011	2012	Cumulative Totals
Revenues			
City of Fargo	443,138	5,569,210	6,012,348
Cass County	443,138	5,569,210	6,012,348
City of Moorhead / Clay County	98,475	1,237,602	1,336,077
State Water Commission (10% Cap)	-	-	-
Total Revenues	984,750	12,376,022	13,360,772
Expenditures			
7905 Army Corp Payments	-	-	-
7910 WIK - Administration	107,301	242,200	349,502
7915 WIK - Project Design	149,632	3,922,890	4,072,522
7920 WIK - Project Management	679,037	5,218,487	5,897,524
7925 WIK - Recreation	-	163,223	163,223
7930 LERRDS - North Dakota	48,664	2,802,473	2,851,137
7931 LERRDS - Minnesota	-	26,748	26,748
7940 WIK Mitigation - North Dakota	-	-	-
7941 WIK Mitigation - Minnesota	-	-	-
7950 Construction - North Dakota	-	-	-
7951 Construction - Minnesota	-	-	-
7955 Construction Management	-	-	-
7990 Project Financing	-	-	-
7995 Project Eligible - Off Formula Costs	-	-	-
7999 Non Federal Participating Costs	116	-	116
Total Expenditures	984,750	12,376,022	13,360,772

Date: 11/30/2012

**FM Diversion Authority
Summary of Cash Disbursements
Period November 2012**

Period/Year: 11/2012

Account Number	Check Date	Check Number	Vendor Name	Transaction Amount	Description 1	Project Number	Project Description
790-7910-429.33-20	11/29/2012	JB11120010	CITY OF FARGO	220.00	FISCAL SERVICES	V00102	General & Admin. WIK
Total Accounting Services \$				220.00			
790-7910-429.33-25	11/14/2012	233235	DORSEY & WHITNEY LLP	27,111.94	LEGAL SVCS THRU 9/30/12	V00101	Dorsey Whitney Legal WIK
Total Legal Services \$				27,111.94			
790-7915-429.33-05	11/21/2012	233739	URS CORPORATION	994.17	THROUGH 8/10/12	V01002	NW Alignment Survey-URS
	11/21/2012	233739	URS CORPORATION	12,594.16	THROUGH 9/7/12	V01002	NW Alignment Survey-URS
	11/21/2012	233739	URS CORPORATION	7,932.03	THROUGH 10/12/12	V01002	NW Alignment Survey-URS
	11/28/2012	233839	HOUSTON-MOORE GROUP LLC	390,008.53	9/11-30/12	V01603	CR-81 & I29 BRIDGE DESIGN
	11/28/2012	233839	HOUSTON-MOORE GROUP LLC	6,038.55	9/1-30/12	V01607	RECREATION/USE MASTER PLAN
	11/28/2012	233839	HOUSTON-MOORE GROUP LLC	23,012.88	9/1-30/12	V01608	WORK-IN-KIND (WIK)
	11/28/2012	233839	HOUSTON-MOORE GROUP LLC	15,204.35	9/1-30/12	V01609	HYDROLOGY/HYDRAULIC MODEL
Total Engineering Services \$				455,784.67			
790-7920-429.33-05	11/28/2012	233839	HOUSTON-MOORE GROUP LLC	72,740.27	9/1-30/12	V01601	HMG - PROJECT MANAGEMENT
Total Engineering Services \$				72,740.27			
790-7930-429.33-05	11/21/2012	233739	URS CORPORATION	12,625.39	THROUGH 7/13/12	V01001	URS Corp. - PED
	11/21/2012	233739	URS CORPORATION	12,346.65	THROUGH 8/10/12	V01001	URS Corp. - PED
	11/17/2012	232897	CASS COUNTY JOINT WATER RESOURCE DI	48,138.28	RIGHT OF ENTRY REIMBURSE	V01201	Cass Joint Water ROE
	11/28/2012	233839	HOUSTON-MOORE GROUP LLC	158,530.85	9/1-30/12	V01602	CR-31 BRIDGE DESIGN
	11/28/2012	233839	HOUSTON-MOORE GROUP LLC	72,646.50	9/1-30/12	V01604	CR-32 & CR-22 BRIDGE DSGN
	11/28/2012	233839	HOUSTON-MOORE GROUP LLC	76,827.28	9/1-30/12	V01604	CR-32 & CR-22 BRIDGE DSGN
	11/28/2012	233839	HOUSTON-MOORE GROUP LLC	53,694.89	9/1-30/12	V01606	LAND MANAGEMENT SERVICES
	11/28/2012	233839	HOUSTON-MOORE GROUP LLC	870.50	9/1-30/12	V01610	UTILITIES DESIGN
Total Engineering Services \$				435,680.34			

Date: 11/30/2012

**FM Diversion Authority
Summary of Cash Disbursements
Period November 2012**

Period/Year: 11/2012

Account Number	Check Date	Check Number	Vendor Name	Transaction Amount	Description 1	Project Number	Project Description
790-7930-429.33-25	11/17/2012	232897	CASS COUNTY JOINT WATER RESOURCE DI	23,113.23	RIGHT OF ENTRY REIMBURSE	V01201	Cass Joint Water ROE
	11/14/2012	233216	CASS COUNTY JOINT WATER RESOURCE DI	55,312.46	FM METRO FEASIBILITY STUDY	V01201	Cass Joint Water ROE
Total Legal Services \$				78,425.69			
790-7930-429.34-65	11/17/2012	232897	CASS COUNTY JOINT WATER RESOURCE DI	8,250.00	RIGHT OF ENTRY REIMBURSE	V01201	Cass Joint Water ROE
	11/14/2012	233216	CASS COUNTY JOINT WATER RESOURCE DI	26,500.00	FM METRO FEASIBILITY STUDY	V01201	Cass Joint Water ROE
Total Right of Entry Requests \$				34,750.00			
790-7930-429.71-30	11/28/2012	233928	RED RIVER TITLE SERVICES INC	250.00	ABSTRACT UPDATE-HORNBACHE	V01702	ND LAND PURCHASE-HARDSHIP
	11/28/2012	233928	RED RIVER TITLE SERVICES INC	170.00	ABSTRACT UPDATE-HUBER	V01702	ND LAND PURCHASE-HARDSHIP
	11/28/2012	233856	KENNELLY & OKEEFFE (ACQUISITIONS)	216,401.85	105 OXBOW DR HARDSHIP PUR	V01702	ND LAND PURCHASE-HARDSHIP
	11/28/2012	233857	KENNELLY & OKEEFFE (ACQUISITIONS)	342,601.87	744 RIVERBEND HARDSHIP PU	V01702	ND LAND PURCHASE-HARDSHIP
Total Land Purchases \$				559,423.72			
790-7930-429.71-31	11/14/2012	233216	CASS COUNTY JOINT WATER RESOURCE DI	13,500.00	FM METRO FEASIBILITY STUDY	V01201	Cass Joint Water ROE
Total Easements \$				13,500.00			
790-7931-429.34-65	11/14/2012	233378	OHNSTAD TWICHELL PC	2,685.00	RED RIVER DIVERSION PROJ	V01301	City of Moorhead ROE
Total Right of Entry Requests \$				2,685.00			
Total Disbursed for Period \$				1,680,321.63			

**FM Diversion Authority
Outstanding Contracts
As of November 30, 2012**

Project Number	Account Number	PO No.	Vendor No.	P.O. Date	Vendor	Encumbered	Liquidated	Balance
V00101	790-7910-429.33-25	F12217	9367	12/31/2011	DORSEY & WHITNEY LLP	52,102.12	52,102.12	-
V00101	790-7910-429.33-25	146629	9367	1/18/2012	DORSEY & WHITNEY LLP	52,679.63	52,679.63	-
V00101	790-7910-429.33-25	F12289	9367	2/21/2012	DORSEY & WHITNEY LLP	58,693.38	58,693.38	-
V00101	790-7910-429.33-25	F12293	9367	2/21/2012	DORSEY & WHITNEY LLP	1,600.00	1,600.00	-
V00101	790-7910-429.33-25	156087	9367	10/15/2012	DORSEY & WHITNEY LLP	86,960.88	86,960.88	-
V00101	790-7910-429.33-25	157021	9367	11/9/2012	DORSEY & WHITNEY LLP	27,111.94	27,111.94	-
V00101	790-7910-429.33-25	157608	9367	11/29/2012	DORSEY & WHITNEY LLP	9,138.50	-	9,138.50
V00102	790-7910-429.38-99	F11738	20660	11/15/2011	GALLAGHER BENEFIT SERVICES INC	250.00	250.00	-
V00102	790-7910-429.31-10	F11749	646	11/15/2011	FORUM COMMUNICATIONS (ADVERT)	494.24	494.24	-
V00102	790-7910-429.31-10	F11750	646	11/15/2011	FORUM COMMUNICATIONS (ADVERT)	345.97	345.97	-
V00102	790-7910-429.31-10	F11751	646	11/15/2011	FORUM COMMUNICATIONS (ADVERT)	296.56	296.56	-
V00102	790-7910-429.31-10	F11752	646	11/15/2011	FORUM COMMUNICATIONS (ADVERT)	17.05	17.05	-
V00102	790-7999-729.68-30	PCARD	18009	12/20/2011	GOOGLE LOVEINTHEOVEN	116.00	116.00	-
V00102	790-7910-429.31-10	F12082	647	12/31/2011	FORUM COMMUNICATIONS (LEGAL)	2,224.20	2,224.20	-
V00102	790-7910-429.38-69	F12079	8645	12/31/2011	SEIGEL COMMUNICATIONS SERVICE	1,490.00	1,490.00	-
V00102	790-7910-429.53-60	F12218	13981	12/31/2011	NORTH DAKOTA TELEPHONE CO	81.20	81.20	-
V00102	790-7910-429.33-20	AJ	COF	2/1/2012	CITY OF FARGO	1,300.00	1,300.00	-
V00102	790-7910-429.55-10	F12256	20829	2/14/2012	BROKERAGE PRINTING	153.85	153.85	-
V00102	790-7910-429.55-10	F12256	20829	2/14/2012	BROKERAGE PRINTING	202.10	202.10	-
V00102	790-7910-429.52-30	F12595	1772	4/16/2012	WARNER & CO	4,975.00	4,975.00	-
V00102	790-7910-429.33-20	AJ	COF	5/25/2012	CITY OF FARGO	1,850.00	1,850.00	-
V00102	790-7910-429.33-25	151789	16872	6/15/2012	ERIK R JOHNSON & ASSOCIATES	673.20	673.20	-
V00102	790-7910-429.33-25	151876	16872	6/19/2012	ERIK R JOHNSON & ASSOCIATES	1,309.00	1,309.00	-
V00102	790-7910-429.33-20	AJ	COF	6/25/2012	CITY OF FARGO	340.00	340.00	-
V00102	790-7910-429.33-25	152528	1286	7/10/2012	OHNSTAD TWICHELL PC	1,903.50	1,903.50	-
V00102	790-7990-429.34-55	152692	20174	7/16/2012	PFM ASSET MANAGEMENT LLC	140,000.00	-	140,000.00
V00102	790-7910-429.33-20	AJ	COF	7/27/2012	CITY OF FARGO	240.00	240.00	-
V00102	790-7910-429.33-25	153237	1286	7/31/2012	OHNSTAD TWICHELL PC	728.50	728.50	-
V00102	790-7910-429.38-99	153670	13981	8/9/2012	NORTH DAKOTA TELEPHONE CO	71.60	71.60	-
V00102	790-7910-429.38-99	154211	13981	8/23/2012	NORTH DAKOTA TELEPHONE CO	90.60	90.60	-
V00102	790-7910-429.33-20	AJ	COF	8/30/2012	CITY OF FARGO	280.00	280.00	-
V00102	790-7910-429.33-20	AJ	COF	9/26/2012	CITY OF FARGO	320.00	320.00	-

**FM Diversion Authority
Outstanding Contracts
As of November 30, 2012**

Project Number	Account Number	PO No.	Vendor No.	P.O. Date	Vendor	Encumbered	Liquidated	Balance
V00102	790-7910-429-38-99	155381	13981	9/27/2012	NORTH DAKOTA TELEPHONE CO	87.40	87.40	-
V00102	790-7910-429-33-20	AJ	COF	10/30/2012	CITY OF FARGO	410.00	410.00	-
V00102	790-7910-429-33-20	AJ	COF	11/28/2012	CITY OF FARGO	220.00	220.00	-
V00102	790-7910-429-33-25		16972	11/30/2012	ERIK R. JOHNSON & ASSOCIATES	16,826.60	-	16,826.60
V00201	790-7920-429-33-79	144170	20663	11/18/2011	CH2M HILL ENGINEERS INC	1,908,938.41	1,908,938.41	-
V00202	790-7920-429-33-79	148611	20663	3/15/2012	CH2M HILL ENGINEERS INC	3,500,000.00	3,360,649.86	139,350.14
V00203	790-7920-429-33-79	154940	20663	9/17/2012	CH2M HILL ENGINEERS INC	2,100,000.00	-	2,100,000.00
V00301	790-7910-429-38-69	143936	11604	11/16/2011	ADVANCED ENGINEERING INC	50,000.00	50,000.00	-
V00401	790-7915-429-33-06	143937	165	11/16/2011	BRAUN INTERTEC CORP	54,060.00	43,620.00	10,440.00
V00501	790-7915-429-33-06	143938	165	11/16/2011	BRAUN INTERTEC CORP	36,150.00	34,009.00	2,141.00
V00601	790-7915-429-33-06	144975	20729	12/13/2011	IN SITU ENGINEERING	54,800.00	47,973.00	6,827.00
V00701	790-7915-429-33-05	144866	20723	12/9/2011	MINNESOTA DNR	346,100.00	230,550.00	115,550.00
V00801	790-7915-429-33-05	146973	801	1/27/2012	HOUSTON ENGINEERING INC	99,200.00	92,424.03	6,775.97
V00802	790-7915-429-33-05	146974	801	1/27/2012	HOUSTON ENGINEERING INC	195,000.00	70,742.30	124,257.70
V00803	790-7915-429-33-05	146975	801	1/27/2012	HOUSTON ENGINEERING INC	73,000.00	47,124.46	25,875.54
V00804	790-7925-429-33-05	148054	801	2/29/2012	HOUSTON ENGINEERING INC	175,200.00	163,222.91	11,977.09
V00805	790-7915-429-33-05	148058	801	2/29/2012	HOUSTON ENGINEERING INC	102,340.00	94,786.00	7,554.00
V00806	790-7915-429-33-05	148078	801	2/29/2012	HOUSTON ENGINEERING INC	152,755.51	108,369.87	44,385.64
V00901	790-7915-429-33-05	146976	1118	1/27/2012	MOORE ENGINEERING INC	93,765.00	92,291.55	1,473.45
V00902	790-7915-429-33-05	146977	1118	1/27/2012	MOORE ENGINEERING INC	145,050.00	135,231.99	9,818.01
V00903	790-7915-429-33-05	146978	1118	1/27/2012	MOORE ENGINEERING INC	152,330.00	142,924.27	9,405.73
V00904	790-7930-429-33-05	148055	1118	2/29/2012	MOORE ENGINEERING INC	130,866.00	78,760.62	52,105.38
V00905	790-7930-429-33-05	148056	1118	2/29/2012	MOORE ENGINEERING INC	33,125.00	32,727.08	397.92
V00906	790-7915-429-33-05	148057	1118	2/29/2012	MOORE ENGINEERING INC	8,340.00	8,326.50	13.50
V00907	790-7915-429-33-05	148077	1118	2/29/2012	MOORE ENGINEERING INC	183,920.00	164,867.66	19,052.34
V01002	790-7915-429-33-05	148086	17791	2/29/2012	URS CORPORATION	480,488.42	213,920.32	266,568.10
V01201	790-7930-429-33-25	F12069	19734	12/31/2011	CASS COUNTY JOINT WATER RESOUR	16,708.86	16,708.86	-
V01201	790-7930-429-34-65	F12069	19734	12/31/2011	CASS COUNTY JOINT WATER RESOUR	22,452.50	22,452.50	-
V01201	790-7930-429-33-25	149405	19734	4/10/2012	CASS COUNTY JOINT WATER RESOUR	20,652.04	20,652.04	-
V01201	790-7930-429-34-65	149405	19734	4/10/2012	CASS COUNTY JOINT WATER RESOUR	62,467.05	62,467.05	-
V01201	790-7930-429-33-05	156814	19734	11/5/2012	CASS COUNTY JOINT WATER RESOUR	48,138.28	48,138.28	-
V01201	790-7930-429-33-25	156814	19734	11/5/2012	CASS COUNTY JOINT WATER RESOUR	23,113.23	23,113.23	-
V01201	790-7930-429-34-65	156814	19734	11/5/2012	CASS COUNTY JOINT WATER RESOUR	8,250.00	8,250.00	-

**FM Diversion Authority
Outstanding Contracts
As of November 30, 2012**

Project Number	Account Number	PO No.	Vendor No.	P.O. Date	Vendor	Encumbered	Liquidated	Balance
V01201	790-7930-429-33-25	157055	19734	11/9/2012	CASS COUNTY JOINT WATER RESOUR	55,312.46	55,312.46	-
V01201	790-7930-429-34-65	157055	19734	11/9/2012	CASS COUNTY JOINT WATER RESOUR	26,500.00	26,500.00	-
V01201	790-7930-429-71-31	157055	19734	11/9/2012	CASS COUNTY JOINT WATER RESOUR	13,500.00	13,500.00	-
V01301	790-7915-429-33-05	147745	1118	2/17/2012	MOORE ENGINEERING INC	5,558.50	5,558.50	-
V01301	790-7931-429-33-25	F12593	1286	4/16/2012	OHNSTAD TWICHELL PC	1,408.00	1,408.00	-
V01301	790-7931-429-33-05	149869	1118	4/23/2012	MOORE ENGINEERING INC	1,780.00	1,780.00	-
V01301	790-7931-429-33-25	150230	1286	5/3/2012	OHNSTAD TWICHELL PC	2,029.50	2,029.50	-
V01301	790-7931-429-33-25	150961	1286	5/23/2012	OHNSTAD TWICHELL PC	220.50	220.50	-
V01301	790-7931-429-33-25	151790	1122	6/15/2012	MOORHEAD, CITY OF	15,062.90	15,062.90	-
V01301	790-7931-429-33-25	152058	1286	6/27/2012	OHNSTAD TWICHELL PC	410.00	410.00	-
V01301	790-7931-429-33-25	154504	1286	9/4/2012	OHNSTAD TWICHELL PC	1,373.50	1,373.50	-
V01301	790-7931-429-33-25	154505	1286	9/4/2012	OHNSTAD TWICHELL PC	676.50	676.50	-
V01301	790-7931-429-33-25	156088	1286	10/15/2012	OHNSTAD TWICHELL PC	1,102.50	1,102.50	-
V01301	790-7931-429-34-65	157054	1286	11/9/2012	OHNSTAD TWICHELL PC	2,685.00	2,685.00	-
V01501	790-7915-429-74-10	150960	19581	5/23/2012	GEOKON INC	33,815.36	33,815.36	-
V01601	790-7920-429-33-05	151232	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	2,036,675.00	622,585.78	1,414,089.22
V01602	790-7930-429-33-05	151233	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	871,000.00	365,380.34	505,619.66
V01603	790-7915-429-33-05	151234	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	2,333,300.00	1,300,541.73	1,032,758.27
V01604	790-7930-429-33-05	151235	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	1,421,000.00	713,454.28	707,545.72
V01605	790-7915-429-33-05	151236	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	915,000.00	773,794.39	141,205.61
V01606	790-7930-429-33-05	151237	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	538,103.00	153,696.37	384,406.63
V01607	790-7915-429-33-05	152022	21007	6/25/2012	HOUSTON-MOORE GROUP LLC	240,000.00	67,217.91	172,782.09
V01608	790-7915-429-33-05	152023	21007	6/25/2012	HOUSTON-MOORE GROUP LLC	727,330.00	439,150.74	288,179.26
V01609	790-7915-429-33-05	152024	21007	6/25/2012	HOUSTON-MOORE GROUP LLC	289,341.00	66,442.60	222,898.40
V01610	790-7930-429-33-05	152025	21007	6/25/2012	HOUSTON-MOORE GROUP LLC	94,000.00	30,774.40	63,225.60
V01611	790-7930-429-33-05	155529	21007	10/2/2012	HOUSTON-MOORE GROUP LLC	771,000.00	-	771,000.00
V01612	790-7930-429-33-05	155530	21007	10/2/2012	HOUSTON-MOORE GROUP LLC	665,000.00	-	665,000.00
V01613	790-7915-429-33-05	157599	21007	11/29/2012	HOUSTON-MOORE GROUP LLC	425,000.00	-	425,000.00
V01701	790-7930-429-71-30	155627	7198	10/3/2012	NORTHERN TITLE CO	484,016.00	484,016.00	-
V01702	790-7930-429-71-30	157394	20529	11/21/2012	KENNELLY & OKEEFFE	216,401.85	216,401.85	-
V01702	790-7930-429-71-30	157470	20529	11/26/2012	KENNELLY & OKEEFFE	342,601.87	342,601.87	-

**FM Diversion Authority
Outstanding Contracts
As of November 30, 2012**

Project Number	Account Number	PO No.	Vendor No.	P.O. Date	Vendor	Encumbered	Liquidated	Balance
V01702	790-7930-429-71-30	F13677	11046	11/26/2012	RED RIVER TITLE SERVICES INC	250.00	250.00	-
V01702	790-7930-429-71-30	F13678	11046	11/26/2012	RED RIVER TITLE SERVICES INC	170.00	170.00	-
V01801	790-7930-429-33-05	155531	1714	10/2/2012	ULTEIG ENGINEERS INC	100,000.00	-	100,000.00
V01901	790-7930-429-33-05	155469	21258	10/1/2012	PROSOURCE TECHNOLOGIES, INC	100,000.00	-	100,000.00
V02001	790-7930-429-33-91	157598	10078	11/29/2012	COLDWELL BANKER	4,346.77	-	4,346.77
V02101	790-7930-429-33-05	157607	12775	11/29/2012	RED RIVER BASIN COMMISSION	500,000.00	-	500,000.00
						\$23,978,763.53	\$13,360,772.69	\$10,617,990.84

Erik R. Johnson & Associates, Ltd
Attorneys at Law
 505 Broadway - Suite 206
 Fargo, ND 58102
 (701) 280-1901

City of Fargo -- Auditor's Office
 Attn: Kent Costin
 200 North 3rd Street
 Fargo, ND 58102

Invoice

Date	8/25/2012
Invoice #	

Description	Amount
Metro Flood Project--Nancy Morris Legal Services -- July 26 - Aug 25th, 2012: 7/26/2012 RFQ re:property managers review0.3 7/27/2012 review corr; review S&C0.3 7/27/2012 review E. Dodds comments re: RFQ0.2 7/31/2012 Revise RFQ1.6 8/2/2012 Revise RFQ. Corr. w/ Jon and Eric1.1 8/2/2012 RFQ property - oc/w Joe Turman0.4 8/3/2012 Attend2 8/13/2012 tc/w review FOIA request0.5 8/13/2012 Ulteig Land Management Contract - review corr: corr0.5 8/16/2012 review revised Ulteig contract, corr1.6 8/17/2012 admin meeting1.8 8/17/2012 corr re: Ulteig contract; finalize0.8 8/21/2012 Review final draft of Ulteig contract; revise; correspondence re rates, etc.1.8 8/23/2012 review retention policy0.3 8/24/2012 review corr re: Ulteig final contracts0.2 Total Hrs: 13.4 hrs	2,164.10
<p><i>790-7900-429-33-25</i></p> <p><i>" FM Diversion legal cost</i></p> <p><i>June - Aug 2012"</i></p> <p><i>PJ = V00102</i></p>	
<i>Thank you for your business.</i>	Total \$16,826.60

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City of Fargo -- Auditor's Office
 Attn: Kent Costin
 200 North 3rd Street
 Fargo, ND 58102

Invoice

Date	8/25/2012
Invoice #	

Description	Amount
Metro Flood Project -- Erik Johnson legal services -- July 26-Aug 25th, 2012: 7/26/2012 Finalize letter to AG office re: general meeting; collect emails re: ELC meeting; finalize appendix and confirm details with O'Hara2.5 7/31/2012 TCW Cattanach and Drysdale and Pat Zavoral; then a meeting with large group re: extension of Ltd. JPA and followup with PZ and TCW Cattanach and Drysdale again re: Molly Hunt meeting and coordinate meeting for next 2 days3 7/31/2012 TCW Lynn Ender10.3 7/31/2012 TCW Dorsey; TCW Molly Hunt; emails1 8/2/2012 work on amendment to JPA & circulate, tc/w Martin Nicholson; call w/ Waters and O'Hara2.4 8/3/2012 make revisions to Amendment to JPA and tc/w Martin; attend conf call w/ Dorsey and attend Tech Advisory meeting3.2 8/6/2012 Revise Ltd. JPA and re-circulate1 8/6/2012 TCW Bob Cattanach and Pat Zavoral0.3 8/6/2012 TCW Brian Neugebauer; revise Ltd. JPA drafts0.3 8/7/2012 Arrange for conference call with Dorsey and CH2M; review Design Agreement, IDR and regs; attend conference call1.5 8/7/2012 Conference call1.3 8/9/2012 Attend meeting of Board of Authority2 8/10/2012 E-mail to Kerns re: wrap-up insurance0.2 8/13/2012 Conference with Cattanach and Zavoral0.4 8/13/2012 Prepare for call and call Jim Kerns re: insurance coverage RFI; e-mail to Cattanach re: litigation issues1.3 8/15/2012 Metro Flood project...0.5 8/15/2012 Conference call with Dorsey0.7 8/20/2012 Work on letter to Col. Price and coordination of final issues1 8/21/2012 Conference call with Cattanach, Drysdale and Pat Zavoral re: JDR and rate issue0.7 8/22/2012 Flood buyout meeting and followup with Nancy3.7 8/24/2012 Gene Barr call and e-mail to Dorsey0.3 8/24/2012 TCW Bob Cattanach and Mike Drysdale0.9 Total Hrs: 28.5 hrs	5,329.50
<i>Thank you for your business.</i>	Total

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 Fargo, ND 58102

Invoice

Date	8/25/2012
Invoice #	

Description	Amount
6/29/2012 review corr, HMG contract re: Insurance0.5	
6/29/2012 HMG re: insurance, oc/w Erik re: fed statutes, etc0.6	
6/29/2012 review corr re: FY13 payments credits0.2	
7/9/2012 oc/w Erik re: credit and contract levy etc, corr re: meeting0.2	
7/9/2012 review land mgmt contract, contract counsel0.5	
7/9/2012 rOE Monson- File aff of serv re: Kristi Diekrager0.2	
7/9/2012corr w/ Erik Dodds re: Lease0.1	
7/9/2012 tc/w Nate Buller re: land mgmt contract1	
7/11/2012 Hardship lease policy - conf w/ Joe T. re Lease Agmts0.2	
7/11/2012 Land Management Contract - corr w/ PMC re: contract terms0.3	
7/11/2012 corr w/ Joe re: terms; corr w/ PMC0.2	
7/12/2012 oc/w Joe Turman et al; Discussion/ contract discussion and oc/w Jon D.2	
7/12/2012 DA meeting1.6	
7/13/2012 review JPA amendment0.5	
7/16/2012 Land Mgmt Contract, contact counsel review, corr w/ Jon D.0.4	
7/17/2012 review corr re leases0.2	
7/17/2012 review corr & contract re: property mgmt services0.5	
7/19/2012 Land Mgmt Agmt revise Ulteig contract, draft corr re: terms2.2	
7/19/2012 conf call re: Levee v. dam, research 49GFR 24 re: federal acquisitions1.9	
7/20/2012 admin meeting1.8	
7/23/2012 review land management materials0.5	
7/23/2012 land management contract1.2	
7/25/2012 corr re: revised land mgmt contract - Ulteig & Pro Service0.3	
Total Nancy Morris Time: 32.2 hrs	
<i>Thank you for your business.</i>	Total

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 Attn: Kent Costin
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 Fargo, ND 58102

Invoice

Date	8/25/2012
Invoice #	

Description	Amount
Metro Flood Project -- Erik Johnson legal services -- June 26-July 25th: 6/27/2012 Review lease for Oxbow homes0.5 6/27/2012 Conference with Eric Dodds re: lease and markup2.4 6/28/2012 review corps safety assessment1.5 6/29/2012 Attend staff advisory meeting1.5 6/29/2012 Conference call with Cattanach and Drysdale re: their meeting with Corps1.5 7/5/2012 Open meeting letter; review matter and draft and send letter to Mary Kae Kelsch1.3 7/5/2012 Conference call with Dorsey and call to Odegaard; emails to staff1 7/12/2012 attend mtg w/ Joe Turman re: buyouts at Oxbow and followup with Nancy, Jon & Eric1.2 7/12/2012 work on letter to Corps from the Div Authority0.6 7/12/2012 prep for meeting w/ Martin Nicholson re: JPA reauthorization-review draft; conf w/ Martin/ attend Diversion Auth mtg.3.1 7/13/2012 Metro Flood open record letter; revise0.6 7/13/2012 Coordinate meetings0.4 7/19/2012 call w/ Dorsey re: legal issues2.2 7/20/2012 attend adv meeting1.5 7/23/2012 conf call w/ Cattanach re: CH2M Hill and Corps & follow-up to call1.5 7/24/2012 Conference with Jim Kerns re: insurance0.3 7/25/2012 Finalize open meeting letter response1 Total Hrs 22.1 hrs	4,132.70
Metro Flood Project--Nancy Morris legal services--June 26th-July 25th: 6/26/2012 revise disposition policy, continued draft of lease agmt, oc/w erik1.7 6/26/2012 oc/w Erik re: dam v. levee, review corr0.3 6/27/2012 lease draft2.8 6/27/2012 review land management contract, revise0.8 6/27/2012 dam v. Levee corr0.1 6/27/2012 oc/w Erik, Eric & Jon re: lease terms, policy, land mgmt. agmt1.5 6/28/2012 review corr re: land mgmt contract0.2 6/28/2012 revise lease agmt & policy terms0.7 6/28/2012 revise lease, corr2.3 6/28/2012 land management contract review, task orders & corr, contact counsel0.7 6/28/2012 corr w/ Eric Dodds re: Lease final2 6/28/2012 contact Joe Roach re: terms0.1 6/29/2012 review Admin meeting agenda0.3 6/29/2012 attend admin staff meeting1.6	5,200.30
<i>Thank you for your business.</i>	Total



Office of the City Attorney

City Attorney
Erik R. Johnson

Assistant City Attorneys
Nancy J. Morris
Jason T. Loos

City Prosecutors
Jodi A. Bass
Scott O. Diamond

November 27, 2012

Mr. Kent Costin
Finance Director
City of Fargo
200 North Third Street
Fargo, ND 58102

Re: Red River Diversion Project

Dear Kent:

I am enclosing a Summary Invoice dated November 20, 2012 from the Dorsey & Whitney Firm in Minneapolis for their professional services rendered through October 31, 2012 on the Red River Diversion Project. If you have any questions, please feel free to contact me. Please remit payment directly to Dorsey Whitney.

Sincerely,

A handwritten signature in black ink, appearing to be "ERJ", written over a horizontal line.

Erik R. Johnson

ERJ/jmf
Enclosure
cc: Pat Zavoral





MINNEAPOLIS OFFICE
612-340-2600

RECEIVED NOV 26 2012

(Tax Identification No. 41-0223337)

STATEMENT OF ACCOUNT FOR PROFESSIONAL SERVICES

Fargo-Moorhead Flood Diversion Bd of Authority
c/o Erik R. Johnson & Associates, Ltd.
Attn: Erik Johnson
505 Broadway, Suite 206
Fargo, ND 58102.

November 20, 2012
Invoice No. 1837578

Client-Matter No.: 491379-00001
Red River Diversion Project

For Legal Services Rendered Through October 31, 2012

INVOICE TOTAL

Total For Current Legal Fees	\$9,138.50
Total For Current Invoice	\$9,138.50

Summary of Account

*Prior Balance Due	\$27,111.94
Total Amount Due	\$36,250.44

pd 11/9/12
KJZ

*If payment has been submitted for prior balance due, please disregard.

For your convenience, please remit payment to the address below or we offer the option of remitting payment electronically by wire transfer. If you have any questions regarding this information, please contact the lawyer you are working with on this project or Dorsey's Accounts Receivable Department at 1-800-861-0760. Thank you.

Mailing Instructions:
Dorsey & Whitney LLP
P.O. Box 1680
Minneapolis, MN 55480-1680

Wire Instructions:
U.S. Bank National Association
800 Nicollet Mall
Minneapolis, MN 55402

ABA Routing Number: 091000022
Account Number: 1602-3010-8500
Swift Code: USBKUS44IMT

Please make reference to the invoice number

Service charges are based on rates established by Dorsey & Whitney. A schedule of those rates has been provided and is available upon request. Disbursements and service charges, which either have not been received or processed, will appear on a later statement.

ALL INVOICES ARE DUE 30 DAYS FROM DATE OF INVOICE UNLESS OTHERWISE EXPRESSLY AGREED BY DORSEY & WHITNEY

Worden, Heather

From: Stoick, Cindy
Sent: Friday, December 07, 2012 2:22 PM
To: Worden, Heather
Subject: FW: Diversion property purchases

From: Montplaisir, Michael
Sent: Thursday, November 29, 2012 3:40 PM
To: Stoick, Cindy
Subject: FW: Diversion property purchases

Cindy, this should be on the bill list for the December Finance meeting.

Thanks, we don't have an invoice, just this e-mail.

Michael Montplaisir, CPA
Cass County Auditor
montplaisirm@casscountynd.gov
701-241-5600

From: Kent Costin [<mailto:KCostin@cityoffargo.com>]
Sent: Wednesday, November 28, 2012 11:40 AM
To: Montplaisir, Michael; Kim Nichols
Cc: mwagner@fmrealestate.com; {Flood Diversion}-Zavoral, Pat; Berndt, Keith
Subject: RE: Diversion property purchases

We will process a check for the amount requested that should be ready to go next Wednesday.

Thanks,

Kent

From: Montplaisir, Michael [<mailto:MontplaisirM@casscountynd.gov>]
Sent: Wednesday, November 28, 2012 11:13 AM
To: Kim Nichols
Cc: mwagner@fmrealestate.com; Kent Costin; Pat Zavoral; Berndt, Keith
Subject: RE: Diversion property purchases

I am not sure if I am the person you will be primarily working with or not, once we got the management contract in place and scheduled the closing we kind of took it off our plate I guess. I arranged for the insurance and utility switch simply because someone needed to do it. It is something that I hope we discuss on Friday because someone needs authorization to do these things without overstepping their authority. I was not aware of the home inspection requirement although it is a good idea – hopefully we can talk about that also on Friday.

All checks come from the City of Fargo who is the fiscal manager of the dollars and I assumed we would need to get some funds to you for the insurance and the deposit into the owners account.

Kent, can you take care of that and we will put it on the next Finance Committee Agenda to approve retroactively.

Michael Montplaisir, CPA
Cass County Auditor
montplaisirm@casscountynynd.gov
701-241-5600

From: Kim Nichols [<mailto:knichols@fmrealestate.com>]
Sent: Wednesday, November 28, 2012 11:03 AM
To: Montplaisir, Michael
Cc: mwagner@fmrealestate.com
Subject: RE: Diversion property purchases

Hi Mike: Are you the person that I will be primarily working with on the Diversion Houses?

We received the bill from Dawson Insurance today for 2 houses in the amount of \$3,346.77. We will need funds to pay this and we also had requested to start out with a balance of \$1,000 and maintain that balance during the management of the properties. We will also need a signed contract on the properties. I emailed Nancy Morris regarding a final management contract approved by the Board. Possibly this is planned for the Friday meeting? I believe the Diversion had agreed to have a home inspection done so we would need a copy of that also for our files.

A check for \$4,346.77 could be sent to Coldwell Banker
P.O. Box 9379
Fargo, ND 58106

Thanks!
Kim Nichols
Property Supervisor
COLDWELL BANKER
701-239-2642
www.fmrealestate.com

From: Montplaisir, Michael [<mailto:MontplaisirM@casscountynynd.gov>]
Sent: Tuesday, November 27, 2012 1:55 PM
To: Kim Nichols
Cc: 'Mark Wagner'
Subject: RE: Diversion property purchases

I am not sure who is going to obtain keys but I will make sure that it happens. We have an administrative meeting on Friday so we may discuss it at that time.

Michael Montplaisir, CPA
Cass County Auditor
montplaisirm@casscountynynd.gov
701-241-5600

From: Kim Nichols [<mailto:knichols@fmrealestate.com>]
Sent: Tuesday, November 27, 2012 1:33 PM
To: Montplaisir, Michael
Cc: 'Mark Wagner'
Subject: RE: Diversion property purchases

Okay, will someone contact me about meeting at the property possibly and getting keys etc. for this home?

Kim Nichols
Property Supervisor
COLDWELL BANKER
701-239-2642
www.fmrealestate.com

From: Montplaisir, Michael [<mailto:MontplaisirM@casscountynd.gov>]
Sent: Tuesday, November 27, 2012 10:20 AM
To: Kim Nichols
Cc: 'Mark Wagner'
Subject: RE: Diversion property purchases

Kim, just to let you know, because I didn't know and I hate being in the dark. I just talked to Lyle Hornbacher – 105 Oxbow Drive. We are closing on that house tomorrow and they will be moving he thinks next Monday. He doesn't have a mover lined up as of yet, they are closing on the house they are purchasing this week also so they are in a bit of a transition.

I'll be signing the insurance applications today to get the homes insured and will call Cass County Electric on the billing information for the utilities.

Michael Montplaisir, CPA
Cass County Auditor
montplaisirm@casscountynd.gov
701-241-5600

From: Kim Nichols [<mailto:knichols@fmrealestate.com>]
Sent: Monday, November 26, 2012 1:17 PM
To: Montplaisir, Michael
Cc: 'Mark Wagner'
Subject: RE: Diversion property purchases

Hello Michael:

For the insurance billing our mailing address is Coldwell Banker, P.O. Box 9379, Fargo, ND 58106. Once rented, the utilities would go into the tenant's names. If vacant between tenants, then they could be mailed to Coldwell Banker for payment with the name of the Diversion Authority % Coldwell Banker, P.O. Box 9379, Fargo, ND 58106.

Thank you,
Kim Nichols
Property Supervisor
COLDWELL BANKER
701-239-2642
www.fmrealestate.com

From: Montplaisir, Michael [<mailto:MontplaisirM@casscountynd.gov>]
Sent: Friday, November 23, 2012 9:06 AM
To: Kim Nichols (knichols@fmrealestate.com)
Cc: {Flood Diversion}-Costin, Kent
Subject: Diversion property purchases

Kim, I was given your contact information for the management of the houses that the Diversion Authority is purchasing. I am working with Dawson Insurance to insure the two houses that we will be purchasing in the next two weeks so that we have coverage on the day we purchase them. I will also contact Cass County Electric and have the utilities put in the name of the Diversion Authority as the property is acquired. For now I'll have the bills sent here and pay them through the Diversion Authority but once we get them rented we should direct them to send the billings to you to pay through the rents. Can you give me the billing instructions for the properties once that happens.

Thanks

Michael Montplaisir, CPA
Cass County Auditor
montplaisirm@casscountynd.gov
701-241-5600



**US Army Corps
of Engineers**
St. Paul District

Monthly Update

December 13, 2012

Since the last Diversion Authority meeting, the following project-related activities were worked on.

1. All Corps-led design efforts are on schedule and under budget.
2. Reach 1: Preparing FTR for ATR/Sponsor review on 18 January
3. Reach 2: Completed DTR ATR/Sponsor review on 26 November.
4. Reach 3: Preparing 90% ATR/Sponsor Review of Railroad bridge design.
5. Reaches 4 and 5: Preparing DTR submittal for ATR/Sponsor review on 22 Mar 13
6. Drayton Dam: Released EA for 30-day public review on December 7.
7. Wild Rice Mitigation: Finalizing PER document.
8. Geomorphology Workshop held with MnDNR on December 10.
9. Continuing National Environmental Policy Act (NEPA) process to address project modifications.
10. Preparing for Oxbow Area public meetings
11. Wrapped up Phase II Cultural surveys for 2012.



Phase II Cultural Study Sheyenne River, Reach 1 – November 2012

Milestones for FY 13

	Outlet/Reach 1	Reach 2	Reach 4/Rush	Reach 5/Lower Rush	Drayton Dam
Submit PER to ATR/sponsors	16-Mar-12	31-Jul-12	27-Aug-12	27-Aug-12	16-May-12
PER - Comments back from ATR/sponsors	29-Mar-12	14-Aug-12	13-Sep-12	13-Sep-12	23-May-12
Submit DTR to ATR/sponsors	16-Jul-12	13-Nov-12	22-Mar-13	22-Mar-13	13-Sep-12
DTR - Comments back from ATR/sponsors	23-Jul-12	27-Nov-12	29-Mar-13	29-Mar-13	20-Sep-12
Submit FTR to ATR/sponsors	18-Jan-13	22-Mar-13	27-Aug-13	27-Aug-13	29-Jan-13
FTR - Comments back from ATR/sponsors	25-Jan-13	29-Mar-13	3-Sep-13	3-Sep-13	6-Feb-13
Submit final P&S for BCOE	1-Feb-13	13-May-13	11-Oct-13	11-Oct-13	25-Mar-13
P&S completed	12-Apr-13	21-Jul-13	13-Dec-13	13-Dec-13	5-Jun-13

	Reach 3 - RR
Submit 50% to ATR/Sponsors	19-Oct-12
50% comments back from ATR/Sponsors	2-Nov-12
Submit 90% to ATR/Sponsors	21-Dec-12
90% - Comments back from ATR/Sponsors	20-Jan-13
P&S completed	

Definitions:

PER: Preliminary Engineering Report or 35% Plans and Specifications

DTR: Draft Technical Review or 65% Plans and Specifications

FTR: Final Technical Review or 95% Plans and Specifications

ATR: Agency Technical Review



USACE Outstanding Planning Achievement Award - December 2012



Red River Basin Commission

Vision: A Red River Basin where residents, organizations and governments work together to achieve basin-wide commitment to comprehensive integrated watershed stewardship and management.

Mission: To create a comprehensive integrated basin-wide vision, to build consensus and commitment to the vision, and to speak with a unified voice for the Red River Basin.

**REPORT: FM-DBA
13 DECEMBER 2012**

**HALSTAD UPSTREAM RETENTION (HUR) MODELING:
Retention Site Modeling for Mainstem and Regional Impacts and Prioritization**

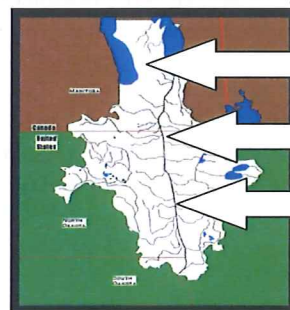
- Retention and Modeling Background
- Project Phases: I, II, and III
- **Phase I: Project Description**
 - **Retention Site Modeling for Mainstem and Regional Impacts & Prioritization: Upstream of Halstad**
- **Phase I: Structure and Roles**
 - **Governance Committee**
 - **Technical Modeling Committee**
 - **Long Term Flood Solutions (LTFS) Implementation Committee**

RETENTION AND MODELING BACKGROUND

Retention throughout the Red River Basin is a key component for reducing damages from floods. Retention is a major component of the Long Term Flood Solutions Recommendations/Report (LTFS) that Minnesota and North Dakota jointly funded through the Red River Basin Commission (RRBC). The LTFS identifies a target mainstem flow reduction goal of 20%. The LTFS recognizes that retention benefits begin at the local level and are initiated there but that there are basin wide benefits based on cumulative impacts.

The LTFS 20% flow reduction goals are based on models that were developed up to and through the 1997 flood. Since then **new models** have been developed **based on more recent floods**. The USACE has now developed an unsteady flow model (HEC/RAS) from Lake Traverse to the International Boundary. The USACE is also in the process of developing hydrologic (HMS) models for each sub-watershed in the U.S. The HMS Models to Halstad are now complete. In addition there is also a Synthetic Flood Model that has been developed. And finally, work is currently underway by RRBC and other partners in Manitoba to gather data of the same caliber as the in the U.S. portion of the basin and then develop similar models in Manitoba for a basin wide flood flow reduction strategy.

FUTURE PROJECT: PHASES I, II, and III



Phases I, II, and III

Phase III, To Lake Winnipeg

Phase II, To Int'l Boundary

Phase I, To Halstad

Phase I: Upstream of Halstad: Modeling will occur to show the impacts on the mainstem Red River and the region upstream of Halstad from sub-watershed retention sites currently or in progress of being identified by local water boards in Minnesota and North Dakota. Once modeled, these sites will be prioritized for mainstem, local and regional benefits. Engineering and construction can then occur as

landowner buy-in, funding and permits become available. The modeling in Phase I will use the new models upstream of Halstad with funding generated through the FM-Diversion Board of Authority (FM-DBA) and RRBC as the project manager.

Phase II: Halstad to the International Boundary: Doing the same to the International Boundary, once the remaining new models come on line and the funding can be secured through other sources. Funding through the USACE Mainstem Feasibility Study will be explored.

Phase III: International Boundary to Lake Winnipeg: Doing the same in Manitoba to Lake Winnipeg, once the MB LiDAR collect and new models are complete and compatible with U.S. data and models. RRBC is working with Provincial Government, Federal Governments and others on this effort.

RRBC is positioned to assist with all three phases of this effort which initially links to and flows from the LTFS Project. The LTFS identified 20% mainstem flow reduction goals is the accepted basin wide guide for measuring retention activities. More specific site identification (underway by others) and impacts on the local area, downstream areas, the region and the mainstem Red River utilizing the new HEC/RAS, HMS, and Synthetic models is the logical next step in updating the LTFS and to begin retention activities that have the greatest positive impacts.

PHASE I: PROJECT DESCRIPTION

Phase I of the project is now possible because the models upstream of Halstad are complete and ready to be used. Phase I of the project is a modeling effort that will model the impacts of retention sites, currently or in the progress of being identified through local water boards in Minnesota and North Dakota, and then prioritizing the sites based on local, regional, mainstem and FM area benefits. This will pave the way for engineering and construction of retention sites as landowner buy-in, funding and permits become available. Phase I of the project has been funded by the FM-DBA with RRBC as project manager. RRBC will utilize the expertise of the states, province, and federal agencies; local water boards; FM Technical Team; and engineers and others previously connected to the LTFS effort.

The Phase I effort will begin with a **review of the current models** with a twofold goal: 1) agreement and buy-in by the states, province, federal, and local technical team on the models and 2) directives for model requirements to be used in the RFP for the eventual contractor to do the retention site mainstem and regional impact modeling.

Phase I modeling will utilize retention sites that have been identified in sub-watersheds by local Watersheds in Minnesota and local Water Resource Districts in North Dakota, and these **retention sites will be modeled, to show mainstem and regional benefits** (that also address local needs) upstream of Halstad that can be considered for engineering and construction.

Prioritization of these Phase I modeled sites will be achieved by guidance and input from the local Watershed Districts in Minnesota, the local Water Resource Districts in North Dakota, the MN and ND Joint Water Boards, the Red River Retention Authority (RRRA), and the LTFS Implementation Committee. The RRRA will be asked to lead the prioritization effort for the regional perspective that links to local needs.

Specific prioritization for the FM project will occur as the FM-DBA develops their funding criteria with input from the FM Technical Team and the LTFS Implementation Committee.

PHASE I: STRUCTURE and ROLES

Governance Committee

SWC, DNR, MIT, RRBC
States/Province

Establish Technical Sub-Committee	1 Month
Approve Model use and project Design	4 Months
Assist in Contractor Selection	4 Months
Track Project	Project Duration
Accept Modeling Report	
Accept Retention Prioritization Report	
Integrate Retention in State Priorities	

Technical Modeling Committee

DNR, SWC, FM-DA, USACE, MIT

Review Current Models	4 Months
Agree on Models and Information In the Models & Recommendations	4 Months

LTFS Implementation Committee

RRBC LTFS Committee
Local/State/Federal
& Basin Linkages

All Tech Modeling Committee

Advise on RFP & Contractor Selection	4 Months
Link to LTFS Recommendations/Rpt	Project Duration & Ongoing
Link to Technical Committee	Project Duration
Input to Contract Modeler	Project Duration
Input to Prioritization Effort	Project Duration

PHASE I: FM-DBA FUNDING

FM-DBA Funding Approved: 11 October 2012: RRBC funded at \$500,000 from the FM-DBA for Phase I modeling effort for retention site mainstem and regional impact modeling and prioritization upstream of Halstad.

Activities through 8 November 2012

16 October: Report to RRWMB: of project and goals to MN Red River Management Board. Discussions of how this fits with their Watershed District plans, identified retention sites, and their current site identification efforts using the Project Management Tool (LiDAR and Decision Support).

29 October: RRBC South Valley Initiative Meeting: in Hankinson that covers the southern part of the Red River Basin (MN, ND, and SD). There was a presentation and discussion on retention in the southern area by Moore Engineering. There was an update on the FM Diversion Project by Eric Dodds. Mark Brodshaug, RRBC Chair of NRFP Goal # 6, Reducing Damages from Flooding, talked about the Halstad Upstream Retention (HUR) Modeling project that RRBC has received funding from the FM-DBA to manage. He reviewed the project scope and goals and invited those interested to join the LTFS Implementation Committee, which will provide guidance and input into the HUR Modeling Project related to the models used and scenarios modeled. The outcomes from the HUR Modeling project (using the new models) will be added to the LTFS Report/Recommendations to update the 1997 Mike 11 modeling that was used at that time.

31 October: Prioritization Initial Meeting: Initial discussions with the Red River Retention Authority (RRRA) regarding the HUR Modeling project and prioritization needs after the modeling results are received. Discussions focused on prioritization differences for local, mainstem, regional, basin, and FM area needs. The goal will be to continue these discussions and see how these needs can be connected into a prioritization process that begins with local needs, that provides larger scale benefits all the while recognizing landowner buy-in, funding, and permitting realities. Attendance: Pat Downs (RRRA), Keith Weston (NRCS), Rodger Olson (FM-DBA/Cass Joint WRD/Maple WRD), Mark Brodshaug (Cass Joint/SE Cass WRD, RRBC LTFS Implementation Committee Chair, Randy Gjestvang (NDSWC, ND-RRJWRDB), Dan Thul (MNDNR, MN-RRWMB) and Lance Yohe (RRBC).

HUR Modeling Technical Committee: The HUR Modeling Technical Committee has been established and a meeting date is being determined. Minnesota state: Dan Thul, Jim Solstad and Suzanne Jiwani; North Dakota state: Randy Gjestvang and Tim Fay; USACE: Aaron Snyder and ACE modelers TBD; NRCS: modeler TBD; FM DBA: Mark Bittner, Bob Zimmerman, Keith Berndt, and April Walker. Rodger Olson and Darrell Vanyo for the FM-DBA and Mark Brodshaug for RRBC will stay linked to this effort.

LTFS Implementation Committee: A meeting will be scheduled for early in January. The LTFS Implementation Committee will be the ongoing main committee for the project. The following will be invited to be on this committee: HUR Technical Committee (see above); MN Watershed Districts: Boise de Sioux, Buffalo-Red, and Wild Rice; ND Water Resource Districts: Barnes, Ransom, Sargent, Richland, Cass Joint, and Trail; the RRWMB and RRJWRD Board Chairs, RRRA, NRCS, USACE, Engineering Firms: Barr, Houston, Moore, HDR, Ulteig, Interstate, Lightowler Johnson, and WSN; FM DBA; MinnDak Upstream; Downstream Citizen Group; and others who express interest. The goal of this committee is to provide the opportunity for input and guidance to the modeling scenarios, to increase understanding of the modeling outcomes, and to generate buy-in to the modeling results.

HUR Governance Committee: Will receive the results of the HUR Technical Committee and assist in RFP scoping. Manitoba has been asked to join Minnesota and North Dakota in assisting RRBC in this effort, so that eventually a basin wide initiative can be accomplished.

Activities Through 13 December 2012

13 November: Presentation to Red River Retention Authority: on the project, the committee structures, the goals, and the connection to the engineering and construction interests of the FM-DA. The RRRRA was encouraged to meet with the FM-DA staff and begin discussion on the engineering and construction funds.

19 November: HUR Modeling Technical Committee: met for a briefing on the project and the models that have been developed and to begin discussions on what model to use on the project and scenarios that should be modeled. The discussion led to the preliminary decision to use the Synthetic Model that has been developed and to model the 10, 25, 50, and 100 Synthetic Rainfall events and the 100 year Synthetic Runoff event. Another meeting in early January will be scheduled. Attendees Included:

- **HUR Modeling Technical Committee Members:**
 - **FM-DA:** Mark Bittner & April Walker - Fargo, Bob Zimmerman - Moorhead, and Tim Solberg – Cass Co.
 - **State:** Jim Solstad & Dan Thul – MN DNR and Tim Faye & Randy Gjestvang – ND SWC.
 - **Federal:** Aaron Snyder & Scott Jutila – USACE.
- **Others:** Dave Jones – Federal NRCS; Matt Marosek – FM-DA CH2MHill; Rodger Olson – FM-DA Cass Joint WRDs; Lance Yohe RRBC; Presenters: Greg Thompson & Jerry Benz – Houston Eng. and Chad Engels & Lee Beauvais – Moore Eng.

20 November: Presentation to Oxbow City Council: and citizens who attended to go over the project goals and answer questions. The City Council and FM MN-DAK were invited to have representatives on the LTFS Implementation Committee for the HUR.

26 November: Presentation to Buffalo Red Watershed District – MN: on the project, the committee structures, the goals, and the connection to the engineering and construction interests of the FM-DA that would have applicability to the BRWD if they have projects identified and ready to move forward that provide mainstem benefits upstream of Halstad. The BRWD was invited to have representatives on the LTFS Implementation Committee for the HUR.

30 November: Presentation to Minnesota Association of Watershed Districts: (with Jon Roeschlein BdeS WD) to the state wide watershed districts at their annual meeting, to present the Long Term Flood Solutions Project, the link to Bois de Sioux Watershed District for sites that address the 20% mainstem flow reduction goals, and the HUR Modeling Project to further refine sites and mainstem impacts to begin engineering and construction of projects.

5 December: Presentation to North Dakota State Water Convention: (with Mark Brodshaug Cass Joint WRD Board) to state wide water resource districts at their annual meeting, to present the Long Term Flood Solutions Project, the link to 20% mainstem flow reduction goals, the HUR Modeling Project and to link to work currently being done in ND watersheds to further identify sites that will be modeling for mainstem impacts to begin engineering and construction of projects.

12 December: Presentation to Wild Rice Watershed District: on the project, the committee structures, the goals, and the connection to the engineering and construction interests of the FM-DA that would have applicability to the BRWD if they have projects identified and ready to move forward that provide mainstem benefits upstream of Halstad. The BRWD was invited to have representatives on the LTFS Implementation Committee for the HUR.

The Red River Basin Commission

218-291-0422

Lance Yohe, Executive Director: lance@redriverbasincommission.org

www.redriverbasincommission.org



Summary of Response to City of Oxbow Levee Structure Demands

FM AREA DIVERSION PROJECT

Date: 12/13/2012

Summary of Response to City of Oxbow Levee Structure Demands

FOR DISCUSSION AT LAND MANAGEMENT COMMITTEE

The FM Area Diversion Project will result in impacts to the City of Oxbow, village of Hickson, and Bakke Subdivision (O/H/B). The city of Oxbow has submitted a list of 12 demands to the USACE and Flood Diversion Authority for review and response. These demands may or may not represent the concerns of Hickson and Bakke. This paper provides a summary of the demands and responses by the USACE and the Flood Diversion Authority. A more detailed description of the demands and responses will be included in the January Board packet.

Summarization of Questions and Answers

1. **Demand (D).** Support Oxbow request to relocate CapX2020 power line within protected area.
Response (R). The Corps or the Authority do not have any authority over the location but would communicate alignment change to power company. (NO BOARD ACTION REQUIRED.)
2. **D.** Identify impacts on FEMA flood insurance program and Federal recovery assistance.
R. The ring levee will be constructed according to 44CFR65.10 and the community will be expected to comply with the NFIP. (NO BOARD ACTION REQUIRED.)
3. **D.** Ensure relocated golf course holes are designed by Robert Trent Jones Jr and other facilities are comparably to current facilities.
R. The Corps will follow federal guidelines for the relocation of facilities and have authorized the use of Robert Trent Jones, Jr as a consultant. If the ring levee concept goes forward, the course will be designed by Robert Trent Jones, Jr. Corps will allow, but it may be considered a betterment and not be creditable. (BOARD CONFIRMATION IN JANUARY)
4. **D.** Build necessary infrastructure replacing lots displaced by the levee structure.
R. New residential lots will replace the existing lots on a one-for-one basis (40 lots for Oxbow; 2 for Bakke). Infrastructure to support the lots will be installed to match existing. Corps will allow all 40, but some may be considered a betterment and not be creditable. (BOARD CONFIRMATION IN JANUARY)
5. **D.** Offer buyouts to all Oxbow/Hickson/Bakke residents who do not want to live within the levee structure.
R. The Corps will only buyout properties directly impacted by the construction. At this time, the Authority does not have a policy to buyout properties beyond those covered by the Federal guidelines. The Authority is willing to consider early construction of the levees to remove uncertainty, help stabilize property values, and allow sellers to market their homes. (BOARD CONFIRMATION IN JANUARY)



Summary of Response to City of Oxbow Levee Structure Demands

6. **D.** Exempt residents from any future assessment needed to fund the diversion project.
R. This request will be considered as the general assessment plan for this project is developed.
(BOARD CONFIRMATION IN JANUARY)
7. **D.** Authority assumes responsibilities of the Operations and Maintenance of the levee structure.
R. The Authority will provide the O&M as part of the entire Diversion Project per the future Project Partnership Agreement. (NO BOARD ACTION REQUIRED.)
8. **D.** Authority pays off remaining balance on outstanding bonds issued (approximately \$800,000) owed by the City of Oxbow for those properties not covered by the buyouts.
R. The Authority will consider this or other incentives keeping residents in the communities as the Staging Area Mitigation policy is developed. (BOARD CONFIRMATION IN JANUARY)
9. **D.** Ensure the Federal appraisal process is used as the basis of valuation and Bank of ND makes financing available to any potential qualified homeowner/buyer.
R. Per Corp policy, real estate acquisitions will be based on a takings analysis when designed and acquired in compliance with Public Law 91-646. The Authority will work to educate the Bank of ND and local banks providing lenders but the Corp or Authority have no authority regarding bank lending policies. (NO BOARD ACTION REQUIRED.)
10. **D.** Prepare a Feasibility Study on the acreage needed for retention for a 3 ft levee structure.
R. The Corp will not prepare a separate Feasibility Study for the potential Oxbow levee alignment. Information and previous studies related to existing data on retention will be provided to the communities of O/H/B. Information provided will be current available data; no new models will be developed for this effort. (NO BOARD ACTION REQUIRED.)
11. **D.** Prepare a Feasibility Study on the acreage needed for retention if the dam structure was eliminated from the project,
R. Same response as #10. (NO BOARD ACTION REQUIRED.)
12. **D.** Prepare a Feasibility Study on the impacts of the 2009 flood in Oxbow, identify reasons Oxbow experience a near 100 year event, while Fargo experience a 50 year event.
R. Same as #10 (NO BOARD ACTION REQUIRED.)

Suggested Path Forward for Response to Oxbow Levee Structure Demands

1. Initial staff responses to demands have been shared with the Corps Project Deliver Team (PDT) including Mayor Nyhof.
2. PDT and PMC to work with Diversion Authority Staff in December to finalize recommendation for those responses requiring Board action in January.
3. Initial responses to be presented to Oxbow/Hickson/Bakke residents at January 8 Community Meeting and January 9 & 10 land owner meetings.
4. Diversion Authority Board reviews and confirms formal responses to demands #3, #4, #5, #6 and #8 at January 10 Board Meeting.

No specific written policy needed at this time. Just looking for confirmation from both the Land Management committee and the Board that there is agreement with the following statement:

In order to provide early protection and reduce uncertainty for communities/ property owners in the Staging Area, the Diversion Authority is willing to fund mitigation measures like ring dikes or levee early in the project timeline and even prior to authorization.

and all supporting infrastructure

If a community or property owner decides not to accept the early protection offered, then property acquisition will follow the federal guideline and timeline (which currently calls for acquisition no earlier than 2018 for property in the Staging Area).

A motion to support this statement should be made and voted on.