

**METRO FLOOD DIVERSION AUTHORITY
FEBRUARY 27, 2020—3:30 PM**

1. MEETING TO ORDER

A meeting of the Metro Flood Diversion Authority was held Thursday, February 27, 2020, at 3:30 PM in the Fargo City Commission Chambers with the following members present: Fargo City Mayor Tim Mahoney; Fargo City Commissioner Tony Grindberg; Moorhead City Mayor Johnathan Judd; Moorhead City Council Member Chuck Hendrickson; Moorhead City Council Member Shelly Carlson; Cass County Commissioner Mary Scherling; Cass County Commissioner Chad Peterson; Cass County Commissioner Rick Steen via conference call; Clay County Commissioner Kevin Campbell; Cass County Joint Water Resource District Manager Rodger Olson; and West Fargo City Mayor Bernie Dardis. Fargo City Commissioner Dave Piepkorn; Clay County Commissioner Grant Weyland; and West Fargo City Commissioner Mike Thorstad were absent. Tom Dawson, Chairman of the Chamber Business Leaders Task Force, was also present.

2. MINUTES APPROVED

MOTION, passed

Mrs. Scherling moved and Mr. Peterson seconded to approve the minutes from the January 30, 2020, meeting as presented. Motion carried.

3. AGENDA ORDER

MOTION, passed

Mr. Grindberg moved and Mr. Peterson seconded to approve the order of the agenda. Motion carried.

4. CONSENT AGENDA BRIEFING

Joel Paulsen, Executive Director, is recommending that contracting actions already approved by the committees be placed on a consent agenda for approval. He said items could still be pulled to the regular agenda for discussion if board members had questions. He believes this process will be more efficient and provide more time for other business to be discussed.

5. CONSENT AGENDA APPROVED

MOTION, passed

Mrs. Scherling moved and Mr. Grindberg seconded to approve the consent agenda as follows. On roll call vote, the motion carried unanimously.

- Eide Bailly Audit Engagement Agreement—services to audit financial statements of the Diversion Authority for FY2017 through FY2019 in the amount of \$70,000;
- Houston-Moore Group, LLC (Amended Master Services Agreement)—professional services extending the agreement until April 3, 2020, with no change in the fees;
- Houston-Moore Group, LLC (Task Order 1, Amendment 15)—extend the period of performance until December 31, 2020, and add 2020 subtask budgets in the amount of \$501,073 associated with project management;
- Advanced Engineering and Environmental Services aka AE2S (Master Services Agreement)—professional services agreement to contract directly with the Diversion Authority to expire December 31, 2026, for a reduction in sub-consultant markup;
- Advanced Engineering and Environmental Services aka AE2S (Task Order 1)—consultant services for management of lands program, outreach, and legislative services and to support development of public-private partnership (P3) as it relates to the lands program and outreach in the amount of \$16,175,200;

- Schmidt and Sons Construction, Inc. (Change Order 2)—addition of three properties for mitigation prior to March 27, 2020, and extend the term of the contract to August 28, 2020, in the amount of \$75,555.

6. EXECUTIVE DIRECTOR REPORT

Mr. Paulsen said the overall cost-to-date is \$528 million. He reviewed information available on the financial dashboard to help track costs in real time.

Mr. Paulsen discussed strategic initiatives as follows:

- FY2020 budget for the Army Corp of Engineers includes \$100 million for the project;
- Consultant contract savings of \$2 million as a result of AE2S being removed from the Jacobs contract scope as a subcontractor;
- Interviews for the Executive Assistant position and posting of the Communications Director and Engineering Director positions;
- Release of the P3 Draft 4 Request for Proposals (RFP) and procurement schedule;
- Office of State Engineer to consider the updated mitigation plan the end of March.

7. PUBLIC PRIVATE PARTNERSHIP (P3) EDUCATIONAL SESSION

Mr. Paulsen said today is the first educational session regarding the P3 procurement process. Each month a new topic will be discussed with the board. Today the focus is on risk transfer.

Attorney John Shockley said risk transfer is a management and control strategy that involves contractual shifting of a risk from one party to another. He discussed the difference between traditional design-bid-build and P3 contracts and the risks of each one.

8. CORPS OF ENGINEERS UPDATE

Mr. Paulsen provided a report for Terry Williams, Project Manager from the Corps of Engineers. He said according to Ms. Williams the project is on time and within budget. The physical model of the Red River control structure, located at a research center in Vicksburg, Mississippi, is being studied and will provide cost savings in the project design. Mr. Paulsen traveled to St. Paul and met with staff from the Corps this week. He said communication protocol is being developed to ensure Mr. Paulsen and Corps staff maintain contact with one another on the project.

9. ADMINISTRATIVE/LEGAL UPDATE

WIFIA events update

Mr. Shockley provided a monthly update on the schedule of events associated with the Water Infrastructure Finance and Innovation Act (WIFIA) loan through the Environmental Protection Agency (EPA). He said the formal application needs to be submitted on April 1st, so it will be on the next board agenda for approval.

10. PUBLIC OUTREACH UPDATE

Committee report

Mr. Olson said the Public Outreach Committee did not meet this month.

Business Leaders Task Force Update

Mr. Dawson said the task force needs to determine what they want to accomplish in its role to support the project and its goal of permanent flood protection for the entire area. He said the task force will hold a meeting in April with Mr. Paulsen to determine how it may assist in the efforts.

11. **LAND MANAGEMENT**

Committee report

Mrs. Scherling said the Land Management Committee did not meet this month because there were no policy recommendations to address; however, she said land acquisitions and other activities continue. Eric Dodds from AE2S said since the last meeting, five parcels have been acquired, environmental monitoring easements on properties owned by local governments continue to be secured, and agricultural impact mitigation plans continue to be refined.

Property Acquisition Status Report

The Property Acquisition Status Report is updated monthly and shows the status of all parcels required for the project. The information is helpful to understand all the land purchases taking place and to monitor their progress.

12. **FINANCE UPDATE**

Committee report

The Finance Committee met on February 26th. Mr. Grindberg referred to the financial report and said the net cash position is \$94.5 million.

MOTION, passed

Mr. Grindberg moved and Mr. Peterson seconded to receive the financial report as presented. On roll call vote, the motion carried unanimously.

Voucher approval

The bills for the month are with Cass County Joint Water Resource District (CCJWRD) for costs associated with the Metro Flood Diversion right-of-entry and land acquisitions, Diversion Project assessment (DPAC) expenses, OHB levee, and in-town levees; Dorsey & Whitney for legal services; Ohnstad Twichell, P.C. for legal services; Cass County for reimbursement of Executive Director expenses; and F-M Sertoma Club for a holiday lights display in Lindenwood Park.

MOTION, passed

Mr. Grindberg moved and Mr. Judd seconded to approve the vouchers received through February 21, 2020, in the amount of \$1,877,551.11. On roll call vote, the motion carried unanimously.

13. **RECOMMENDED CONTRACTING ACTIONS**

The contracting actions were approved under the consent agenda.

14. **NEXT MEETING DATE**

The next meeting is scheduled for Thursday, March 26, 2020.

15. **ADJOURNMENT**

MOTION, passed

On motion by Mr. Judd, seconded by Mr. Peterson, and all voting in favor, the meeting was adjourned at 4:14 PM.