

**METRO FLOOD DIVERSION AUTHORITY  
OCTOBER 17, 2018—1:44 PM**

**1. MEETING TO ORDER**

A special meeting of the Metro Flood Diversion Authority was held Wednesday, October 17, 2018, at 1:44 PM in the Fargo City Commission Room with the following members present: Moorhead City Mayor Del Rae Williams; Clay County Commissioner Kevin Campbell; Clay County Commissioner Grant Weyland; Fargo City Mayor Tim Mahoney; Fargo City Commissioner Dave Piepkorn; Cass County Commissioner Mary Scherling; Cass County Commissioner Chad Peterson; Cass County Commissioner Rick Steen; Cass County Joint Water Resource District Manager Dan Jacobson; and West Fargo City Mayor Bernie Dardis. Moorhead City Council Member Chuck Hendrickson; Moorhead City Council Member Joel Paulsen; and Fargo City Commissioner Tony Grindberg were absent.

Also present were U.S. Senator John Hoeven; Major General Scott Spellmon, U.S. Army Corps of Engineers Deputy Commanding General for Civil and Emergency Operations; Colonel Sam Calkins, Commander of the Corps of Engineers, St. Paul District; Judy DeHarnais, Corps of Engineers Deputy District Engineer; Terry Williams, Corps of Engineers Project Manager; and Michael Bart, Chief of Engineering, Corps of Engineers, St. Paul District.

**2. AGENDA ORDER**

***MOTION, passed***

**Mr. Weyland moved and Mr. Steen seconded to approve the order of the agenda. Motion carried.**

**3. WELCOME**

Ms. Williams, Mrs. Scherling, and Mr. Mahoney provided opening remarks regarding the project and thanked Senator Hoeven and Corps of Engineers staff for their efforts.

**4. SUPPLEMENTAL ENVIRONMENTAL ASSESSMENT UPDATE**

Colonel Calkins said the Corps of Engineers has been working on a Supplemental Environmental Assessment (SEAS) since February, which is needed to certify Plan B. A public meeting was held on September 13<sup>th</sup> on the draft SEAS and draft Supplemental Environmental Impact Statement (SEIS) for the Minnesota Department of Natural Resources (MDNR). There was a public comment period from August 27<sup>th</sup> to September 27<sup>th</sup>. The Corps received 65 comments and the MDNR received around 400 comments regarding Plan B. Colonel Calkins said Corps staff continue to work with Diversion Authority staff, MDNR and Houston-Moore Group (HMG) to release the final SEAS by the end of November.

**5. PUBLIC PRIVATE PARTNERSHIP UPDATE**

Attorney John Shockley provided an update on the Public Private Partnership (P3) for financing and construction of the project. A P3 is a contractual agreement between a public agency and a private sector entity. He said the Metro Flood Diversion Authority approved a Project Partnership Agreement (PPA) on July 11, 2016. The PPA established a split delivery plan for the channel and infrastructure to be handled by the non-federal sponsors (Diversion Authority and P3 procurement); and the southern embankment, associated infrastructure, and mitigation to be handled by the Corps of Engineers.

Mr. Shockley reviewed the typical P3 model and P3 procurement process and said the P3 established by the Diversion Authority may be used as a pilot for other projects across the country. The advantages of a P3 include reduced costs to taxpayers, schedule certainty, innovative designs, project efficiencies, project investment by both the contractor and engineer, and private equity in the project.

Mr. Shockley discussed action items necessary to move forward with the P3 procurement, which include finalization of updated costs and a financial plan; receipt of a permit from the Minnesota Department of Natural Resources; and removal of the injunction if a permit is issued.

## **6. REMARKS**

Senator John Hoeven discussed provisions he secured in the Water Resources Development Act (WRDA) and FY 2019 Energy and Water funding legislation, which were recently approved by Congress and will be signed into law.

The WRDA bill resolves issues with easements on land purchased through the Hazard Mitigation Grant Program (HMGP) and will enable Plan B to be implemented.

The FY2019 funding bill provides an additional \$150 million to the Corps of Engineers construction account to be used on priorities such as flood protection for this area. The Water Infrastructure Finance and Innovation Act (WIFIA) will be implemented under this legislation to provide local governments with low-cost and flexible funding options. In addition, the bill directs the Corps to develop a plan to implement WIFIA and ensures fair treatment of P3 projects.

Major General Spellmon said one objective for his visit today is to understand the project and P3 process better and receive a one-on-one briefing from staff and board members. One of his goals is to put a spotlight on projects like the Metro Flood Diversion. He said work is being done by the Corps to reform regulations to provide efficiencies in how projects are handled. The Corps recognizes the importance of the Diversion project and will work to obtain funding to continue moving the project forward. The WRDA bill provided a 60-day deadline for the Corps to formulate how it will invest the additional funding, and he expects more will be known by the end of November.

## **7. NEXT MEETING**

The next meeting will be held Thursday, October 25<sup>th</sup> at 3:30 PM.

## **8. ADJOURNMENT**

The Chairwoman declared the meeting adjourned at 2:40 PM.