

**METRO FLOOD DIVERSION AUTHORITY
OCTOBER 31, 2019—3:30 PM**

1. MEETING TO ORDER

A meeting of the Metro Flood Diversion Authority was held Thursday, October 31, 2019, at 3:30 PM in the Fargo City Commission Chambers with the following members present: Cass County Commissioner Mary Scherling; Cass County Commissioner Chad Peterson; Cass County Commissioner Rick Steen; Clay County Commissioner Kevin Campbell; Clay County Commissioner Grant Weyland; Fargo City Mayor Tim Mahoney via conference call; Fargo City Commissioner Tony Grindberg; Fargo City Commissioner Dave Piepkorn; Moorhead City Mayor Johnathan Judd; Moorhead City Council Member Chuck Hendrickson; Moorhead City Council Member Shelly Carlson; Cass County Joint Water Resource District Manager Dan Jacobson; and West Fargo City Commissioner Mike Thorstad.

2. MINUTES APPROVED

MOTION, passed

Mr. Steen moved and Mr. Weyland seconded to approve the minutes from the September 26, 2019 meeting as presented. Motion carried.

3. AGENDA ORDER

MOTION, passed

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

4. EXECUTIVE DIRECTOR REPORT

Joel Paulsen, Executive Director, said actual expenditures-to-date are \$495.7 million with revenue sources of \$162 million. He said a financial dashboard is being developed for board members to use to track costs in real time and to provide members with additional ways to access information. He also said an app is also being developed for use by legislators with the goal to assist in lobbying efforts with the legislature.

Mr. Paulsen reviewed contracting items approved by the Executive Director, and task orders approved by the Cass County Joint Water Resource District (CCJWRD), and Moorhead Clay County Joint Powers Authority (MCCJPA).

Mr. Paulsen discussed activities and achievements, which include meetings in Washington, D.C. with Congressional leaders, Office of Management and Budget, Army Corps of Engineers, and Environmental Protection Agency; reactivation of the P3 procurement and updated schedule; financial plan updates; visit from R.D. James, Assistant Secretary of the Army for Civil Works; completion of the NDSU Ag Impacts Study update to reflect Plan B; scope for Phase 2 of the Flowage Easement Valuation; and issuing of P3 draft Request for Proposals.

5. CORPS OF ENGINEERS UPDATE

Mr. Paulsen said work remains on schedule at the Diversion inlet construction site; and a contract will be awarded next month for the Wild Rice River control structure.

6. PUBLIC OUTREACH UPDATE

Committee report

The Public Outreach Committee met on October 30th. Rocky Schneider said the committee discussed the Conditional Letter of Map Revision (CLOMR) process; visit tomorrow from R.D. James, Assistant Secretary of the Army for Civil Works, U.S. Senator John Hoeven, and North Dakota Governor Doug Burgum; and development of an app for mobile devices to be available to state legislators.

7. **LAND MANAGEMENT**

Committee report

The Land Management Committee met on October 30th. Mrs. Scherling said work continues with land acquisitions and appraisals.

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. Eric Dodds from AE2S said 330 parcels have been acquired to date.

Mr. Judd said the Moorhead-Clay County Joint Powers Authority (MCCJPA) approved one land acquisition needed for the project.

Steffes Land Auction in Oxbow-Hickson

Mr. Dodds said the committee discussed an upcoming online land auction on November 11th for 10 tracts in Oxbow and Hickson. The bidders will be anonymous since bidding is done online.

There was discussion on how the public would perceive a governmental entity like the Diversion Authority bidding against private parties to purchase land. There is not a current policy in place on how to proceed with private land auctions.

Mrs. Scherling said land will not be needed for flowage easements for some time. Also, land values for flowage easements are still being determined, and Phase II of the NDSU Ag Study still needs to be completed. Mr. Dodds said Phase II will take about a year to complete.

Mr. Campbell is opposed to purchasing land through the auction since there is no policy in place at this time.

Mr. Jacobson said the Cass County Joint Water Resource District would like the ability to pursue purchasing Tracts 4, 5 and 6 because easements will be needed for the I-29 road raise. Mrs. Scherling said this will be disclosed to bidders that the Diversion Authority will need easements in the future for the project.

MOTION, passed

Mr. Judd moved and Mr. Peterson seconded to not participate in bidding on the upcoming private auction and to develop a policy for private auctions. On roll call vote, the motion carried with Mr. Judd, Mr. Peterson, Mrs. Scherling, Mr. Steen, Mr. Hendrickson, Ms. Carlson, Mr. Grindberg, Mr. Piepkorn, Mr. Mahoney, Mr. Campbell, Mr. Weyland, and Mr. Thorstad voting “Yes”; and Mr. Jacobson voting “No”.

Mrs. Scherling said the public needs to know that the Diversion Authority will not be participating in the auction. Mr. Paulsen said he will convey the message so the public is aware.

8. **FINANCE UPDATE**

Committee report

The Finance Committee met on October 30th. Mr. Grindberg referred to the financial report and said the net cash position is \$100 million.

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, 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; City of Fargo for reimbursement of in-town flood protection projects; and Red River Basin Commission for conference sponsorship.

MOTION, passed

Mr. Grindberg moved and Mr. Steen seconded to approve the vouchers received through October 25, 2019, in the amount of \$9,348,624.77. On roll call vote, the motion carried unanimously.

9. FY2020 CASH BUDGET

Mr. Paulsen said the FY2020 cash budget will be presented at the meeting next month for board consideration and approval.

10. RECOMMENDED CONTRACTING ACTIONS

- Metropolitan Council of Governments Task Order (Digital Ortho Aerial Photography and LIDAR mapping for 2020)—multi-jurisdictional project completed every two to three years to update digital ortho aerial photography and LiDAR mapping in the amount of \$328,500. The Finance Committee unanimously approved the task order.

MOTION, passed

Mr. Grindberg moved and Mr. Steen seconded to approve the task order with MetroCOG as presented. On roll call vote, the motion carried unanimously.

11. WIFIA UPDATE AND TIMELINE

Attorney John Shockley said the Diversion Authority was approved to apply for a Water Infrastructure Finance and Innovation Act (WIFIA) loan through the Environmental Protection Agency (EPA). The next step is to submit an application for the loan underwriting process, which involves a fee of \$500,000. He said the fee needs to be paid with dollars outside of the WIFIA loan, and recommends the flood sales and use tax be designated to cover the cost. He provided a timeline for the process and said the loan closing is scheduled for January 20, 2021. He will provide an update each month to keep the board informed of the progress.

MOTION, passed

Mr. Grindberg moved and Mr. Peterson seconded to designate the WIFIA loan underwriting fees of \$500,000 to be paid from flood sales and use tax dollars. On roll call vote, the motion carried unanimously.

12. NEXT MEETING DATE

The next meeting is scheduled for Thursday, November 21, 2019.

13. ADJOURNMENT

MOTION, passed

On motion by Mr. Peterson, seconded by Mr. Campbell, and all voting in favor, the meeting was adjourned at 4:29 PM.