

FLOOD SALES TAX COMMITTEE
APRIL 3, 2023—2:00 PM

1. MEETING CALLED TO ORDER

Commissioner Mary Scherling called a meeting of the Flood Sales Tax Committee to order on Monday, April 3, 2023, at 2:04 PM in the Commission Room, Cass County Courthouse. The following members were present: Commissioner Duane Breitling; Commissioner Mary Scherling; Water Resource District Representative, Rodger Olson; County Administrator, Robert Wilson; and County Finance Director, Brandy Madrigga. Jason Benson was absent, Assistant County Engineer, Tom Soucy served in his place. Also present was Commissioner Jim Kapitan, and Assistant County Administrator, Tracy Peters.

2. FLOOD SALES TAX FUND UPDATE

Ms. Madrigga said the Flood Sales Tax Fund has \$11.21 million in approved projects with \$5.43 million left to pay and an unencumbered balance of \$5.78 million.

Mrs. Scherling asked what the total amount of funds received in 2022 that the Committee may allocate towards projects. Ms. Madrigga said the Flood Sales Tax Fund received \$21.2 million from collected sales tax dollars in 2022 of which, \$19.9 million is allocated for the Metro Flood Diversion Project, leaving \$1.3 million for the Flood Sales Tax Committee to allocate for local projects.

3. STATUS OF PREVIOUSLY APPROVED PROJECTS

2015 Upper Maple River Detention Study Phase II & 2015 Rush River Detention Study Phase II

Kurt Lysne of Moore Engineering was present and said these two studies created projects, one for Maple River that was discussed at the last Flood Sales Tax Committee meeting and the other near the Rush River in Amenia that will be discussed later in the meeting. He said the studies are completed and he will follow up with the Water Resource Districts to have them closed out.

2017 Sheldon Addition Ring Levee Project

Mr. Lysne said this project was recently submitted to the State for a construction permit. He said the project was started in 2017 and went to a vote of the public in 2019. He said the P3 portion of the Metro Flood Diversion will provide clay material by September of 2023 to save the ring levee project significant funds. He said the levee will likely be constructed this fall or the spring of 2024.

2018 City of Hunter Dam Projects

Mr. Lysne said City of Hunter staff are working on the project, and he is not aware of any updates.

2019 T-180 Dam Safety Improvements

Mr. Lysne said this project is complete and he will work with the Water Resource District to be sure the financials have been submitted.

2020 Davenport Levee

Mr. Lysne said this project is in the design phase and is being submitted to FEMA for a conditional letter of map provision to remove the city from the flood plain. He said the Western Cass Flood Study is still being considered by FEMA. He said the land acquisitions for the project have begun and an application for construction will be submitted to the State. He said construction will likely begin in 2024.

Mrs. Scherling asked if locals in western Cass study are obligated to pay flood insurance yet. Mr. Lysne said residents in western Cass are not yet obligated to pay flood insurance under the western Cass study. He said after FEMA issues the map, they will put an effective date 6 months after the

maps are released. Mr. Lysne said during the 6 month time, cities and townships must update their flood plane ordinance and adopt the maps. Mrs. Scherling asked if Davenport Residents will have to get flood insurance or if the levee project will be completed by the time FEMA releases the maps. Mr. Lysne said the project will not likely be completed by the time the maps are released. He said the project will take two construction years and once complete, the drawings have to be sent and certified by FEMA. He said the hope is to have the project FEMA certified by 2025.

Mr. Lysne said the levee project was approved for funding in 2020 and since the cost estimated have been updated and are higher than was approved. He said Davenport may need to come back with an updated request of approximately 1.7 million.

2022 Elm River Dam and 2022 Elm River Dam Number 3 Improvements

Mr. Lysne said both projects are ready to be bid out and constructed.

2022 Casselton Lagoon Slide Repair

Mr. Lysne said the project has been completed and the City of Casselton needs to submit financials.

2022 Upper Maple River Detention Study Phase II Part 2

Mr. Lysne said this study has been completed and a construction project will be completed from funding.

2020 Hofer Property

Mr. Soucy said the property has been acquired and the North Dakota Department of Emergency Services has provided additional funding and will reimburse the Flood Sales Tax Fund.

2021 Gill Township Road

Mr. Soucy said this project has been completed and the Township will be submitting financials for reimbursement.

2021 Maple River Township Road

Mr. Soucy said this project has not been completed as the Township is working through an agreement with a local landowner and is hoping to complete the project this summer.

2022 Normanna Township Bank Stabilization

Mr. Soucy said this project has not been completed and is being evaluated for a benefit-cost analysis. He said the construction will likely take place in 2024 after funding is established.

2022 Lilleberg Buyout

Mr. Soucy said the County has been working with the Lilleberg's to discuss the soil analysis of the property as the owners would like to build on another home on the property. He said more information is to come on the buyout.

2022 Gill Township Slide Repair

Mr. Soucy said this project has been completed and the Township will be submitting financials for reimbursement.

2022 Durbin Township Slide Repair

Mr. Soucy said this project has been completed and came in \$6 under budget.

2022 Everest Township Slide Repair

Mr. Soucy said he believes this project was completed and he will check with the Township to make sure they have submitted all of their reimbursement.

2022 Maple River Township Slide Repair

Mr. Soucy said this project has not yet been completed, the Township is working with a local landowner.

2022 Highway 81 Slide Repair

Mr. Soucy said this project has been completed and was successful. He said he will work to get the financials submitted.

2022 Reed Township Sheyenne Riverbank Stabilization

Mr. Soucy said this project is in the design phase and working to determine the best solution.

2022 Cass 15 Bridge

Mr. Soucy said on April 18, 2022, the Flood Sales Tax Committee approved funding for the Cass 15 Bridge project at a 50% cost share in the amount of \$928,984.85 with the understanding that the Highway Department reimburse the Flood Sales Tax Fund using COVID related funds. Mr. Soucy said since then, the Highway Department has not received any COVID funding. Mr. Soucy said the actual project cost was higher than the engineers' estimate. He said the total project cost was bid at \$1,948,040 and the request today is for the Flood Sales Tax fund to cover 50% of the cost which amounts to \$974,040. He said the Water Resource District would cover 60% or \$298,843, and the County Highway Department would be responsible for the remaining 10% or \$675,177. Mr. Soucy said if the Flood Sales Tax Committee does not approve funding from the flood sales tax fund, the Water Resource District and Highway Department cost will more than double.

Mr. Wilson said he recalls the discussion when this project was first presented to the Flood Sales Tax Committee for funding, it was when the County believed ARPA funds were required to be spent on infrastructure such as roads, however the final ARAP rules did not require funds be spent on infrastructure. He said since then the County Commission has allocated ARPA funds towards other projects rather than this road project. Mr. Soucy said he recalls this to be correct, and the Flood Sales Tax fund policy allows funding for projects to aid in flooding issues.

Mrs. Scherling asked why the Flood Sales Tax funding is being taken off the total project cost. She said typically when projects come to the Flood Sales Tax Committee for funding, the project has gone to other funding sources, such as the Water Resource District first, and then the Flood Sales Tax Funds are applied. Mr. Soucy said the figures were presented this way when the original project was submitted. Mr. Olson said this project was already approved by the Flood Sales Tax Committee and is showing as an encumbered balance on the fund's financial statement. He said he believes the request is for additional funding for the actual bids of the project. Mr. Olson said the use of County COVID funds should be reviewed to complete this project. Mr. Wilson said the use of COVID funds is a County Commission level decision and the Commission has utilized COVID funds for COVID related needs such as a Courtroom remodel, expanded Jail Intake area, and new Jail pod.

Mr. Breitling said the Committee has already approved 50% funding, and now the request is for the actual bid amount, an increase of about \$53,000.

MOTION, passed

Mr. Olson moved and Mr. Breitling seconded to approve the Cass 15 Bridge project at a 50% cost share in the amount of \$974,020. On a roll call vote, the motion carried unanimously.

4. PROJECT REQUESTS

Rush River-City of Amenia Flood Control Project

Mr. Lysne said this request is from the Cass County Joint Water Resource District and is a flood control project for the City of Amenia. He said the original planning effort started seven years ago after the Western Cass Flood Insurance study came out and determined the City of Amenia would need flood insurance and Amenia would flood in the 1% flood chance. Mr. Lysne said a ring dyke is the preferred project to protect Amenia from flooding. He said the total cost for the design and plan is \$675,000 and the CCJWRD has secured \$480,000 in funding from the NRCS and is requesting the Flood Sales Tax approve a 90% cost share in the amount of \$87,750. He said this project would complete the final design of the project.

Mrs. Scherling asked if the CCJWRD will be coming back to the Committee to request funding for the construction of the project and what the cost of the construction is estimated at. Mr. Lysne said yes, additional funding request for construction will be coming. Josh Hassell of Moore Engineering was present and said the cost estimates are old and may need to be adjusted for inflation. He said based on the estimate, the project will likely be requesting a 60% cost share in the amount of \$420,000.

Mrs. Scherling said the request today is to fund 90% of the final design costs in the amount of \$87,750. She said the Flood Sales Tax Committee approved a similar request for the City of Davenport for a cost share of 50%. Ms. Madrigga asked if funding is available from the Red River Joint Water Resource District. Mr. Lysne said this would not be eligible as it not a qualifying type of project and does not span over multiple counties.

Tony Roth, Mayor of Amenia was present and said flood protection is needed for the City of Amenia and Amenia is a small city that does not have needed funding. He said Amenia has many water issues currently being worked through. Cody Cashman, City of Amenia Council Member was present and said Amenia is in need of funding and completion of this flood protection project.

Ms. Madrigga asked if this is a retention or non-retention project, as the policy clearly states the funding amounts for each type of project. Mrs. Scherling said this is a non-retention project, it is a levee. Ms. Madrigga said the policy states a cost share of 50% for non-retention and the Committee can go above 50% if significant funds are available.

MOTION, passed

Mrs. Madrigga moved and Mr. Breitling seconded to approve the Rush River-Amenia Flood Control final design project at a cost share of 75%. On a roll call vote, the motion carried unanimously.

5. ADJOURNMENT

MOTION, passed

On motion by Mr. Breitling, seconded by Mr. Olson and all in favor, the meeting was adjourned at 3:16 PM.