



**DIVERSION AUTHORITY  
Land Management Committee  
City Commission Room  
Fargo City Hall  
Wednesday, October 25, 2017  
3:00 p.m.**

1. Agenda Review
2. Approve September 27, 2017 Minutes (**Item A**)
3. Property Acquisition Report (**Item B**)
4. CCJWRD Update
5. Flowage Easement Valuation Plan (**Item C**)
6. Other business
7. Next meeting Wednesday, November 15, 2017 @ 3pm

*These minutes are subject to approval.*

**DIVERSION AUTHORITY  
Land Management Committee  
City Commission Room  
Fargo City Hall  
Wednesday, September 27, 2017  
3:00 p.m.**

Present: Cass County Commission Representative Mary Scherling; Clay County Commission Representatives Kevin Campbell and Jenny Mongeau; Moorhead City Engineer Bob Zimmerman; Fargo Division Engineer Nathan Boerboom; Cass County Joint Water Resource District Representative (CCJWRD) Rodger Olson (via teleconference); Fargo City Administrator Bruce Grubb; and Oxbow Mayor Jim Nyhof.

Others present: Eric Dodds - AE2S; and Mark Brodshaug - CCJWRD.

Absent: Cass County Commission Representative Chad Peterson; Fargo City Commissioner John Strand.

The meeting was called to order by Chair Mary Scherling.

Agenda Review

Mr. Zimmerman moved to approve the agenda. Second by Mr. Campbell. All the members present voted aye and the motion was declared carried.

Minutes Approved

Mr. Boerboom moved the minutes from the August 23, 2017 meeting be approved. Second by Mr. Campbell. All the members present voted aye and the motion was declared carried.

Ms. Mongeau said as a point of clarification, previous minutes have indicated Moorhead City Council Representative Heidi Durand was absent when in fact she is no longer on the committee.

Mr. Zimmerman said he will check to see if a replacement will be assigned from the City of Moorhead for Ms. Durand.

Property Acquisition Report

Mr. Dodds pointed out that in the packet's usual property status showing acquisitions, it says 'on hold' for the appraisals and negotiations that have been underway. He said this is a conscious decision because of the temporary injunction forcing construction work on the project to cease. He said while there may be legal authority to proceed with acquisitions, this shows an effort in good faith and willingness to sit down and make a game plan for the project with Minnesota and other partners. For the time being, he said, there is not much new to report. Efforts were made to negotiate purchase agreements with a variety of different property owners until recently, he said, and that has now been put on hold with a few minor exceptions. He said a storm sewer that needs to be

constructed between Hickson and Oxbow to complete the work in that area was part of the stipulation agreement previously agreed to so there are a few easements that need to be acquired and that work is ongoing. With the exception of that, he said, active acquisitions are pretty much shut down. Land agents are being encouraged to continue to take phone calls and meet with people if they are interested; however, things are not actively moving towards negotiations.

Moorhead Mayor Del Rae Williams present.

In response to a question from Ms. Scherling about whether there are property owners with medical hardships who are affected, Mr. Dodds said the original medical hardship program was put in place pre-Project Partnership Agreement and since the PPA was signed and there was officially a project, the hardship program became more of an opportunistic acquisition program and any acquisitions, medical hardship or otherwise could be entertained. From that context, no official medical hardships are underway, he stated, although there were a handful of opportunistic acquisitions out there. He said the land agents were asked to let those landowners know there will be a time-out, given current circumstances with the injunction.

In response to a question from Ms. Scherling about whether, besides that drain, the City of Oxbow would be OK if there were a big flood in the spring; Mr. Nyhof said there is still work to do on the north end where the road raise is located. He said that work should be done this year and once at that point, Oxbow could fight a flood.

Mr. Dodds said this is all fluid until there is more information, an agreement or whatever. He said the goal is to try to be in position to be responsive to requests and to ramp things back up. He said if there are eager property owners, acquisitions may be considered on a case-by-case basis, but would be circumstantial. If they have a flood today, he said, there could be consideration.

In response to a question from Ms. Scherling about flowage easements and the North Dakota State University (NDSU) study, Mr. Dodds said proposals from four different appraisal firms to conduct a flowage easement evaluation were received at about the same time as the word of the injunction. The submittals were reviewed, he said; however, the suggestion was to reach out to them and let them know that at this point, things cannot proceed. He said they will be contacted when more is known. There is a lot of interest in proceeding with that study or at least some version of it, he said; however, given uncertainty about the project and if or how it may change, it is another effort that is put in a time-out period.

#### Property Management Update

Mr. Dodds said there are a handful of rural properties owned that are scattered throughout the channel and staging area. He said preparations were underway for another round of home removal contracts; however, those properties may not need to be removed until there is more certainty about the project so the efforts now are going into weatherization. He said Pifer's is proceeding with farmland rentals.

### CCJWRD Update

Mr. Brodshaug said there is not much news beyond Mr. Dodd's report on acquisitions and management. He said closing documents have been signed on the last home bought out in Oxbow. There are still several vacant lot properties that will need to be acquired, he said, and some easements along the front of the Knickerbocker Liquor Locker, plus a little farmland left to acquire to complete the levee. He said work is being done towards the transfer of ownership of in-town properties purchased by the Cass County Joint Water Resource District with the understanding that when everything was finished up, that transfer would happen.

In response to a question from Ms. Scherling on the number of homes being managed, Mr. Dodds said there are about a half dozen and some have rental agreements.

Mr. Nyhof said Oxbow is still actively selling lots and reimbursing the City of Fargo monthly.

Mr. Brodshaug said a monthly report is generated that shows the lots sold, those left to sell and the percentages going to the Diversion Authority and the Oxbow share. The lot sales are significant, something like \$10 million, he said, and that was part of the renegotiation when Oxbow offered to put up a bigger share.

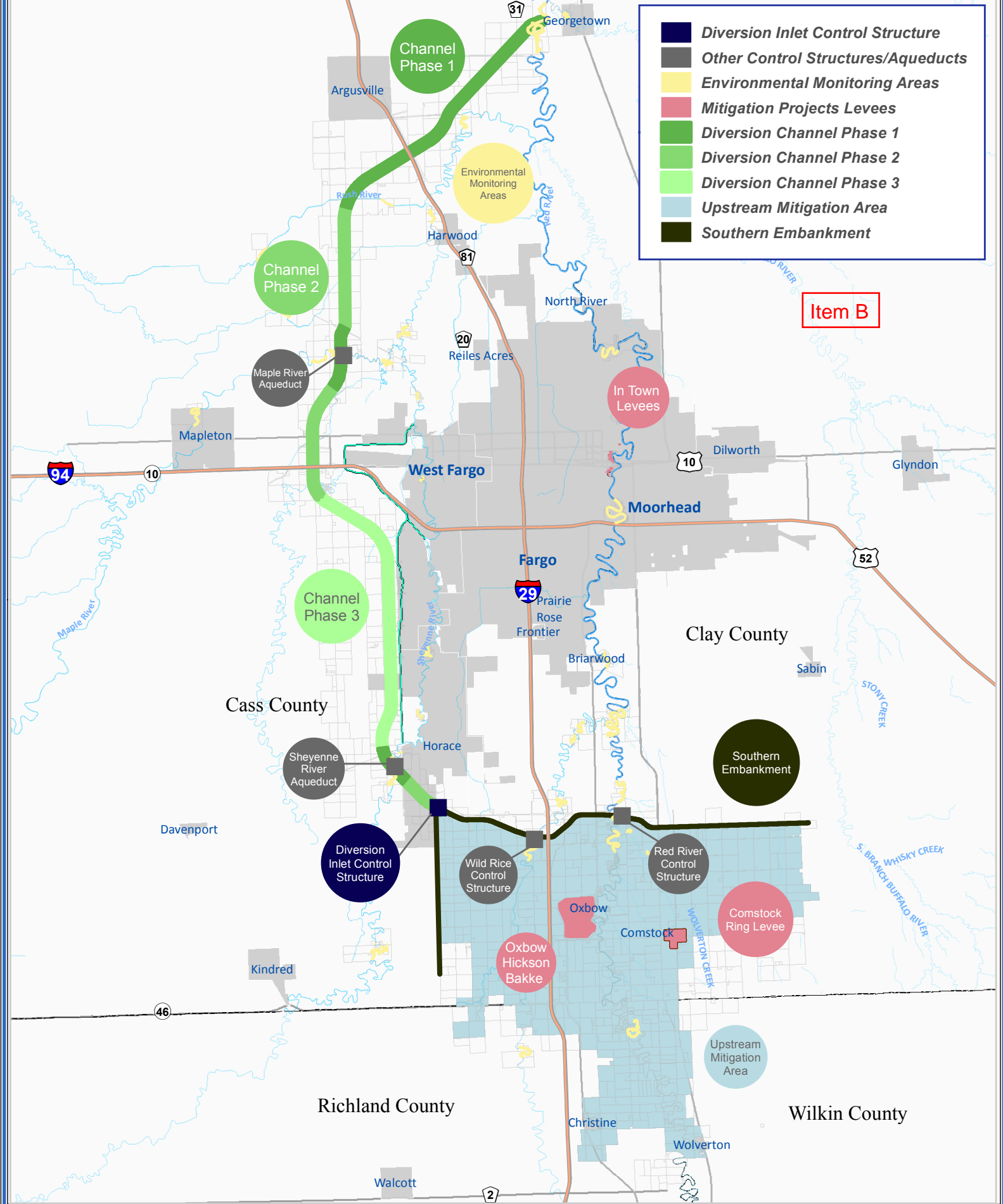
### Other Business

There was no other business.

Ms. Mongeau moved the meeting be adjourned. Second by Mr. Grubb. All the members present voted aye and the motion was declared carried.

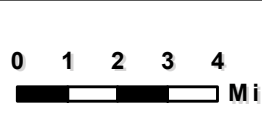
The meeting adjourned at 3:18 p.m.

The next meeting will be October 25, 2017 at 3:00 p.m.



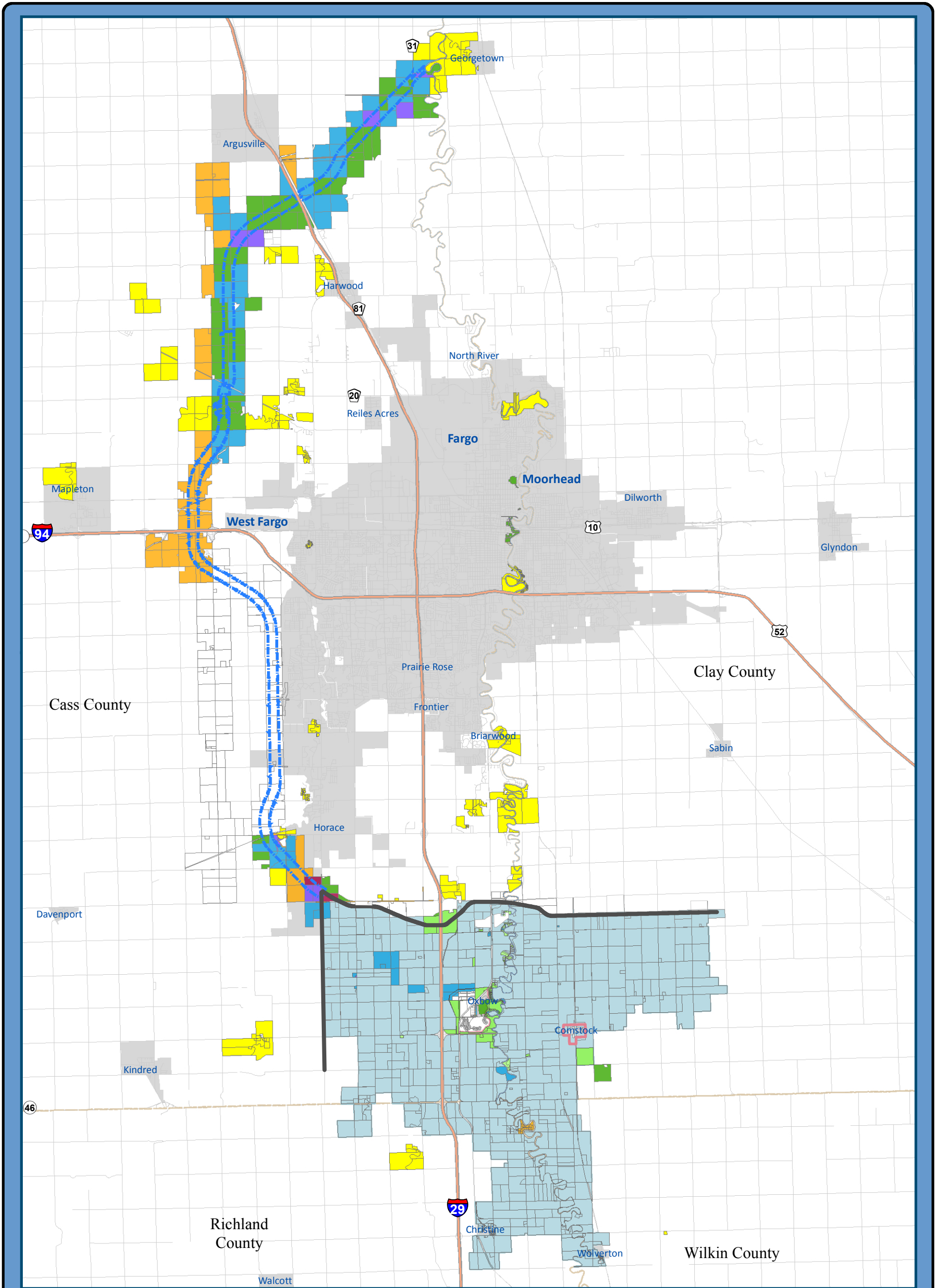
- Diversion Inlet Control Structure
- Other Control Structures/Aqueducts
- Environmental Monitoring Areas
- Mitigation Projects Levees
- Diversion Channel Phase 1
- Diversion Channel Phase 2
- Diversion Channel Phase 3
- Upstream Mitigation Area
- Southern Embankment

Maps are for graphical purposes only. They do not represent a legal survey. While every effort has been made to ensure that these data are accurate and reliable, The Diversion Authority does not guarantee the accuracy of the information, and waives any warranty or guarantee of any kind, express or implied. The data involved in the project is continuously refined and revised; you should not rely on this information for technical purposes or accuracy.



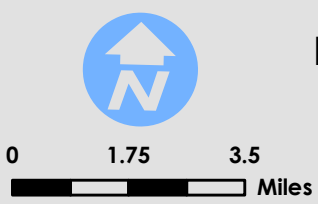
## FM Area Diversion Key Acquisition Areas





Any reliance upon this map is at user's own risk. AE2S does not warrant the map or its features are either spatially or temporally accurate or fit for a particular use.  
 Date: 10/18/2017 | Coordinate System: NAD 1983 StatePlane North Dakota South FIPS 3302 Feet

STATUS	
	Appraisal Pending (102)
	In Negotiation (108)
	Purchase Agreement Signed (14)
	Acquired; Easement Secured (190)
	Condemnation for Acquisition (4)
	Future Acquisitions (355)
	Flowage Easement Secured (127)
	Future Flowage Easement (778)
	Bio/Geo Monitoring Only (358)
Total Parcels (1,817)*	



## Property Acquisition Status Report

10/18/2017



\*Flowage Easement Parcels include some parcels that will be acquired for other project work packages. Total Parcels does not count these twice.

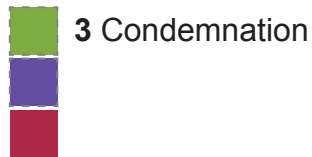
# Diversion Inlet Area



## Diversion Inlet Control Structure

(WP 26)  
Targeted Completion: Complete

### Parcel Status



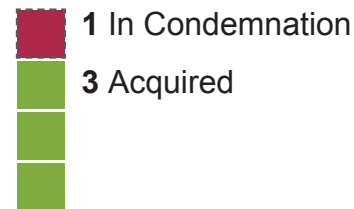
**3 parcels total**

- Appraisal Pending
- In Negotiation
- Agreement Signed
- Acquired Parcel
- Condemnation
- Change from last report

## County Roads 16 & 17 Roundabout

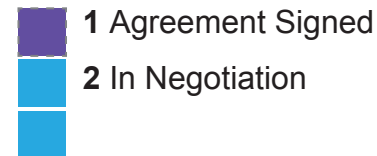
(WP 28A)  
Targeted Completion: Complete

### Parcel Status



**Roundabout**

(WP 28B)  
Targeted Completion: TBD



**Re-route after  
Channel  
Construction**

**7 parcels total**

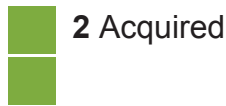
- Appraisal Pending
- In Negotiation
- Agreement Signed
- Acquired Parcel
- Condemnation
- Change from last report

# Cultural Mitigation Areas

## Sheyenne River Phase 3 Sites

(32-CS-201) Target Completion: Complete

### Parcel Status



**2 parcels total**

*(Part of Channel Phase 1)*

## Drain 14 Phase 2 Site

(32-CS-5135) Target Completion: TBD

**ON  
HOLD**

### Parcel Status



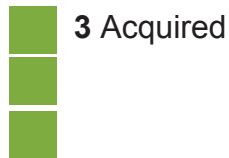
**1 parcel total**

*May change to a Phase 3 Site  
Phase 2 site requires an Easement  
(Part of Channel Phase 2)*

## South of Maple River Phase 3 Site

(32-CS-5127) Target Completion: Complete

### Parcel Status



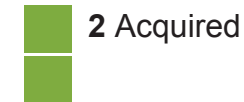
**3 parcels total**

*(Part of Channel Phase 1)*

## North of Maple River Phase 2 Site

(32-CS-5139) Target Completion: Complete

### Parcel Status



**2 parcels total**

*(Part of Channel Phase 1)*

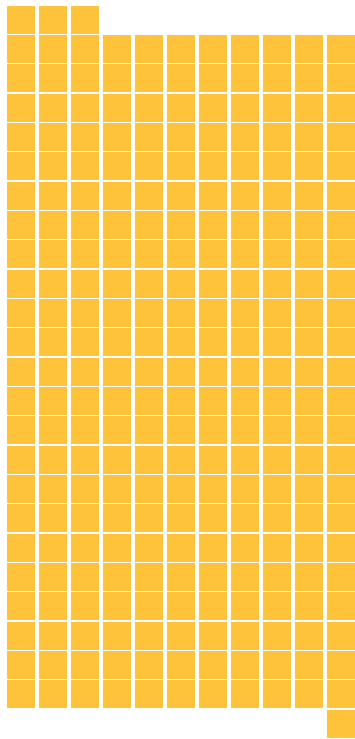
-  Appraisal Pending
-  In Negotiation
-  Agreement Signed
-  Acquired Parcel
-  Condemnation
-  Change from last report



# Environmental Monitoring Areas (WP55)

## Cass County

Parcel Status

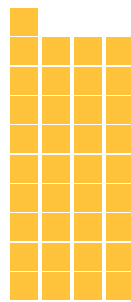


257 parcels total

- Letters Sent/Communication Initiated - Mailed 02/03/17
- 257 Signed ROE - Expires 12/31/18
- Filed for Court Action
- Signed Easement
- Change from last report

## Richland County

Parcel Status

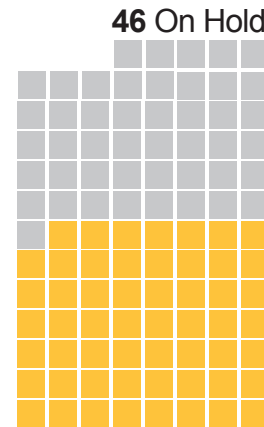


37 parcels total

- Letters Sent/Communication Initiated Mailed 02/23/17
- 37 Signed ROE - Expires 12/31/18
- Filed for Court Action
- Signed Easement
- Change from last report

## Clay County

Parcel Status

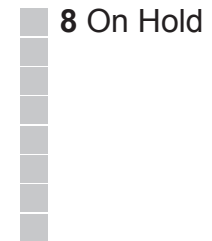


101 parcels total

- Letters Sent/Communication Initiated
- 55 Signed ROE (City of Moorhead/Clay County)
- Filed for Court Action
- Signed Easement
- Change from last report

## Wilkin County

Parcel Status



8 parcels total

- Letters Sent/Communication Initiated
- Signed ROE
- Filed for Court Action
- Signed Easement
- Change from last report

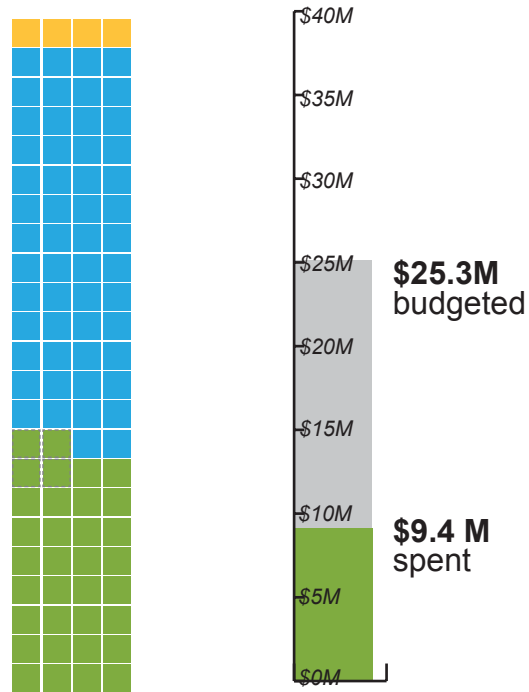
# Diversion Channel

## Phase 1

(WP DC1)  
Target Completion: TBD

Parcel Status

Hard Costs paid to  
Property Owners



92 parcels total

- 4 Appraisal Pending
- 54 In Negotiation
- Agreement Signed
- 34 Acquired Parcel
- Condemnation
- Change from last report

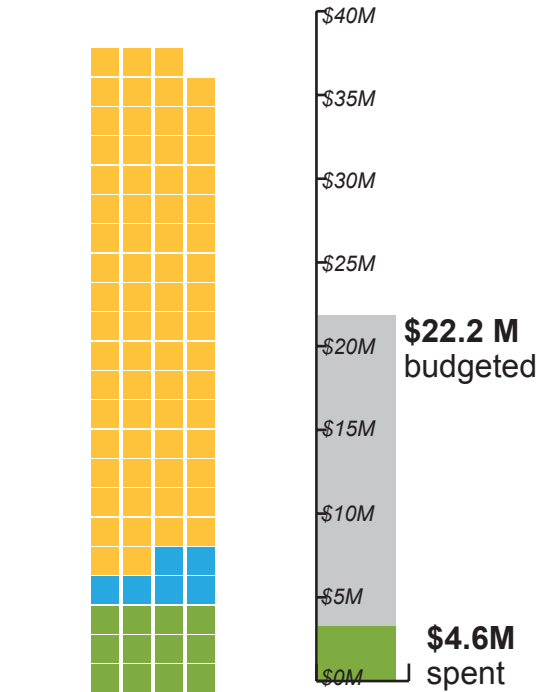
- Budgeted
- Purchase Agreement
- Spent

## Phase 2

(WP DC2)  
Target Completion: TBD

Parcel Status

Hard Costs paid to  
Property Owners



87 parcels total

- 70 Appraisal Pending
- 6 In Negotiation
- Agreement Signed
- 11 Acquired Parcel
- Condemnation
- Change from last report

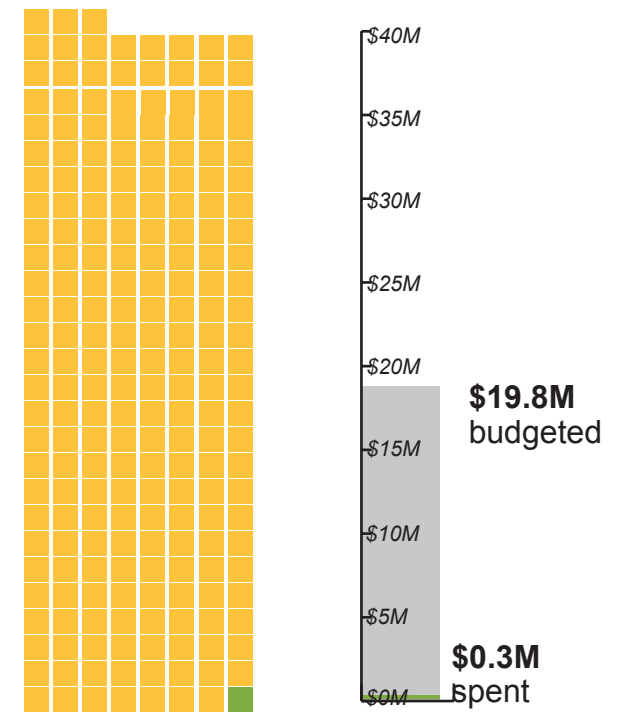
- Budgeted
- Purchase Agreement
- Spent

## Phase 3

(WP DC3)  
Target Completion: TBD

Parcel Status

Hard Costs paid to  
Property Owners



187 parcels total

- 186 Appraisal Pending
- In Negotiation
- Agreement Signed
- 1 Acquired Parcel
- Condemnation
- Change from last report

- Budgeted
- Purchase Agreement
- Spent

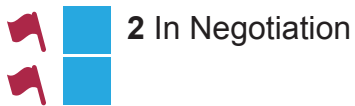
# Mitigation Projects



## Wild Rice Dam

(WP 36)  
Targeted Completion: TBD

### Parcel Status



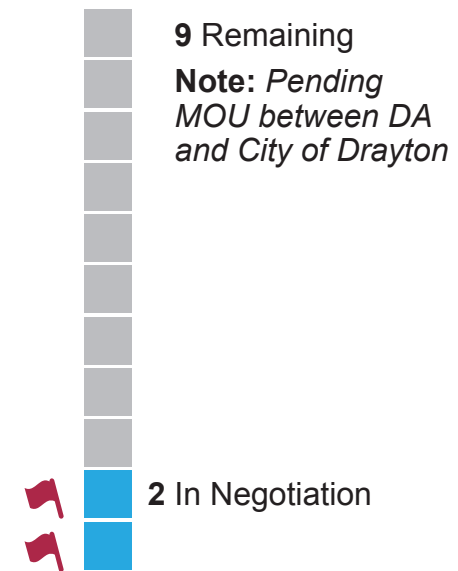
2 parcels total

- In Negotiations
- Signed ROE
- Signed Easement

## Drayton Dam Replacement

(WP 40)  
Targeted Completion: TBD

### Parcel Status



11 parcels total

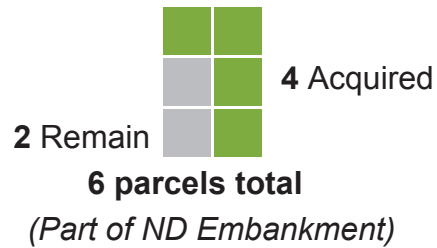
- In Negotiations
- Signed ROE
- Signed Easement

# Southern Embankment

## Wild Rice Control Structure

(WP 30) - Target Completion: TBD

### Parcel Status



## ND Embankment

(WP 27) - Target Completion: TBD

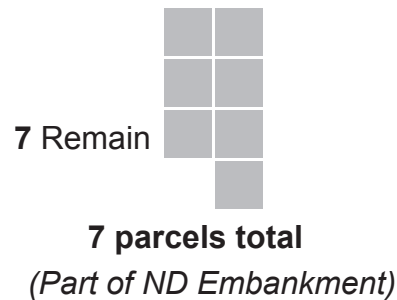
### Parcel Status



## Red River Control Structure

(WP 35) - Target Completion: TBD

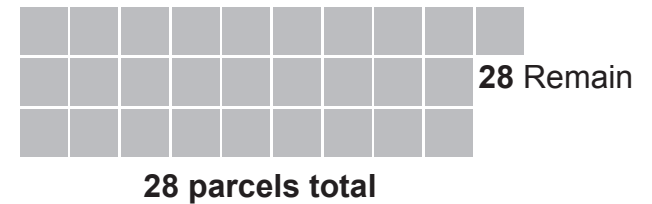
### Parcel Status



## MN Embankment

(WP 29) - Target Completion: TBD

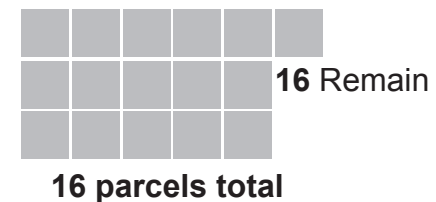
### Parcel Status



## Limited Service Spillway

(WP 39) - Target Completion: TBD

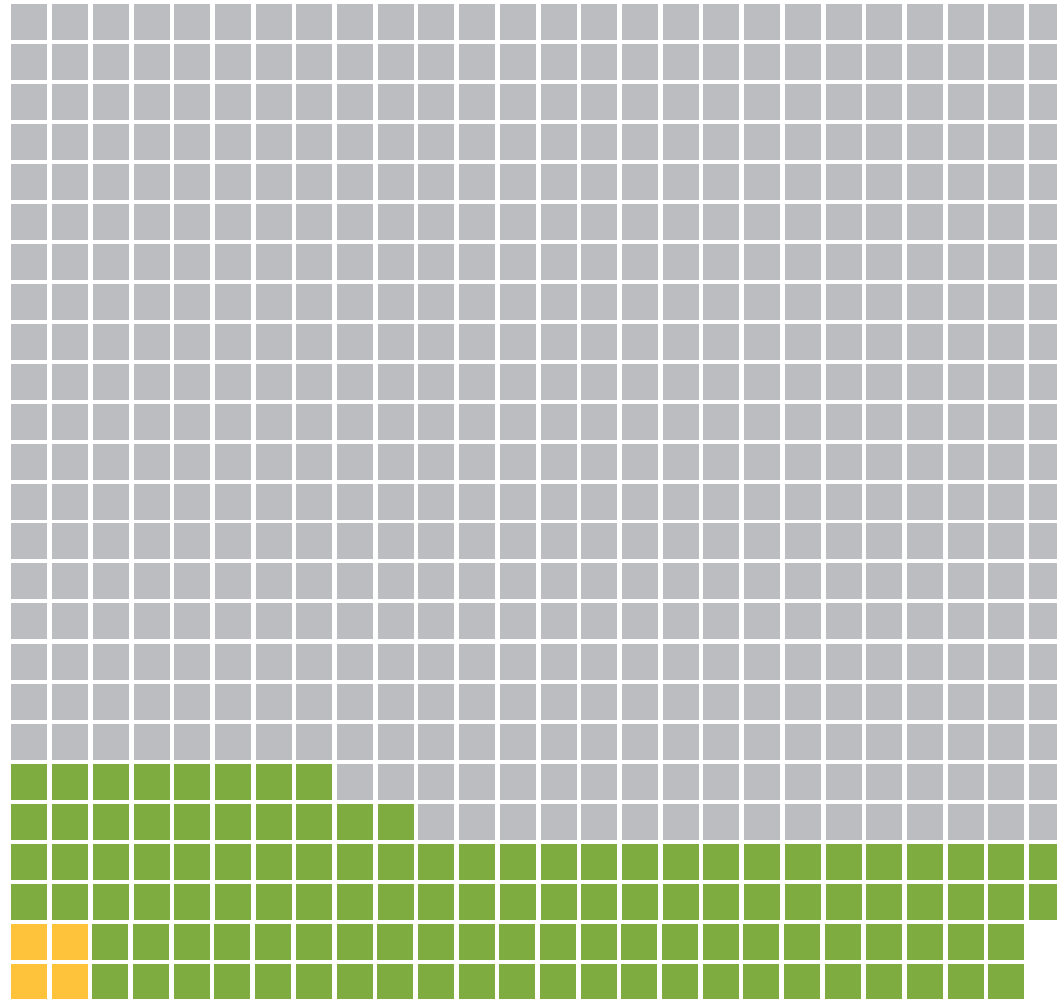
### Parcel Status



- Appraisal Pending
- In Negotiation
- Agreement Signed
- Acquired Parcel
- Condemnation
- Changed from last report

# Upstream Mitigation Area (WP 33)

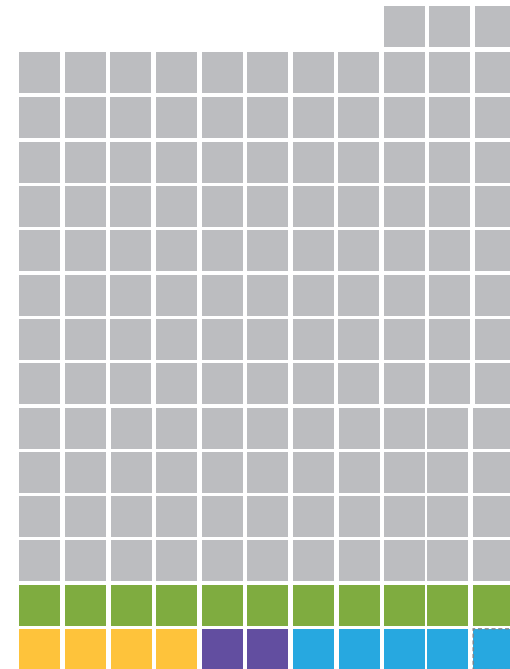
## Flowage Easements without structures



Approximately  
644 parcels total

- 4 Appraisal Pending
- 0 In Negotiation
- 0 Agreement Signed
- 116 Flowage Easement Secured
- Condemnation
- Changed

## Flowage Easements with structures



Parcel Status  
Approximately  
266 parcels total

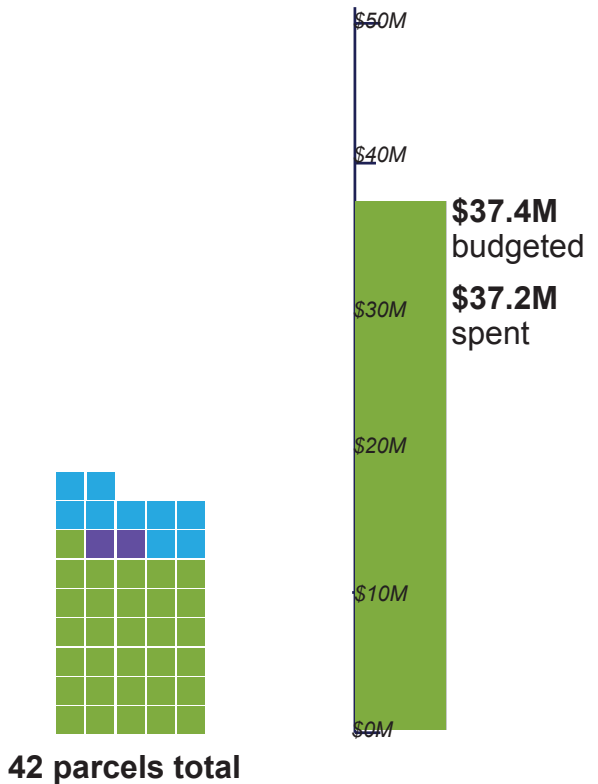
- 4 Appraisal Pending
- 5 In Negotiation
- 2 Agreement Signed
- 11 Flowage Easement Secured
- Condemnation
- Changed

# Levee Projects

## In Town Levees

WP 42

Parcel Status Hard Costs paid to Property Owners

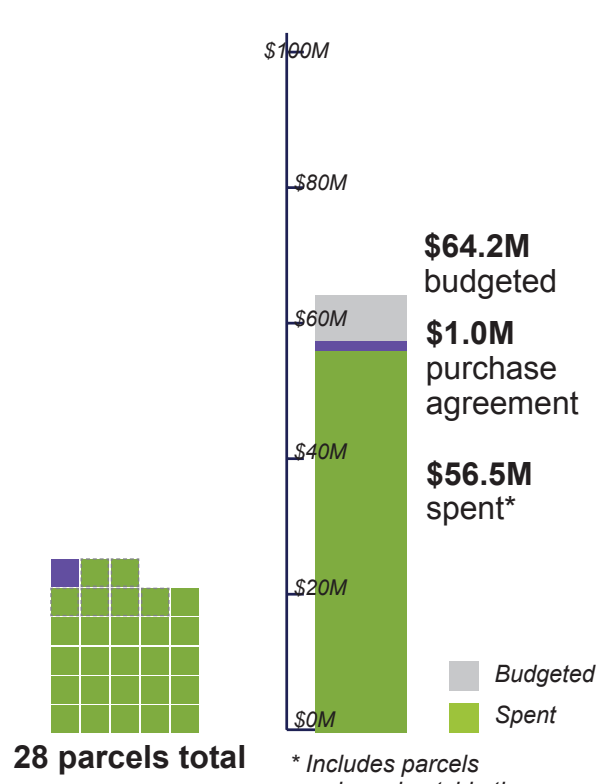


- Appraisal Pending
- In Negotiation
- Agreement Signed
- Acquired Parcel
- Condemnation
- Changed from last report
- Budgeted
- Spent

## OHB Ring Levee

WP 43

Parcel Status Hard Costs paid to Property Owners

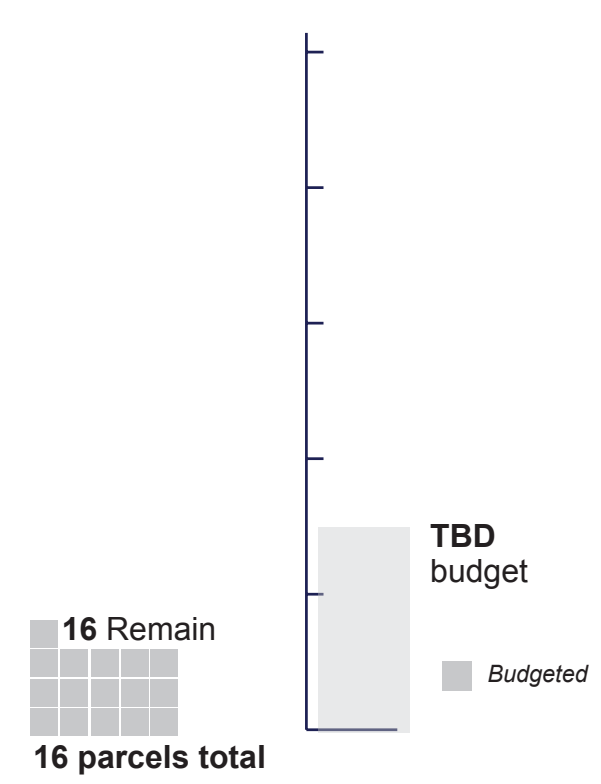


- Appraisal Pending
- In Negotiation
- Agreement Signed
- Acquired Parcel
- Condemnation
- Changed from last report
- Budgeted
- Spent

## Comstock Ring Levee

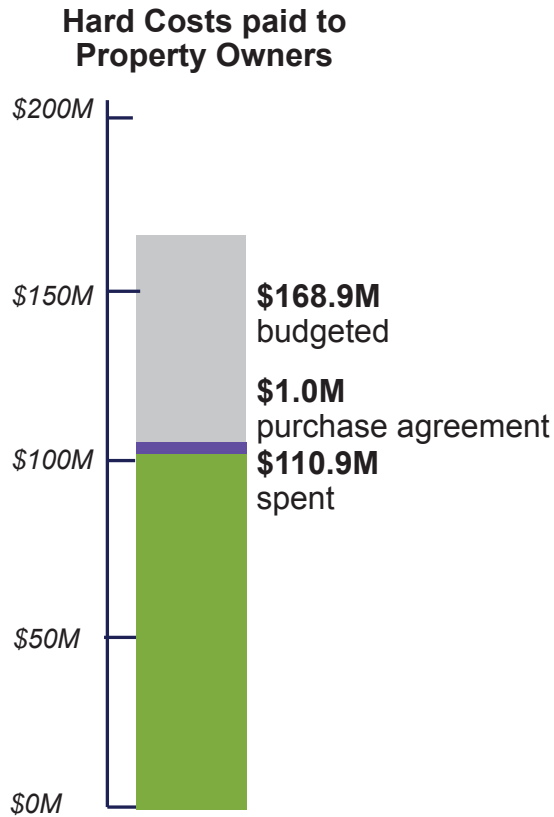
WP 52

Parcel Status Hard Costs paid to Property Owners

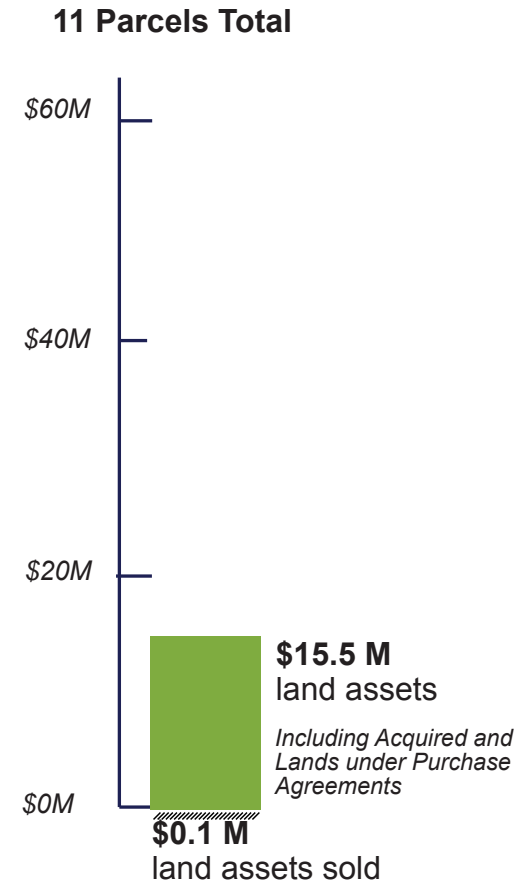


# Overall Budget

## Diversion Channel, In Town Levees, OHB Ring Levee



## Land Assets



Budgeted  
 Spent  
 Land Assets Sold

# Sample Flowage Easement Valuation Plan

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October 20, 2017

## Primary Goal

To define the potential values of compensation for impacts of staging floodwaters associated with the FM Area Diversion Project on farmland. The proposed study would establish values for a sampling of impacted properties, based on a hypothetical condition assuming the FM Area Diversion Project was constructed as defined in the CLOMR model.

- **Define the scope of services for the appraisal study**
  - Select 8–10 representative parcels upstream of FM Metro for the appraisers to study
  - The representative parcels should include raw farmland, wooded river lands, parcels near the proposed embankment with the most impact, parcels near the upper fringe of the staging area with little impact, parcels with existing flood risk, parcels with new flood risk associated with the Project, parcels in and out of the floodway, parcels with high development potential, and parcels in both states.
- **Retain the top two appraisal firms (Crown and Integra) to simultaneously conduct the valuation study**
  - Retain both appraisal firms to get two independent opinions of flowage easement values
  - AE2S would retain the appraisal firms as sub-consultants, supply available data to the appraisal firms, serve as the primary point of contact, and coordinate with local staff and administrators
- **Data supplied to appraisal firms shall be based on the FEMA approved CLOMR. Data includes:**
  - Before and after flood maps for 10, 25, 50, and 100-year flood events
  - NDSU Ag Impacts Study (Need to request results from the updated study)
  - Sample Flowage Easement
- **Valuation study shall include**
  - Research and review of comparable and paired sales data
  - Consideration of the hypothetical conditions associated with the FM Area Diversion Project
  - Production of Draft Sample Appraisal Reports for the Representative Parcels
  - Review of Draft results with technical and administrative staff
  - Presentation of the Draft Results to staff and the Diversion Authority's Land Management Committee
- **Present this Action Plan to the Diversion Authority Board and Committees in October to ensure transparency in the Process**
- **Upon receipt of results, consider options/alternatives for payment of mitigation funds**