

**FLOOD DIVERSION FINANCE COMMITTEE
AUGUST 23, 2017—4:00 PM**

1. MEETING TO ORDER

A meeting of the Flood Diversion Finance Committee was held on Wednesday, August 23, 2017, at 4:00 PM in the Fargo City Commission Chambers, Fargo City Hall, with the following present: Cass County Joint Water Resource District Chairman Mark Brodshaug; Fargo City Commissioner Tony Grindberg; Clay County Commissioner Jim Haney; Moorhead City Councilman Chuck Hendrickson; Cass County Auditor Mike Montplaisir; Fargo City Assistant Administrator Mike Redlinger; Cass County Commission Representative Darrell Vanyo; and Moorhead Finance Director Wanda Wagner. Fargo Finance Director Kent Costin; Fargo City Commissioner Tony Gehrig; Clay County Auditor/Treasurer Lori Johnson; Fargo City Mayor Tim Mahoney; and Cass County Commissioner Rick Steen were absent.

Robert Cowen, CH2M; and Dean Vetter, AE2S were also present. Eric Dodds, AE2S, was present via teleconference.

2. APPROVAL OF MINUTES FROM PREVIOUS MEETING

MOTION, passed

Mr. Brodshaug moved and Mr. Redlinger seconded to approve the minutes from the July 26, 2017, meeting as presented. Motion carried.

3. APPROVAL OF BILLS

Mr. Vanyo asked about Sentry Security & Investigations invoices on the Cass County Joint Water Resource District (CCJWRD) billing. Mr. Brodshaug said this is for security patrols for vacant homes in Oxbow. Security in Oxbow will be discontinued and he expects the final invoices on next month's billing.

Mr. Vanyo asked about the Steven J. Herzog line item on the CCJWRD billing for flowage easement acquisition consultation. Eric Dodds of AE2S was present via teleconference. Mr. Dodds said this work has been completed and this is the final invoice for this work.

MOTION, passed

Mr. Vanyo moved and Mr. Montplaisir seconded to approve the bills in the amount of \$9,590,260.62 and to forward them to the Metro Flood Diversion Authority. On roll call vote, the motion carried unanimously.

4. FINANCIAL UPDATE

Mr. Montplaisir reviewed the financial statement for July. About \$40.4 million has been expended from the FY 2017 budget, and the total disbursed for the project to date is \$372,762,953.

Mr. Montplaisir said the Diversion Authority has substantial cash on hand at the moment and the net position is \$78.0 million.

MOTION, passed

Mr. Montplaisir moved and Mr. Hendrickson seconded to approve the financial statement for July as presented. On roll call vote, the motion carried unanimously.

5. **PMC UPDATE**

Robert Cowen of CH2M was present to review the Program Management Consultant (PMC) report, including the overall program status and the FY 2017 cash budget.

Mr. Grindberg asked when the 2018 budgeting process will begin. Mr. Cowen said the process has already begun and a preliminary 2018 budget will be presented at the September meeting. The budgeting process includes reviewing outstanding contracts and budgets and working with the financial officers involved with the project for input. Per the Joint Powers Agreement, the budget must first be presented to the board in September with a follow-up in October and final budget approval granted by the board by the first meeting in December.

Mr. Grindberg asked if the co-executive directors are involved in the process. Mr. Cowen said they were not involved last year but they can be pulled in for the 2018 budget.

Mr. Grindberg said last year it was indicated that engineering and design fees and program management fees would begin in to decline in 2018 and will continue to be reduced thereafter. Mr. Cowen said that is correct.

MOTION, passed

Mr. Brodshaug moved and Mr. Vanyo seconded to approve the Program Management Consultant report for July as presented. On roll call vote, the motion carried unanimously.

6. **RECOMMENDED CONTRACTING ACTIONS**

Mr. Cowen reviewed the following contracting actions:

Utility Relocation Agreements

- Sprint Communications Company, L.P. (OHB Ring Levee)— coast-to-coast fiber optic relocation in the amount of \$276,363.92.

Mr. Cowen said this utility relocation was anticipated last year and is included in the 2017 budget. It has been reviewed and recommended by the Technical Advisory Group (TAG).

MOTION, passed

Mr. Montplaisir moved and Mr. Redlinger seconded to approve the appropriation of funds for the outlined utility relocation agreement with Sprint Communications Company, L.P., and to forward the recommendation to the Metro Flood Diversion Authority. On roll call vote, the motion carried unanimously.

- CenturyLink Communications (OHB Ring Levee)—copper communications levee crossing in the amount of \$28,577.62.

Mr. Cowen said this utility relocation was anticipated last year and is included in the 2017 budget. It has been reviewed and recommended by TAG.

MOTION, passed

Mr. Vanyo moved and Mr. Haney seconded to approve the appropriation of funds for the outlined utility relocation agreement with CenturyLink Communications, and to forward the recommendation to the Metro Flood Diversion Authority. On roll call vote, the motion carried unanimously.

Change Order

- Reiner Contracting Inc. (El Zagal area)—balance unit rate quantities for a reduction in the amount of \$1,720.78.

MOTION, passed

Mr. Redlinger moved and Mr. Brodshaug seconded to approve the appropriation of funds for the outlined change order with Reiner Contracting Inc. as presented, and to forward the recommendation to the Metro Flood Diversion Authority. On roll call vote, the motion carried unanimously.

7. LAND ACQUISITION STATUS REPORT

Dean Vetter of AE2S was present to review the Land Acquisition Status Report and note areas of change.

Mr. Hendrickson asked about the status of a parcel in the Cultural Mitigation Area that is currently listed as “In Negotiations”. Mr. Vetter said the landowner of this parcel requested that additional parcels he owned be appraised simultaneously, creating a delay in the process. The work is still projected to be completed in the fall.

Mr. Vanyo asked about the status of several parcels for the Diversion Inlet Control Structure that are currently listed as “Condemnation”. Mr. Vetter said there is now a verbal agreement for one of the parcels. Work has started and all parties have been notified.

8. LAND ACQUISITION DIRECTIVE

Mr. Vetter presented a Land Acquisition Directive for approval along with information on two additional parcels that are part of the Wild Rice Control Structure to be added to the directive.

Mr. Hendrickson asked how many residential parcels are included in the directive. Mr. Vetter said one.

Mr. Brodshaug said some of the parcels are only required for flowage easements and may be resold at a later time.

MOTION, passed

Mr. Vanyo moved and Mr. Montplaisir seconded to approve LAD-OPP-01 REV-05, including the addition of two Wild Rice Control Structure parcels, as presented. On roll call vote, the motion carried unanimously.

9. STATE WATER COMMISSION MEETING

Mr. Dodds said he attended the ND State Water Commission board meeting earlier today. It was the first meeting attended by several new board appointments and there was good dialogue and questions from Governor Burgum.

10. NEXT MEETING

The next meeting will be held on September 27th at 4:00 PM.

11. **ADJOURNMENT**

MOTION, passed

On motion by Mr. Vanyo, seconded by Mr. Hendrickson and all in favor, the meeting was adjourned at 4:28 PM.

Minutes prepared by Brielle Edwards, HR Assistant