

A regular meeting of the Metro Flood Diversion Authority Finance Committee was held on October 27, 2021. The following members were present: Bernie Dardis, Mayor, City of West Fargo; Dr. Tim Mahoney, Mayor, City of Fargo; Dan Jacobson, Chairman, Cass County Joint Water Resource District; Kent Costin, City of Fargo Finance Director; Lori Johnson, Clay County Auditor/Treasurer; Mike Redlinger, City of Fargo Assistant Administrator; Mike Rietz, City of Moorhead Assistant City Manager and Rick Steen, Cass County Commissioner.

Members absent: Chad Peterson, Cass County Commissioner; Dave Piepkorn, Fargo City Commissioner and Shelly Carlson, Mayor, City of Moorhead.

**1. CALL TO ORDER**

Mayor Dardis called the meeting to order at 4:01 PM. Roll call was taken, and a quorum was present.

**2. APPROVE MINUTES FROM THE SEPTEMBER 22, 2021, MEETING**

**MOTION PASSED**

**Mr. Steen moved to approve the minutes from the September 22, 2021, meeting and Mr. Costin seconded the motion. On a voice vote, the motion carried.**

**3. APPROVE ORDER OF AGENDA**

**MOTION PASSED**

**Mr. Redlinger moved to approve the order of the agenda and Mr. Steen seconded the motion. On a voice vote, the motion carried.**

**4. APPROVAL OF BILLS**

Mr. Costin reported that \$10,073,433.68 are the bills payable through October 20, 2021. Reimbursement to the City of Fargo for in-town flood projects is the largest of the payables.

**MOTION PASSED**

**Mr. Steen moved to approve the bills as presented by Mr. Costin and Mr. Jacobson seconded the motion. On a roll call vote, the motion carried.**

## 5. FINANCIAL REPORT

Mr. Costin reported that \$90,314,371 is the year to date spent and \$736,625,608 is the grand total spent on the project. Mr. Costin also reported that our current net position is \$105,388,543 and that \$3 million will be paid in November to the bidder that was not selected.

### **MOTION PASSED**

**Mr. Steen moved to approve the financial report as presented by Mr. Costin and Dr. Mahoney seconded the motion. On a roll call vote, the motion carried.**

## 6. EXECUTIVE DIRECTOR FINANCIAL REPORT

Mr. Paulsen reported that there has been no significant change from last month and the majority of expenditures continue to be in land acquisitions. There are no concerns regarding the budget and it is anticipated that we will be under budget at year end.

## 7. CONTRACTING ACTIONS

### **DA Board approval:**

Mr. Paulsen reported on the following contracting actions:

- Services Agreement – Labor Requirements for Construction the FM Diversion – Conduct research study to estimate the size and characteristics of the construction workforce over the duration of the Comprehensive Project with NDSU \$35,844
- Services Agreement – Consulting Services – Provide Human Resource Services for the MFDA HighRoad Partners HR Solutions \$4,500
- Master Services Agreement – Professional Services – Policy Development Support – Provide a Crisis Communication Plan and other Communication Assistance Schatz & Associates \$0
- WP-50F Agreement – Capping Cass Rural Water facilities for WP-50F Project Cass Rural Water \$11,300

### **MOTION PASSED**

**Dr. Mahoney moved to approve all the contracting actions presented by Mr. Paulsen and Mr. Steen seconded the motion. On a roll call vote, the motion carried.**

**DA Board Approval for 2021 Cash Budget Adjustments:**

Mr. Paulsen reported that \$3 million of the \$6 million budgeted for the proposers that were not selected will not be spent since we only received two P3 proposals instead of three. These funds are proposed to be utilized by the City of Horace infrastructure fund.

**MOTION PASSED**

**Mr. Steen moved, and Dr. Mahoney seconded the cash budget adjustment transfer. On a roll call vote, the motion carried.**

**8. OTHER BUSINESS**

**a. Update on Financial Close**

Mr. Shockley provided an update on the financial close that took place on October 13<sup>th</sup>. He gave an overview of the process and indicated that there was a significant cost savings primarily due in part to the bond interest rates and the issuance of green bonds.

**b. DA Board Approved MOU**

Mr. Shockley provided a summary outlining the purpose and necessity for the following MOU:

- City of Drayton & MFDA

The MOU addresses design, construction, operations and maintenance, right of way acquisition, permits, dispute resolution, etc. Reimbursement includes the following: (i) costs and expenses associated with City's property acquisition for purposes of the Project; (ii) utility relocation costs; and (iii) permit costs. Construction costs are governed by the PPA between the Authority and USACE. The City will not be responsible for costs and expenses associated with construction. The City of Drayton will be responsible for the costs incurred in performing its operations and maintenance for access and recreational facilities.

**MOTION PASSED**

**Dr. Mahoney moved to approve the MOU as summarized by Mr. Shockley and Mr. Costin seconded the motion. On a roll call vote, the motion carried.**

**c. MFDA Staffing Plan**

Mr. Paulsen presented the proposed MFDA organizational chart. He indicated that the proposed new positions would fall under the \$1.6 million administrative budget rather than the project budget. There was significant dialogue and requests for clarification on the savings to the bottom line. It was questioned if all these positions are needed.

Mayor Dardis asked Mr. Paulsen if he wanted the proposed plan to be voted on and Mr. Paulsen indicated that he would prepare additional justification and re-present at the board of authority meeting tomorrow.

**NO ACTION WAS TAKEN**

**d & e. Land Acquisition Directives for Parcels in ND and MN**

Mr. Dodds gave an overview of the LADs for Minnesota and North Dakota. The total property acquisition budget for the North Dakota parcels is \$48 million and \$2.9 million in Minnesota. Both are within budget.

**MOTION PASSED**

**Dr. Mahoney moved to approve the LADs as presented by Mr. Dodds and Mr. Redlinger seconded the motion. On a roll call vote, the motion carried.**

**f. Property Acquisition Status Report**

In the interest of time, Mr. Dodds indicated that the property acquisition status report was in the packet and to reach out to him if any questions arise.

**9. NEXT MEETING**

The next meeting will be November 17, 2021.

**10. ADJOURNMENT**

The meeting adjourned at 5:31PM.