

**Metro Flood Diversion Authority  
Finance Committee  
Meeting Minutes  
3:00 PM – January 26, 2022**



A regular meeting of the Metro Flood Diversion Authority Finance committee was held on January 26, 2022. The following members were present: Bernie Dardis, Mayor, City of West Fargo; Dr. Tim Mahoney, Mayor, City of Fargo; Chad Peterson, Cass County Commissioner; 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; Rick Steen, Cass County Commissioner and Brandy Madrigga, Cass County Finance Director.

Members absent: Dave Piepkorn, Fargo City Commissioner; Shelly Carlson, Mayor, City of Moorhead and Mike Rietz, City of Moorhead Assistant City Manager.

**1. CALL TO ORDER**

Mayor Dardis called the meeting to order at 3:00 PM. Roll call was taken, and a quorum was present.

**2. APPROVE MINUTES FROM THE DECEMBER 2021 MEETING**

**MOTION PASSED**

**Dr. Mahoney moved to approve the minutes from the December 15, 2021, meeting and Mr. Steen seconded the motion. On a voice vote, the motion carried.**

**3. APPROVE MINUTES FROM THE JANUARY 2022 SPECIAL MEETING**

**MOTION PASSED**

**Mr. Steen moved to approve the minutes from the January 3, 2022, special meeting and Mr. Peterson seconded the motion. On a voice vote, the motion carried.**

**4. APPROVE ORDER OF AGENDA**

**MOTION PASSED**

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

**5. SELECTION OF MFDA FINANCE COMMITTEE CHAIR AND VICE CHAIR FOR 2022**

**MOTION PASSED**

**Mr. Steen nominated Mayor Dardis as the chair for 2022 and Dr. Mahoney nominated Mr. Steen as the vice chair. Mr. Peterson seconded the motion and moved to cease any additional nominations and cast a unanimous ballot. Dr. Mahoney seconded the motion and on a voice vote, the motion carried.**

**6. APPROVAL OF BILLS**

Mr. Costin reported that \$8,095,929.99 are the bills payable through January 19, 2022.

**MOTION PASSED**

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

**7. FINANCIAL REPORT**

Mr. Costin reported that \$126,947,321 is the 2021 total spent and \$773,491,535 is the grand total spent to date. Mr. Costin also reported that \$97,642,348 is the net position and \$192,920,000 remains in the administrative budget.

Mr. Costin recommended discontinuing the Summary Financial Budget Report for fiscal year 2022 since it states outstanding encumbrances spanning multiple years thus creating a negative variance in the budget balance.

Dr. Mahoney inquired regarding the \$437 million in government funds and how they are disbursed. Mr. Costin stated that the funds are not received until a reimbursement request is submitted to the state and the Bank of North Dakota releases the funds as the trustee. Mr. Costin commented that we need to have access to these funds in a timely manner based on the dollar amount of the checks that will be issued.

Dr. Mahoney asked if meeting with the treasurer is an option. Mr. Shockley indicated that he did have dialogue with the state and to no avail, but he will reach out to them again.

**MOTION PASSED**

**Mayor Dardis requested that Mr. Costin's financial report be accepted as presented and his recommendations to discontinue the Summary Financial Budget Report and ask the state for payment upon receipt of reimbursement requests, be taken into consideration. On a roll call vote, the motion carried.**

**8. EXECUTIVE DIRECTOR FINANCIAL REPORT**

Mr. Paulsen reported that we came in significantly under budget and overall, the budget was managed well. He also reported that the revenue sources and sales tax revenues have been sufficient.

**9. CONTRACTING ACTIONS**

Mr. Paulsen reported that there are no contracting actions or cash budget changes to report.

**10. OTHER BUSINESS**

**a. Financial Plan Schedule Update**

Mr. Paulsen reported that the financial plan will be updated and there will be significant changes given the P3 agreement. Risk meetings were held, and a probability analysis will be completed by Ernst & Young and included in the overall financial plan. The report will be presented at the March meeting.

**b. 2021 Financial Audit**

Mr. Paulsen reported that Eide Bailly will be conducting the 2021 audit as well as the financial statements.

**c. DA Board Approved MOU and Agreement Actions**

Mr. Shockley provided an overview and summary outlining the purpose and necessity for the following MOUs and MURAs:

- i. City of Mapleton & MFDA MOU for DCAI
- ii. Mapleton Township & MFDA MOU for DCAI
- iii. Rush River WRD & MFDA MOU for DCAI
- iv. Magellan Pipeline & MFDA MOU for DCAI
- v. Otter Tail Power Company & MFDA MOU for DCAI
- vi. Sprint Communication & MFDA MURA for SEAI/UMA
- vii. City of Fargo & MFDA MURA for Sanitary Sewer Relocation for SEAI/UMA

**MOTION PASSED**

**Dr. Mahoney moved to approve items i-vii as presented by Mr. Shockley and Mr. Peterson seconded the motion. On a roll call vote, the motion carried.**

**d. Resolution Establishing Administrative Fee Policy for In-Kind Construction**

Mr. Shockley provided an overview and summary outlining the purpose and necessity for the above-referenced resolution.

**MOTION PASSED**

**Mr. Steen moved to approve the resolution as presented by Mr. Shockley and Mr. Peterson seconded the motion. On a roll call vote, the motion passed.**

**e. Resolution Approving the Procedure for Requesting that the City of Fargo Undertake Development of Comprehensive Project In-Kind Work Elements and Authorizing the Reimbursement of Such Development Costs and Expenses**

Mr. Shockley provided an overview and summary outlining the purpose and necessity for the above-referenced resolution.

**MOTION PASSED**

**Dr. Mahoney moved to approve the resolution as presented by Mr. Shockley and Mr. Steen seconded the motion. On a roll call vote, the motion passed.**

**f. WP50F Recommendation to Accept Bids and Awards**

Mr. Shockley reported that open bids for property structure mitigation were publicly advertised and upon evaluation, it was determined to award the bid to Schmidt & Sons Construction in the amount of \$224,900.75.

**MOTION PASSED**

**Dr. Mahoney moved to approve the bid award as presented and Mr. Peterson seconded the motion. On a roll call vote, the motion carried.**

**11. NEXT MEETING**

The next meeting will be February 23, 2022.

**12. ADJOURNMENT**

**The meeting adjourned at 4:51 PM.**