

# Metro Flood Diversion Authority Finance Committee Meeting Minutes

**4:00 P.M. – October 26, 2022**

City of Fargo Commission Chambers

A regular meeting of the Metro Flood Diversion Authority Finance Committee was held on October 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; Terri Gayhart, City of Fargo Finance Director; Lori Johnson, Clay County Auditor/Treasurer; Mike Redlinger, City of Fargo Interim City Administrator; Rick Steen, Cass County Commissioner; Dave Piepkorn, Fargo City Commissioner; Shelly Carlson, Mayor, City of Moorhead; Mike Rietz, City of Moorhead Assistant City Manager and Brandy Madrigga, Cass County Finance Director.

Members absent: there were no members absent.

**1. CALL TO ORDER**

Mayor Dardis called the meeting to order at 4:00 PM. Roll call was taken, and a quorum was present.

**2. APPROVE MINUTES FROM THE SEPTEMBER 2022 MEETING**

**MOTION PASSED**

**Mr. Steen moved to approve the minutes from the September 2022, meeting and Mayor Carlson seconded the motion. On a voice vote, the motion carried.**

**3. APPROVE ORDER OF AGENDA**

**MOTION PASSED**

**Dr. Mahoney moved to approve the order of the agenda as amended, removing item 7. ii., WPAi, from the contracting actions, and Mr. Peterson seconded the motion. On a voice vote, the motion carried.**

**4. APPROVAL OF BILLS**

Ms. Gayhart reported that the bills payable through October 18, 2022, total \$9,204,568.59 and are payable to the usual vendors, with Cass County Joint Water Resource District being the largest.

**MOTION PASSED**

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

**5. FINANCIAL REPORT**

Ms. Gayhart reported that we currently have \$143,638,835 in cash, \$7,388,146 in receivables and \$5,626,899 in vouchers. The current net position is \$145,400,082.

**MOTION PASSED**

**Mr. Peterson moved to approve the financial report and Mr. Steen seconded the motion. On a roll call vote, the motion carried.**

**6. EXECUTIVE DIRECTOR FINANCIAL REPORT**

Mr. Nicholson reported that current revenues for the month are \$16,479,000 and the fiscal year revenues to date are \$103,576,000. Mr. Nicholson also reported that costs to date are \$72,404,038, leaving a remaining balance of \$122,435,052. A request was made for additional line-item detail on the administrative budget report. Staff will work with Mr. Paulsen to get the detail included in the report.

**7. CONTRACTING ACTIONS**

**a. DA Board Approval Contracting Actions**

Mr. Shockley and Mr. Nicholson provided an overview of the following contracting actions:

- New Services Agreement – Risk Management Advisory Services – Provide risk management services to the MFDA for insurance, performance security, and risk management as requested regarding matters affecting, or that potentially affect the project. AON Risk Services Central, Inc. - \$0.00.
- New Master Services Agreement 2023 – Consulting Services – Renew MSA and extend period of performance to December 31, 2025. Program Advisor Services - \$0.00.
- Services Agreement Amendment 2 – Consulting Services – Extending the period of performance to December 31, 2023 and add to the budget for the 2023 fiscal year. GA Group, PC - \$48,000.00.
- Services Agreement 2022-2023 – Autonomous Mowing Services – Identify innovation and technology for automated equipment for project maintenance. Grand Farm Research & Education Initiative, Inc. - \$25,000.00.

**MOTION PASSED**

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

**8. OTHER BUSINESS**

**a. DA Board Approval MURA and Agreement Actions**

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

**i. Cass Rural Water Users District & MFDA MURA**

**MOTION PASSED**

**Dr. Mahoney moved to approve the MURA as presented by Mr. Shockley and Mayor Carlson seconded the motion. On a roll call vote, the motion carried.**

**b. Draft 2023 Cash Budget**

Mr. Nicholson provided an overview of the “draft” 2023 cash budget and indicated this is the second draft, and no action is needed at this time. Mr. Nicholson also stated that there was a \$20 million increase from the previous draft. It appears that we are still in a good position, however, we need to continue to be diligent.

### **c. Updated City Work Plan Bid**

Mr. Bakkegard reported that since the July 2022 MFDA Board meeting, the City of Fargo has received and rejected bids for one project that was anticipated to begin in 2022.

#### **FM-21-A1 Revised to FM-21-A2 – Erosion protection and bank stabilization of the South University Floodwall**

- July 2022 approved project budget based on updated engineer's estimate = \$2,805,000
- The increase in the engineer's estimate in July 2022 was based on the following items:
  - The area of the riverbank to be armored with rock rip rap needed to be expanded due to the riverbank failure area increasing since the original estimate had been put together. The area increased was slightly less than double.
  - The addition of pavement removal and replacement on 52nd Avenue S to repair the roadway where the bank failure has extended into it. This cost accounts for approximately \$75k of the increased cost.
  - The current bidding market and inflation impacts.
- The City of Fargo received only one bid on the project in September 2022 with the construction cost 135% over the engineer's estimate. The City of Fargo rejected the bid in October 2022 and followed up with contractors that received plans.
- The City of Fargo and the project engineer have developed a revised project estimate based on feedback received from contractors. This resulted in the following project revisions:
  - The project number was revised from FM-21-A1 to FM-21-A2.
  - City of Fargo plans to rebid the project in 2022 with changes noted below.
  - Increasing the project estimated cost by \$330k. The additional cost for the project is due to the City of Fargo/MFDA taking over some of the risk for potential impacts of a flood by adding a demobilization/remobilization bid item as well as slight adjustments to a few of the bid item prices. The demobilization/remobilization bid item will not be paid unless the river goes above a river stage of 30 feet for three weeks when the contractor is on site.

**FM-21-A2:** 2022 Engineer's Estimate including engineering and contingency = \$3,135,000

#### **Request Budget Increase = \$330,000**

If the proposed motion is approved, City of Fargo project FM-21-A2 will have a budget increase of \$330,000. It is important to note that this project increase and total project cost will be part of the 2023 Cash Budget and therefore we are not requesting an amendment to the 2022 Cash Budget.

#### **MOTION PASSED**

**Mr. Peterson moved to approve the updated work plan bid and budget increase of \$330,000 and Mr. Piepkorn seconded the motion. On a roll call vote, the motion carried.**

### **9. NEXT MEETING**

The next meeting will be November 16, 2022.

### **10. ADJOURNMENT**

The meeting adjourned at 4:32 PM.