

**FLOOD DIVERSION AUTHORITY  
FINANCE COMMITTEE  
AGENDA FOR WEDNESDAY, OCTOBER 10, 2012**

Cass County Commission Room  
9:00 AM

1. Call to Order
2. Approval of the minutes from the previous meeting
3. Approval of Bills
4. Financial Update (Costin)
5. Decision Papers (Berndt, Montplaisir)
  - a) Property Management Firm Selection
  - b) Hayden Heights Properties
  - c) Hardship Properties
6. Replacement taxes (Montplaisir)
  - a) Purchased Properties
  - b) Loss in Value
7. Other business
8. Next meeting
9. Adjournment

cc: Local Media  
Flood Diversion Board of Authority  
CH2M Hill  
AE2

**FLOOD DIVERSION FINANCE COMMITTEE  
SEPTEMBER 12, 2012—9:00 AM**

**1. MEETING TO ORDER**

A meeting of the Flood Diversion Finance Committee was held on September 12, 2012, at 9:00 AM in the Cass County Commission Room with the following present: Cass County Administrator Keith Berndt; Fargo City Administrator Pat Zavoral; Cass County Auditor Mike Montplaisir; Cass County Commissioner Darrell Vanyo; Fargo City Commissioner Brad Wimmer; City of Fargo Finance Director Kent Costin; City of Moorhead Finance Director Wanda Wagner; Moorhead City Commissioner Nancy Otto; Clay County Auditor Lori Johnson and Southeast Water Resource District Manager Mark Brodshaug. Absent was Fargo City Administrator Pat Zavoral.

Also present were Lisa Beilke, AE2S; Jon Diebel, Martin Nicholson and Thomas O'Hara, CH2MHill; and Jessica Mitchell, PFM Group.

**2. APPROVAL OF MINUTES FROM PREVIOUS MEETING**

*MOTION, passed*

**Mr. Berndt moved and Mr. Vanyo seconded to approve the minutes from the August 7, 2012 meeting as presented. Discussion: Mr. Costin said due to ongoing litigation, legal counsel has asked that only a summary of the bills be provided for approval at this time. All members voted in favor. Motion carried.**

**3. APPROVAL OF BILLS, Approved**

*MOTION, passed*

**Mr. Vanyo moved and Mr. Wimmer seconded to approve the bills and forward them to the Flood Diversion Board of Authority. Motion carried.**

**4. FINANCE UPDATE**

Mr. Costin reviewed the financial statement, stating the total flow of funds for August was \$738,000 which are all contract obligations and have been disbursed.

*MOTION, passed*

**Mr. Brodshaug moved and Ms. Otto seconded to approve the financial statement for August as presented. Motion carried.**

**5. WIKS and LERRDS Crediting Status Report**

Mr. Diebel distributed a handout and summary report on the WIKS and LERRDS through July 30<sup>th</sup>. Approximately \$341,000 of the amount submitted will not be eligible as the CORP is questioning the need for some of the studies.

Mr. Vanyo said Mayor Walaker, Mr. Berndt, Mr. Zavoral and himself will be traveling to St. Paul to meet with the CORP on September 26<sup>th</sup>. The purpose of the meeting is to clarify issues the CORP has with the diversion. Mr. O'Hara said this project is not a typical project for the CORP so it is a matter of working out the concerns.

Ms. Wagner arrived at the meeting at 9:10 AM.

**6. CH2MHILL CONTRACT**

Mr. Berndt said they are looking at a 3 month extension of the contract with CH2MHill. The contract extension will cost about \$2.1 million and end December 31<sup>st</sup>. After the year-end the contract will be reviewed and extended taking into consideration the progress of the project.

*MOTION, passed*

**Mr. Vanyo moved and Mr. Berndt seconded to extend the contract with CH2MHill for 3 months at a cost of approximately \$2.1 million and to forward the recommendation to the Diversion Board. Motion carried.**

**7. HAYDEN HEIGHTS**

Mr. Berndt said there are lots in the Hayden Hills subdivision which have not been sold. The diversion may use some of the lots therefore; it may be in the best interest of everyone for the Diversion Board to

purchase the lots. There is one lot which has a home on it and an appraisal would be done on that lot before any purchase is made. If the lots are not disturbed by the diversion, the lots could then be sold by the Diversion Board. Mr. Montplaisir said the purchase price including uncertified specials and taxes due last year on the lots would total approximately \$1,058,000.

***MOTION, passed***

**Mr. Berndt moved and Mr. Brodshaug seconded to recommend the Diversion Board purchase the lots in the Haden Hills subdivision. Motion carried.**

**8. UPDATE ON SPECIAL ASSESSMENT PROCESS**

Mr. Brodshaug said he was instructed at the last Finance Committee meeting to proceed with getting the special assessment district set up. If the process moves forward as planned the selling of bonds could begin by mid-2013. Mr. Brodshaug recommended the committee be composed of members from the Joint Water Board, Cass County, the Cities of Fargo and West Fargo and the other entities would be invited to the meetings.

Mr. Brodshaug presented a handout depicting a timeline for the process. Mr. Vanyo said the latest date the process should begin is January. Mr. Montplaisir said the earlier the process begins the better. Mr. Brodshaug said the committee should be formed by early October.

Ms. Otto said the citizens are going to need an explicit explanation of the special assessments as the public may not understand that the sales tax will be used for payments and the special assessments will be used if needed. Mr. Brodshaug said the special assessment district will be in place if needed. Ms. Mitchell said the special assessments are a guarantee of payment by the sales tax may take care of the payments. Mr. Vanyo said it will be essential to be upfront with the citizens and gain their trust. Mr. Montplaisir said the sales tax for the City of Fargo expires in 2029 and Cass County the expiration is 2031, at these respective times the voters will need to vote on the sales tax to extend it.

Ms. Mitchell said they are working with CH2MHill on a funding model.

**9. FUTURE MEETING DATES/NEXT MEETING DATE**

The next meeting is Wednesday, October 10<sup>th</sup> at 9:00 AM.

**10. ADJOURNMENT**

***MOTION, passed***

**On motion by Mr. Wimmer, seconded by Mr. Vanyo, and all voting in favor, the meeting was adjourned at 10:02 AM.**

Minutes prepared by Cindy Stoick, Principal Secretary



received  
9-19-12

MINNEAPOLIS OFFICE  
612-340-2600

(Tax Identification No. 41-0223337)

STATEMENT OF ACCOUNT FOR PROFESSIONAL SERVICES

Fargo-Moorhead Flood Diversion Bd of Authority  
c/o Erik R. Johnson & Associates, Ltd.  
Attn: Erik Johnson  
505 Broadway, Suite 206  
Fargo, ND 58102

September 17, 2012  
Invoice No. 1822753

Client-Matter No.: 491379-00001  
Red River Diversion Project

For Legal Services Rendered Through August 31, 2012

INVOICE TOTAL

Total For Current Legal Fees	\$86,925.00
Total For Current Disbursements and Service Charges	\$35.88
<b>Total For Current Invoice</b>	<b>\$86,960.88</b>
<b>Summary of Account</b>	
*Prior Balance Due	\$33,232.71
Total Amount Due	\$120,193.59

\*If payment has been submitted for prior balance due, please disregard.

For your convenience, please remit payment to the address below or we offer the option of remitting payment electronically by wire transfer. If you have any questions regarding this information, please contact the lawyer you are working with on this project or Dorsey's Accounts Receivable Department at 1-800-861-0760. Thank you.

Mailing Instructions:  
Dorsey & Whitney LLP  
P.O. Box 1680  
Minneapolis, MN 55480-1680

Wire Instructions:  
U.S. Bank National Association  
800 Nicollet Mall  
Minneapolis, MN 55402

ABA Routing Number: 09100022  
Account Number: 1602-3010-8500  
Swift Code: USBKUS44IMT

Please make reference to the invoice number

Service charges are based on rates established by Dorsey & Whitney. A schedule of those rates has been provided and is available upon request. Disbursements and service charges, which either have not been received or processed, will appear on a later statement.

ALL INVOICES ARE DUE 30 DAYS FROM DATE OF INVOICE UNLESS OTHERWISE EXPRESSLY AGREED BY DORSEY & WHITNEY

03053

**OHNSTAD TWICHELL, P.C.**  
 901 13TH AVENUE EAST  
 PO BOX 458  
 WEST FARGO ND 58078-0458  
 WK 701-282-3249 FAX 701-282-0825  
 Federal I.D. #45-0310621

September 19, 2012

**CITY OF FARGO**  
**ATTN KENT COSTIN**  
**200 3RD ST N**  
**FARGO, ND 58103**

Invoice# 116323 JTS  
 Our file# 110005 00005  
 Billing through 09/18/2012

**US ARMY CORPS OF ENGINEERS - RIGHT OF ENTRY/LAND ACQUISITION - MINNESOTA**


Balance forward as of invoice dated	08/29/12	\$2,050.00
Last payment received	09/17/2012	2,050.00
Accounts receivable balance carried forward		<u>\$0.00</u>

**PROFESSIONAL SERVICES**

08/22/2012	JTS	Complete resolution and respond to e-mails as needed.	
			0.50 hrs
08/24/2012	JTS	Obtain signed easements.	
			1.00 hrs
08/28/2012	JTS	Attend telephone meeting.	
			1.00 hrs
08/28/2012	SNW	Conference call with attorney Chris McShane, attorney John Shockley, Brad Dahl, Lee Beauvais, Lyndon, Ginny, Katie, Rod, Mark, Carol, Pam regarding easement, right of way, right of entry on properties and status; status updates on areas of project in ND and MN.	
			1.00 hrs
08/29/2012	JTS	Review e-mails and meet regarding ROE.	
			0.60 hrs
09/07/2012	JTS	Attend hardship committee meeting.	
			1.40 hrs
		Total fees for this matter	\$1,102.50

**Billing Summary**

Total fees	\$1,102.50
Total expenses	\$0.00
<b>Total of new charges for this invoice</b>	<u><b>\$1,102.50</b></u>
<b>Total balance now due</b>	<u><b>\$1,102.50</b></u>

790-7980-429-33-25  
 PJ = V00102  


PURSUANT TO SECTION 13-01-14, NDCC, A LATE PAYMENT CHARGE OF 1% PER MONTH IS

**FM Diversion Authority**  
**Fiscal Accountability Report Design Phase (Fund 790)**  
**As of 09/30/2012**

	2011	2012	Cumulative Totals
<b>Revenues</b>			
City of Fargo	443,138	3,734,086	4,177,224
Cass County	443,138	3,734,086	4,177,224
City of Moorhead / Clay County	98,475	829,797	928,271
State Water Commission (10% Cap)	-	-	-
<b>Total Revenues</b>	<b>984,750</b>	<b>8,297,969</b>	<b>9,282,719</b>
<b>Expenditures</b>			
7905 Army Corp Payments	-	-	-
7910 WIK - Administration	107,301	94,177	201,479
7915 WIK - Project Design	149,632	2,605,213	2,754,845
7920 WIK - Project Management	679,037	4,461,214	5,140,251
7925 WIK - Recreation	-	162,960	162,960
7930 LERRDS - North Dakota	48,664	951,443	1,000,107
7931 LERRDS - Minnesota	-	22,961	22,961
7940 WIK Mitigation - North Dakota	-	-	-
7941 WIK Mitigation - Minnesota	-	-	-
7950 Construction - North Dakota	-	-	-
7951 Construction - Minnesota	-	-	-
7955 Construction Management	-	-	-
7990 Project Financing	-	-	-
7995 Project Eligible - Off Formula Costs	-	-	-
7999 Non Federal Participating Costs	116	-	116
<b>Total Expenditures</b>	<b>984,750</b>	<b>8,297,969</b>	<b>9,282,719</b>

**FM Diversion Authority  
Summary of Cash Disbursements  
Period September 2012**

Date: 9/28/2012

Period/Year: 09/2012

Account Number	Check Date	Check Number	Vendor Name	Transaction Amount	Description 1	Project Number	Project Description
790-7910-429.33-20	9/26/2012	JB09120012	CITY OF FARGO	320.00	FISCAL SERVICES	V00102	General & Admin. WIK
<b>Total Accounting Services \$</b>				<b>320.00</b>			
790-7915-429.33-05	9/12/2012	230513	HOUSTON ENGINEERING INC	3,556.75	THROUGH 7/22/12	V00803	Transportation Master Plan
	9/12/2012	230513	HOUSTON ENGINEERING INC	7,598.00	THROUGH 7/22/12	V00805	Extreme Rainfall-Houston
	9/12/2012	230578	MOORE ENGINEERING INC	3,325.00	THROUGH 7/20/12	V00903	Local Drainage Plan
	9/12/2012	230578	MOORE ENGINEERING INC	1,164.57	THROUGH 7/20/12	V00907	Post Feasibility - Moore
	9/28/2012	231294	HOUSTON-MOORE GROUP LLC	302,834.10	5/19-6/15/12	V01603	CR-81 & 129 BRIDGE DESIGN
	9/28/2012	231294	HOUSTON-MOORE GROUP LLC	276,821.90	6/16-7/20/12	V01603	CR-81 & 129 BRIDGE DESIGN
	9/28/2012	231294	HOUSTON-MOORE GROUP LLC	165,622.92	5/19-6/15/12	V01605	POST FEASIBILITY ANALYSIS
	9/28/2012	231294	HOUSTON-MOORE GROUP LLC	34,400.16	6/16-7/20/12	V01607	RECREATION/USE MASTER PLAN
	9/28/2012	231294	HOUSTON-MOORE GROUP LLC	116,369.78	5/19-6/15/12	V01608	WORK-IN-KIND (WIK)
	9/28/2012	231294	HOUSTON-MOORE GROUP LLC	166,107.37	6/16-7/20/12	V01608	WORK-IN-KIND (WIK)
	9/28/2012	231294	HOUSTON-MOORE GROUP LLC	44,683.90	5/19-6/15/12	V01609	HYDROLOGY/HYDRAULIC MODEL
	9/28/2012	231294	HOUSTON-MOORE GROUP LLC	2,467.35	6/16-7/20/12	V01609	HYDROLOGY/HYDRAULIC MODEL
<b>Total Engineering Services \$</b>				<b>1,124,951.80</b>			
790-7920-429.33-05	9/28/2012	231294	HOUSTON-MOORE GROUP LLC	92,347.14	5/19-6/15/12	V01601	HMG - PROJECT MANAGEMENT
	9/28/2012	231294	HOUSTON-MOORE GROUP LLC	92,638.67	6/16-7/20/12	V01601	HMG - PROJECT MANAGEMENT
<b>Total Engineering Services \$</b>				<b>184,985.81</b>			
790-7920-429.33-79	9/28/2012	231292	CH2M HILL ENGINEERS INC	407,809.29	3/12-9/30/12 MGMT EXT	V00202	CH2M Hill 3/12-9/30/12
	9/28/2012	231292	CH2M HILL ENGINEERS INC	696,678.82	3/12-9/30/12 MGMT EXT	V00202	CH2M Hill 3/12-9/30/12
<b>Total Project Management \$</b>				<b>1,104,488.11</b>			

**FM Diversion Authority  
Summary of Cash Disbursements  
Period September 2012**

Date: 9/28/2012

Period/Year: 09/2012

Account Number	Check Date	Check Number	Vendor Name	Transaction Amount	Description 1	Project Number	Project Description
790-7925-429.33-05	9/12/2012	230513	HOUSTON ENGINEERING INC	242.39	THROUGH 7/22/12	V00804	Rec.& Use Plan- Houston
<b>Total Engineering Services \$</b>				<b>242.39</b>			
790-7930-429.33-05	9/12/2012	230578	MOORE ENGINEERING INC	6,981.00	THROUGH 7/20/12	V00904	194 Bridges - Moore
	9/28/2012	231294	HOUSTON-MOORE GROUP LLC	91,169.66	5/19-6/15/12	V01602	CR-31 BRIDGE DESIGN
	9/28/2012	231294	HOUSTON-MOORE GROUP LLC	44,871.77	6/16-7/20/12	V01602	CR-31 BRIDGE DESIGN
	9/28/2012	231294	HOUSTON-MOORE GROUP LLC	107,286.40	5/19-6/15/12	V01604	CR-32 & CR-22 BRIDGE DSGN
	9/28/2012	231294	HOUSTON-MOORE GROUP LLC	81,053.00	5/19-6/15/12	V01604	CR-32 & CR-22 BRIDGE DSGN
	9/28/2012	231294	HOUSTON-MOORE GROUP LLC	118,292.78	6/16-7/20/12	V01604	CR-32 & CR-22 BRIDGE DSGN
	9/28/2012	231294	HOUSTON-MOORE GROUP LLC	87,708.57	6/16-7/20/12	V01604	CR-32 & CR-22 BRIDGE DSGN
	9/28/2012	231294	HOUSTON-MOORE GROUP LLC	19,852.80	5/19-6/15/12	V01606	LAND MANAGEMENT SERVICES
	9/28/2012	231294	HOUSTON-MOORE GROUP LLC	20,958.70	6/16-7/20/12	V01606	LAND MANAGEMENT SERVICES
	9/28/2012	231294	HOUSTON-MOORE GROUP LLC	2,640.00	5/19-6/15/12	V01610	UTILITIES DESIGN
	9/28/2012	231294	HOUSTON-MOORE GROUP LLC	11,572.50	6/16-7/20/12	V01610	UTILITIES DESIGN
<b>Total Engineering Services \$</b>				<b>592,387.18</b>			
790-7931-429.33-25	9/12/2012	230608	OHNSTAD TWICHELL PC	1,373.50	RIGHT OF ENTRY/LAND ACQ	V01301	City of Moonhead ROE
	9/12/2012	230608	OHNSTAD TWICHELL PC	676.50	RIGHT OF ENTRY/LAND ACQ	V01301	City of Moonhead ROE
<b>Total Legal Services \$</b>				<b>2,050.00</b>			
<b>Total Disbursed for Period \$</b>				<b>3,009,425.29</b>			



**FM Diversion Authority  
Outstanding Contracts  
As of September 30, 2012**

Project Number	Account Number	PO No.	Vendor No.	P.O. Date	Vendor	Encumbered	Liquidated	Balance
V00101	790-7910-429.33-25	F12217	9367	12/31/2011	DORSEY & WHITNEY LLP	52,102.12	52,102.12	-
V00101	790-7910-429.33-25	146629	9367	1/18/2012	DORSEY & WHITNEY LLP	\$50,000.00	\$19,446.92	30,553.08
V00101	790-7910-429.33-25	F12289	9367	2/21/2012	DORSEY & WHITNEY LLP	58,693.38	58,693.38	-
V00101	790-7910-429.33-25	F12293	9367	2/21/2012	DORSEY & WHITNEY LLP	1,600.00	1,600.00	-
V00102	790-7910-429.38-99	F11738	20660	11/15/2011	GALLAGHER BENEFIT SERVICES INC	250.00	250.00	-
V00102	790-7910-429.31-10	F11749	646	11/15/2011	FORUM COMMUNICATIONS (ADVERT)	494.24	494.24	-
V00102	790-7910-429.31-10	F11750	646	11/15/2011	FORUM COMMUNICATIONS (ADVERT)	345.97	345.97	-
V00102	790-7910-429.31-10	F11751	646	11/15/2011	FORUM COMMUNICATIONS (ADVERT)	296.56	296.56	-
V00102	790-7910-429.31-10	F11752	646	11/15/2011	FORUM COMMUNICATIONS (ADVERT)	17.05	17.05	-
V00102	790-7999-729.68-30	PCARD	18009	12/20/2011	GOOGLE LOVEINTHOVEN	116.00	116.00	-
V00102	790-7910-429.31-10	F12082	647	12/31/2011	FORUM COMMUNICATIONS (LEGALS)	2,224.20	2,224.20	-
V00102	790-7910-429.38-69	F12079	8645	12/31/2011	SEIGEL COMMUNICATIONS SERVICE	1,490.00	1,490.00	-
V00102	790-7910-429.53-60	F12218	13981	12/31/2011	NORTH DAKOTA TELEPHONE CO	81.20	81.20	-
V00102	790-7910-429.33-20	AJ	COF	2/1/2012	CITY OF FARGO	1,300.00	1,300.00	-
V00102	790-7910-429.55-10	F12256	20829	2/14/2012	BROKERAGE PRINTING	153.85	153.85	-
V00102	790-7910-429.55-10	F12256	20829	2/14/2012	BROKERAGE PRINTING	202.10	202.10	-
V00102	790-7910-429.52-30	F12595	1772	4/16/2012	WARNER & CO	4,975.00	4,975.00	-
V00102	790-7910-429.33-20	AJ	COF	5/25/2012	CITY OF FARGO	1,850.00	1,850.00	-
V00102	790-7910-429.33-25	151789	16872	6/15/2012	ERIK R JOHNSON & ASSOCIATES	\$673.20	\$673.20	-
V00102	790-7910-429.33-25	151876	16872	6/19/2012	ERIK R JOHNSON & ASSOCIATES	\$1,309.00	\$1,309.00	-
V00102	790-7910-429.33-20	AJ	COF	6/25/2012	CITY OF FARGO	340.00	340.00	-
V00102	790-7910-429.33-25	152528	1286	7/10/2012	OHNSTAD TWICHELL PC	\$1,903.50	\$1,903.50	-
V00102	790-7910-429.34-55	152692	20174	7/16/2012	PFM ASSET MANAGEMENT LLC	\$140,000.00	\$0.00	140,000.00
V00102	790-7910-429.33-20	AJ	COF	7/27/2012	CITY OF FARGO	240.00	240.00	-
V00102	790-7910-429.33-25	153237	1286	7/31/2012	OHNSTAD TWICHELL PC	\$728.50	\$728.50	-
V00102	790-7910-429.38-99	153670	13981	8/9/2012	NORTH DAKOTA TELEPHONE CO	\$71.60	\$71.60	-
V00102	790-7910-429.38-99	154211	13981	8/23/2012	NORTH DAKOTA TELEPHONE CO	\$90.60	\$90.60	-
V00102	790-7910-429.33-20	AJ	COF	8/30/2012	CITY OF FARGO	280.00	280.00	-
V00102	790-7910-429.33-20	AJ	COF	9/26/2012	CITY OF FARGO	320.00	320.00	-
V00102	790-7910-429.38-99	155381	13981	9/27/2012	NORTH DAKOTA TELEPHONE CO	\$87.40	\$0.00	87.40
V00201	790-7920-429.33-79	144170	20663	11/18/2011	CH2M HILL ENGINEERS INC	\$1,908,938.41	\$1,908,938.41	-
V00202	790-7920-429.33-79	148611	20663	3/15/2012	CH2M HILL ENGINEERS INC	\$3,500,000.00	\$2,809,838.81	690,161.19

**FM Diversion Authority  
Outstanding Contracts  
As of September 30, 2012**

Project Number	Account Number	PO No.	Vendor No.	P.O. Date	Vendor	Encumbered	Liquidated	Balance
V00203	790-7920-429-33-79	154940	20663	9/17/2012	CH2M HILL ENGINEERS INC	\$2,100,000.00	\$0.00	2,100,000.00
V00301	790-7910-429-38-69	143936	11604	11/16/2011	ADVANCED ENGINEERING INC	\$50,000.00	\$50,000.00	-
V00401	790-7915-429-33-06	143937	165	11/16/2011	BRAUN INTERTEC CORP	\$54,060.00	\$43,620.00	10,440.00
V00501	790-7915-429-33-06	143938	165	11/16/2011	BRAUN INTERTEC CORP	\$36,150.00	\$28,659.00	7,491.00
V00601	790-7915-429-33-06	144975	20729	12/13/2011	IN SITU ENGINEERING	\$54,800.00	\$47,973.00	6,827.00
V00701	790-7915-429-33-05	144866	20723	12/9/2011	MINNESOTA DNR	\$230,550.00	\$230,550.00	-
V00801	790-7915-429-33-05	146973	801	1/27/2012	HOUSTON ENGINEERING INC	\$99,200.00	\$92,424.03	6,775.97
V00802	790-7915-429-33-05	146974	801	1/27/2012	HOUSTON ENGINEERING INC	\$195,000.00	\$70,742.30	124,257.70
V00803	790-7915-429-33-05	146975	801	1/27/2012	HOUSTON ENGINEERING INC	\$73,000.00	\$47,124.46	25,875.54
V00804	790-7925-429-33-05	148054	801	2/29/2012	HOUSTON ENGINEERING INC	\$175,200.00	\$162,960.41	12,239.59
V00805	790-7915-429-33-05	148058	801	2/29/2012	HOUSTON ENGINEERING INC	\$102,340.00	\$94,786.00	7,554.00
V00806	790-7915-429-33-05	148078	801	2/29/2012	HOUSTON ENGINEERING INC	\$152,755.51	\$108,369.87	44,385.64
V00901	790-7915-429-33-05	146976	1118	1/27/2012	MOORE ENGINEERING INC	\$93,765.00	\$92,291.55	1,473.45
V00902	790-7915-429-33-05	146977	1118	1/27/2012	MOORE ENGINEERING INC	\$145,050.00	\$135,231.99	9,818.01
V00903	790-7915-429-33-05	146978	1118	1/27/2012	MOORE ENGINEERING INC	\$152,330.00	\$139,004.27	13,325.73
V00904	790-7930-429-33-05	148055	1118	2/29/2012	MOORE ENGINEERING INC	\$130,866.00	\$78,760.62	52,105.38
V00905	790-7930-429-33-05	148056	1118	2/29/2012	MOORE ENGINEERING INC	\$33,125.00	\$32,727.08	397.92
V00906	790-7915-429-33-05	148057	1118	2/29/2012	MOORE ENGINEERING INC	\$8,340.00	\$8,326.50	13.50
V00907	790-7915-429-33-05	148077	1118	2/29/2012	MOORE ENGINEERING INC	\$183,920.00	\$164,867.66	19,052.34
V01001	790-7915-429-33-05	146979	17791	1/27/2012	URS CORPORATION	\$163,488.42	\$138,516.38	24,972.04
V01002	790-7915-429-33-05	148086	17791	2/29/2012	URS CORPORATION	\$317,000.00	\$28,911.54	288,088.46
V01201	790-7930-429-33-25	F12069	19734	12/31/2011	CASS COUNTY JOINT WATER RESOUR	16,708.86	16,708.86	-
V01201	790-7930-429-34-65	F12069	19734	12/31/2011	CASS COUNTY JOINT WATER RESOUR	22,452.50	22,452.50	-
V01201	790-7930-429-33-25	149405	19734	4/10/2012	CASS COUNTY JOINT WATER RESOUR	\$83,119.09	\$83,119.09	-
V01301	790-7915-429-33-05	147745	1118	2/17/2012	MOORE ENGINEERING INC	\$5,558.50	\$5,558.50	-
V01301	790-7931-429-33-25	F12593	1286	4/16/2012	OHNSTAD TWICHELL PC	1,408.00	1,408.00	-
V01301	790-7931-429-33-05	149869	1118	4/23/2012	MOORE ENGINEERING INC	\$1,780.00	\$1,780.00	-
V01301	790-7931-429-33-25	150230	1286	5/3/2012	OHNSTAD TWICHELL PC	\$2,029.50	\$2,029.50	-
V01301	790-7931-429-33-25	150961	1286	5/23/2012	OHNSTAD TWICHELL PC	\$220.50	\$220.50	-
V01301	790-7931-429-33-25	151790	1122	6/15/2012	MOORHEAD, CITY OF	\$15,062.90	\$15,062.90	-
V01301	790-7931-429-33-25	152058	1286	6/27/2012	OHNSTAD TWICHELL PC	\$410.00	\$410.00	-
V01301	790-7931-429-33-25	154504	1286	9/4/2012	OHNSTAD TWICHELL PC	\$1,373.50	\$1,373.50	-

**FM Diversion Authority  
Outstanding Contracts  
As of September 30, 2012**

Project Number	Account Number	PO No.	Vendor No.	P.O. Date	Vendor	Encumbered	Liquidated	Balance
V01301	790-7931-429-33-25	154505	1286	9/4/2012	OHNSTAD TWICHELL PC	\$676.50	\$676.50	-
V01501	790-7915-429-74-10	150960	19581	5/23/2012	GEOKON INC	\$33,815.36	\$33,815.36	-
V01601	790-7920-429-33-05	151232	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	\$2,036,675.00	\$421,473.77	1,615,201.23
V01602	790-7930-429-33-05	151233	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	\$871,000.00	\$147,383.53	723,616.47
V01603	790-7915-429-33-05	151234	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	\$2,333,300.00	\$698,536.64	1,634,763.36
V01604	790-7930-429-33-05	151235	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	\$1,421,000.00	\$449,989.28	971,010.72
V01605	790-7915-429-33-05	151236	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	\$875,000.00	\$292,345.69	582,654.31
V01606	790-7930-429-33-05	151237	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	\$448,103.00	\$43,915.50	404,187.50
V01607	790-7915-429-33-05	152022	21007	6/25/2012	HOUSTON-MOORE GROUP LLC	\$240,000.00	\$34,400.16	205,599.84
V01608	790-7915-429-33-05	152023	21007	6/25/2012	HOUSTON-MOORE GROUP LLC	\$727,330.00	\$282,477.15	444,852.85
V01609	790-7915-429-33-05	152024	21007	6/25/2012	HOUSTON-MOORE GROUP LLC	\$194,341.00	\$47,151.25	147,189.75
V01610	790-7930-429-33-05	152025	21007	6/25/2012	HOUSTON-MOORE GROUP LLC	\$94,000.00	\$14,212.50	79,787.50
V01611	790-7915-429-33-05	153808	21007	8/14/2012	HOUSTON-MOORE GROUP LLC	\$15,000.00	\$0.00	15,000.00
V01612	790-7930-429-33-05		21007	9/28/2012	HOUSTON-MOORE GROUP LLC	\$771,000.00	\$0.00	771,000.00
V01613	790-7930-429-33-05		21007	9/28/2012	HOUSTON-MOORE GROUP LLC	\$665,000.00	\$0.00	665,000.00
V01701				9/28/2012	HAYDEN HEIGHTS LAND PURCHASE	\$483,800.00	\$0.00	483,800.00
V01801	790-7930-429-33-05		1714	9/28/2012	ULTEIG ENGINEERS, INC	\$100,000.00	\$0.00	100,000.00
V01901	790-7930-429-33-05	155469	21258	9/28/2012	PROSOURCE TECHNOLOGIES, INC.	\$100,000.00	\$0.00	100,000.00
						21,842,278.02	9,282,719.55	12,559,558.47

**Property Management Firm Selection**

**DECISION PAPER NO.: DP-00014**

Date: 10/11/2012

**RECOMMENDATION FOR BOARD ACTION:**

1. Motion is made that the Diversion Authority Board approves the selection of Coldwell Banker First Realty as the Property Management firm for the FM Area Diversion Project, subject to negotiation of a contract for future approval by the Board. The motion is forwarded following approval by the Finance Committee and the Land Management Committee.

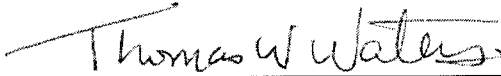
**SUMMARY OF DECISION TOPIC:**

1. The Land Management Committee has proposed the Authority contract with a Property Management firm to manage properties acquired for the Project until disposition of the property is required for Project implementation.
2. Contracting with a firm specializing in managing residential and potentially other properties will be an effective approach to maintain the properties in the condition at time of purchase for the required time period.
3. Their services will include but are not limited to:
  - a. Determine the appropriate rental rates and make recommendations
  - b. Advertise and show the property
  - c. Qualify applicants by conducting credit, rental, employment and criminal background checks
  - d. Prepare and provide rental applications and execute lease agreements
  - e. Conduct property check-ins and check-outs
  - f. Provide a monthly accounting of receipts and expenditures
  - g. Inspect the property as required to evaluate tenant maintenance and protection
  - h. Conduct six (6) month interior inspections
  - i. Provide 24/7 maintenance and operate an emergency line for tenants
  - j. Pay or insure payment of all bills and invoices, including utilities, insurance and taxes
  - k. Other services as applicable
4. The initial scope of services will be the three properties acquired through the hardship acquisition program.

**EVALUATION OF KEY FACTORS FOR DECISION MAKING:**

1. The Early Acquisition Sub-Committee of the Flood Diversion Authority has reviewed the proposals for Property Management Services and has identified Coldwell Banker First Realty as the top firm. Coldwell Banker was identified as the top firm because of their long history and experience with single family property management.
2. A notification of the recommendation from the Early Acquisition Sub-Committee has been sent to the second firm who submitted a Statement of Qualifications for proposed services.

**Submitted by:**



Tom Waters, P.E., P.M.P.  
CH2M HILL  
Program Manager  
Fargo-Moorhead Area Diversion Project

10/5/12

Date

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Brian C. Berg, Clay County Administrator

Concur: X 10/5/12 Non-Concur: \_\_\_\_\_

Michael J. Redlinger, Moorhead City Manager

Concur: X 10/5/12 Non-Concur \_\_\_\_\_

Keith Berndt, Cass County Administrator

Concur: X 10/5/12 Non-Concur: \_\_\_\_\_

April Walker, Fargo City Engineer

Concur: X 10/08/12 Non-Concur \_\_\_\_\_

Mark Bittner, Fargo Director of Engineering

Concur: X 10/5/12 Non-Concur: \_\_\_\_\_

Pat Zavoral, Fargo City Administrator

Concur: X 10/5/12 Non-Concur \_\_\_\_\_

David Overbo, Clay County Engineer

Concur: X 10/5/12 Non-Concur: \_\_\_\_\_

Robert Zimmerman, Moorhead City Engineer

Concur: X 10/5/12 Non-Concur \_\_\_\_\_

**Hayden Heights Early Acquisition**

**DECISION PAPER NO.: DP-00016**

Date: 10/11/2012

**RECOMMENDATION FOR BOARD ACTION:**

1. Motion is made that the Diversion Authority Board approve the early acquisition of 21 vacant lots in the Hayden Heights development from the City of West Fargo in the amount of \$483,800 plus assumption of the specials of about \$525,000, in accordance with the terms of the purchase agreement executed on September 14, 2012. The motion is forwarded following approval of the Finance Committee and Land Management Committee.
2. Motion is made that the Diversion Authority Board delay purchase of remaining privately owned vacant lots and single family home in the Hayden Heights development until decision on westerly alignment of the diversion channel is finalized.

**SUMMARY OF DECISION TOPIC:**

1. The Hayden Heights development consists of 30 vacant lots and one single family home. Twenty one of the lots are currently owned by the City of West Fargo through recent tax forfeit acquisition.
2. The development is in the path of the current alignment of the diversion channel and, therefore planned for acquisition.
3. The Diversion Authority has the opportunity to purchase lots from the City of West Fargo for the outstanding special assessment amounts, which could be less than appraised value.
4. The Diversion Authority Board at their meeting on September 12, 2012 authorized entering into a purchase agreement for lots owned by City of West Fargo, subject to final approval at their meeting on October 11, 2012.
5. Nine remaining vacant lots in Hayden Heights development are privately owned. When contacted by Program Management staff during September 2012, owners of the majority of the private lots indicated they would consider selling lots to the Diversion Authority. Two owners indicated they were planning to build homes in the near future.
6. The single family home in Hayden Heights is currently vacant and offered for sale through the multiple listing service.
7. A decision on potential realignment of the westerly diversion channel alignment is anticipated in the next couple months. Upon reaching an alignment decision, the Diversion Authority Board may consider early acquisition of the privately held vacant lots and single family home, as appropriate.

**EVALUATION OF KEY FACTORS FOR DECISION MAKING:**

1. Current purchase price from City of West Fargo could be less than appraised value, and certainly less than acquisition value if housing development occurs.
2. Early acquisition of these properties would be subject to conditions stated in the "Risk Letter".
3. Federal acquisition requirements would not apply to the lots owned by the City of West Fargo.
4. The Diversion Authority would have the ability to sell the property in the future if not needed for the project.

**Submitted by:**



Tom Waters, P.E., P.M.P.  
CH2M HILL  
Program Manager  
Fargo-Moorhead Area Diversion Project

10/5/12

Date

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Brian C. Berg, Clay County Administrator

Concur: X 10/5/12 Non-Concur: \_\_\_\_\_

Michael J. Redlinger, Moorhead City Manager

Concur: X 10/5/12 Non-Concur \_\_\_\_\_

Keith Berndt, Cass County Administrator

Concur: X 10/5/12 Non-Concur: \_\_\_\_\_

April Walker, Fargo City Engineer

Concur: \_\_\_\_\_ Non-Concur X 10/5/12

Mark Bittner, Fargo Director of Engineering

Concur: X 10/5/12 Non-Concur: \_\_\_\_\_

Pat Zavoral, Fargo City Administrator

Concur: X 10/5/12 Non-Concur \_\_\_\_\_

David Overbo, Clay County Engineer

Concur: X 10/5/12 Non-Concur: \_\_\_\_\_

Robert Zimmerman, Moorhead City Engineer

Concur: X 10/5/12 Non-Concur \_\_\_\_\_





265,810  
2015.004

LAND PURCHASE AGREEMENT

This form approved by the Fargo-Moorhead Area Association of REALTORS® which disclaims any liability arising out of the use or misuse of this form.

1 Date: 9-14-12 MLS#: \_\_\_\_\_ Page 1 of \_\_\_\_\_ (including addenda)

2 **TERMS AND CONDITIONS:** Subject to terms and conditions of this Agreement, Seller agrees to sell and convey to Buyer, and

3 Buyer agrees to purchase the property at: Address Please See Addendum attached page 6

4 City West Fargo County Cass State ND Legally described as See Addendum page 6

5 \_\_\_\_\_  
6 \_\_\_\_\_

7 Seller has this day agreed to sell all included real estate and personal property to Buyer for the sum of \_\_\_\_\_  
8 four hundred eighty three thousand eight hundred dollars (\$ 483,800).

9 Fargo Moorhead Metro Diversion Authority, "Buyer" agrees to pay in the following manner:

10 \$ 5,000 Earnest Money by  check  cash  note to be deposited upon acceptance of Purchase Agreement by all  
11 parties, according to respective state law,  in a trust account of The Real Estate Exchange Listing Broker, but to be returned to

12 Buyer if Purchase Agreement is not accepted by Seller. Said Earnest Money is part payment for the purchase of property described above.

13 Buyer agrees to  pay in cash  finance remaining balance. Financing, if any, will be:

14  Conventional  Contract for Deed  other in accordance with accompanying addendum.

15 **This sale includes the following property (if any owned by Seller and used and located on said property):**

16 garden bulbs, plants, shrubs, and trees; and the following personal property: \_\_\_\_\_

17 \_\_\_\_\_

18 **This sale excludes the following property:** \_\_\_\_\_

19 This Purchase Agreement  is (see attached addendum)  is not subject to a Contingency Addendum for the sale of the Buyer's  
20 property. The closing of Buyer's property, if any, may still affect Buyer's ability to obtain financing, if financing is applicable.

21 **CLOSING:** October 12, 20 12 shall be the date of closing.

22 **POSSESSION:** Seller shall deliver possession of the property immediately following closing unless otherwise specified.

23 **Seller agrees to remove all debris and all personal property not included herein from the property by possession date.**

24 **NORTH DAKOTA REAL ESTATE TAXES (general, drain, and maintenance fees):** Based upon  gross  discounted  
25 estimated taxes for the year 2012 from the Assessor to be paid as follows: At closing, Seller to pay (check one)

26  all  none of  prorated to the day of \_\_\_\_\_ the real estate taxes based on the year specified above.

27 In the event the closing date is changed, the real estate taxes paid, if prorated to closing, shall be adjusted to the new closing date.

28 **MINNESOTA REAL ESTATE TAXES (general, solid waste and maintenance fees):** Based upon  
29  estimated taxes from the Assessor  actual taxes from the County Treasurer to be paid as follows: At closing, Seller to  
30 pay (check one)  all  none of  prorated to the day of \_\_\_\_\_ the real estate taxes due and payable in  
31 the year of closing. In the event the closing date is changed, the real estate taxes paid, if prorated to closing, shall be adjusted to the  
32 new closing date.

33 **MINNESOTA HOMESTEAD CLASSIFICATION:** Seller warrants that, based on current tax classification, taxes due and  
34 payable in the year of closing will be  full  non-homestead and taxes due and payable in the year following closing will be  
35  full  non-homestead. If non-homestead classification is checked, Seller agrees to pay Buyer at closing \$ \_\_\_\_\_  
36 toward the non-homestead taxes. Buyer is aware Buyer must submit the Application for Homestead Classification to the county.  
37 **Failure to do so may result in the taxes remaining non-homestead. In this case, Buyer is responsible for the non-homestead payment.**

38 **INITIAL: BUYER** \_\_\_\_\_ **DATE** \_\_\_\_\_ **SELLER** T.G **DATE** 9-14-12

**Offer to Purchase Hardship Properties****DECISION PAPER NO.: DP-00015**

Date: 10/11/2012

**RECOMMENDATION FOR BOARD ACTION:**

Motion is made that the Diversion Authority Board approve making offers to purchase the 3 properties determined to be in compliance with the conditions of the adopted Hardship Policy by the Hardship Review Committee for a total appraised value of \$904,000. The motion is forwarded following approval by the Finance Committee and the Land Management Committee.

**SUMMARY OF DECISION TOPIC:**

The Diversion Authority has earlier recognized that while it is difficult to quantify the impacts resulting from the impending project on property values, or discern between project-related impacts in general economic conditions or other market forces, the Diversion Authority established a policy that allowed property owners with a serious health condition to have their homes determined eligible for early buyout by the Diversion Authority for one of its member entities.

The policy was put in effect prior to the Project Partnership Agreement (PPA) between the U.S. Army Corps of Engineers and the non-federal sponsors of the Project.

**EVALUATION OF KEY FACTORS FOR DECISION MAKING:**

1. The Hardship Review Committee of the Early Acquisition Sub-Committee of the Flood Diversion Authority has reviewed applications for early buyout in accordance with the hardship policy adopted by the Board of Authority. The criteria included in the Authority approved Pre-PPA Hardship Policy are that the property must reside within the buyout area associated with the diversion project and the owner must have a serious health condition certified by a medical professional.
2. Eight properties were evaluated for early buyout and three properties were determined by the Hardship Review Committee to meet the criteria of the adopted Hardship Policy. These properties were at 105 Oxbow Drive, 121 Oxbow Drive, and 744 Riverbend Road.
3. Appraisals of these properties were approved by the Authority Board. Appraisals were performed on these properties by a local appraiser certified by the USACE. The offer to the property owners will be based on the appraised value. Relocation benefits in accordance with applicable public law and regulations will be available to the property owners upon completion of a purchase.
4. The properties, if acquired, will be managed by a property management firm selected by the Authority.

**Submitted by:**

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Tom Waters, P.E., P.M.P.  
CH2M HILL  
Program Manager  
Fargo-Moorhead Area Diversion Project

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Date

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Brian C. Berg, Clay County Administrator  
Concur: \_\_\_\_\_ Non-Concur: \_\_\_\_\_

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Michael J. Redlinger, Moorhead City Manager  
Concur: \_\_\_\_\_ Non-Concur: \_\_\_\_\_

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Keith Berndt, Cass County Administrator  
Concur: \_\_\_\_\_ Non-Concur: \_\_\_\_\_

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April Walker, Fargo City Engineer  
Concur: \_\_\_\_\_ Non-Concur: \_\_\_\_\_

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Mark Bittner, Fargo Director of Engineering  
Concur: \_\_\_\_\_ Non-Concur: \_\_\_\_\_

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Pat Zavoral, Fargo City Administrator  
Concur: \_\_\_\_\_ Non-Concur: \_\_\_\_\_

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David Overbo, Clay County Engineer  
Concur: \_\_\_\_\_ Non-Concur: \_\_\_\_\_

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Robert Zimmerman, Moorhead City Engineer  
Concur: \_\_\_\_\_ Non-Concur: \_\_\_\_\_