

Property Acquisition Program and Structure

For Presentation to the Land Management Committee, Finance Committee, and Diversion Authority Board

January 23, 2019



FM Area Diversion Project Organizational Structure

Draft - Jan. 15, 2019

West Fargo City Commission



1 seat on Board

Cass County Joint Water Resource District



1 seat on Board Responsible for buying land in ND Responsible for Special Assessment District

Cass County Commission



3 seats on Board Local funder via sales tax Fargo City Commission



3 seats on Board Non-Federal Sponsor Local funder via sales tax Fiscal Agent Moorhead City Council



3 seats on Board Non-Federal Sponsor Responsible for buying land in MN through JPA Clay County Commission



2 seats on Board Responsible for buying land in MN through JPA Upstream Group



1 open seat on Board

Lead State Agencies

ND State Water Commission



USACE

Federal Sponsor Southern Embankment and Associated Infrastructure



Finance Committee

Land Management Committee

Public Outreach Committee

Land Acquisition

Appraisers
Land Agents &
Negotiators
Relocation Specialists

Technical Consultant (HMG)

Engineering
USACE Technical Support
Permit Support
Hydraulic Modeling
Operations Planning
In-Town Levee Project Support

Program Management Consultant (Jacobs/AE2S)

Program Controls (budgeting, scheduling, cost controls, document control) Permit Compliance Management Communication and Outreach

Public and Legislative Affairs
Property Acquisition and Mitigation

Management
Financial Plan Coordination and
Costs Estimate Management

Contract Management and Compliance

P3 Management & Administration

Owner's Representative (Jacobs)
Owner's Lead/Legal
(Ohnstad Twitchell)
Financial Advisor (EYIA)
Legal Advisor (Ashurst)
Insurance Advisor (AON)
Technical Advisor (HMG/Jacobs)

Legal Counsel (Ohnstad Twitchell)

General Counsel
Contract Review
Property Acquisition Services
Purchase Agreements
Condemnation

Litigation Counsel (Dorsey)

Lands Related Components of Org Chart



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General Counsel Contract Review

Property Acquisition Services
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CCJWRD

Acquiring entity in ND

OT

Legal Services

Purchase Agreements

Condemnation

Appraisers

Property valuation

PMC

Manage property acquisition process

Policy development

Contracting management

Reporting and cost controls

Appraisal Review

Relocation Coordination

HMG

Land Agents

Relocation Specialists

ProSource

Land Agents

Relocation Specialists

Ulteig

Land Agents
Relocation Specialists

Master Land Acquisition Workflow Diagram



January 2019

Acronyms

DA - Diversion Authority LAD - Land Acquisition Directive



Robust Structure In Place

- ► Property Rights Acquisition Program Decision Making Structure
- ► Five-level structure for property rights acquisition program
- ► Decisions should be made at the "lowest level" possible following established policy
- ► Progress reporting to Diversion Authority

CCJWRD (acquiring entity)

Land Management Committee (focus on policy)

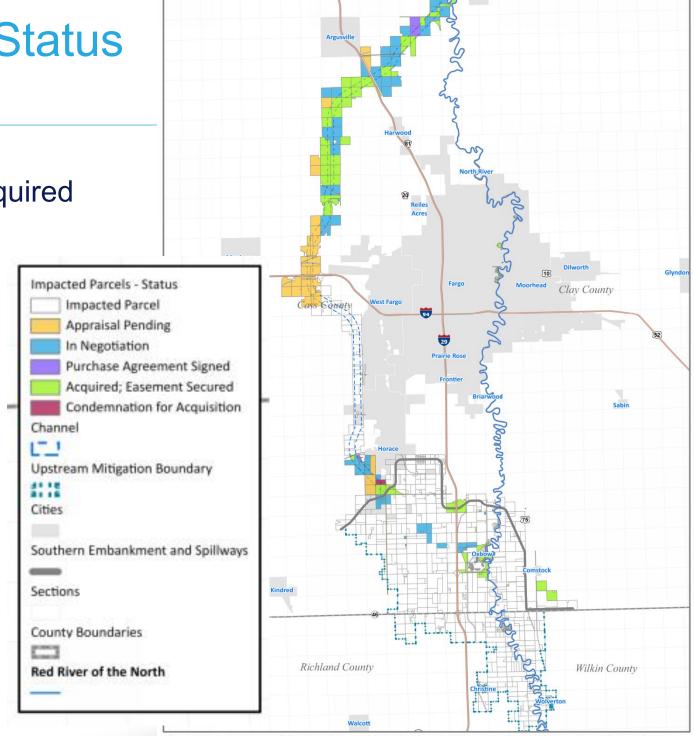
Strategic Negotiating Team (3rd level advisory)

Administrative Advisory Team (2nd level advisory)

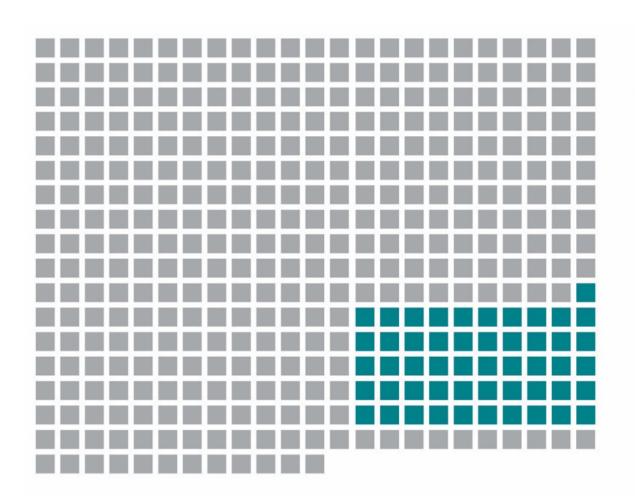
Lands Coordination Team (1st level advisory)

Acquisition Status Reporting

- ~200 parcels acquired to date
- ▶ In-Town
- DiversionChannel
- ► OHB
- Opportunistic



Progress Reporting (sample)



■1 box = 3 parcels

1,218 impacted parcels



Includes Channel, Mitigation Area, In-Town Levees and Bio/Geo Survey Parcels



"Lands Program"

Critical Path Component of Project

Necessary Property Rights

Diversion Channel

Southern Embankment

Upstream Mitigation

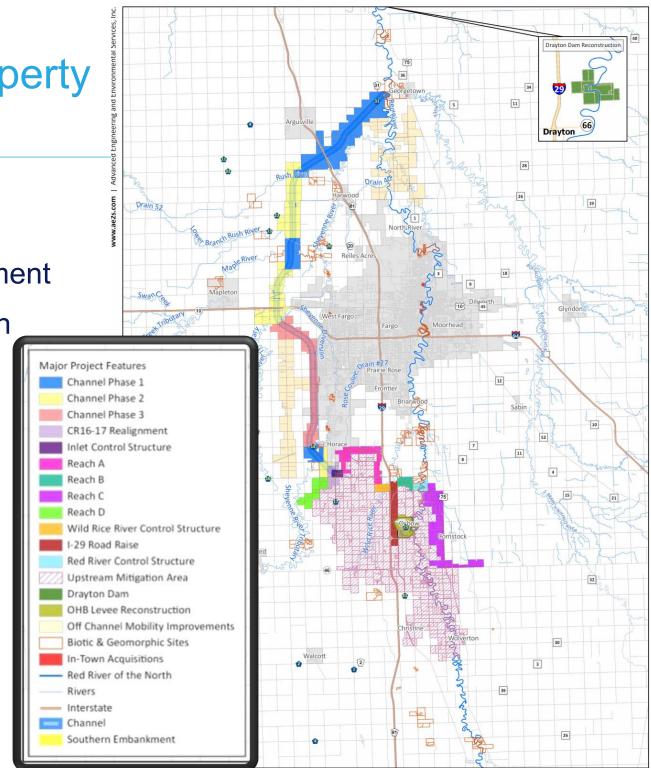
Area

Environmental Mitigation

▶ 1,200+ Parcels

▶ \$500M

▶ 8-year



"Lands Program" is Critical Part of Project

Category	Current Opinion of Estimated Cost	Spent to Date (Dec 2018)	Remaining Costs
Lands/Impacted Properties Mitigation	\$502	\$179	\$323
Channel / P3	\$989	\$14	\$975
USACE / SEAI	\$703	\$41	\$662
Fargo and Moorhead In-Town Projects	\$266	\$81	\$185
Other/Mitigation Construction	\$44	\$24	\$20
Non-Construction Costs*	\$250	\$91	\$159
TOTAL	\$2,754	\$430	\$2,324

^{*}Legal/Financial/Designs/Studies/Procurement/PgM/CM/General Contingency



PMC (Jacobs & AE2S) Lands Task Order 4

Contracted to Diversion Authority in 2011 to provide management services to implement the Project

Task Order 4 – Key Outcomes

- ► Outreach to all impacted property owners
 - ► Early activity planned in Q1 2019
- ► Acquisition of all property rights necessary to build and operate the Project
 - ▶6-8 year process
 - ▶\$500M estimated cost for "lands" portion of program
- ► Management of Impacted Property Mitigation
 - ► Flowage Easement Valuation
 - ►Ag Mitigation
- ► Maintain the critical path for the Project

Necessary Property Rights

Diversion Channel

Southern Embankment

Upstream Mitigation

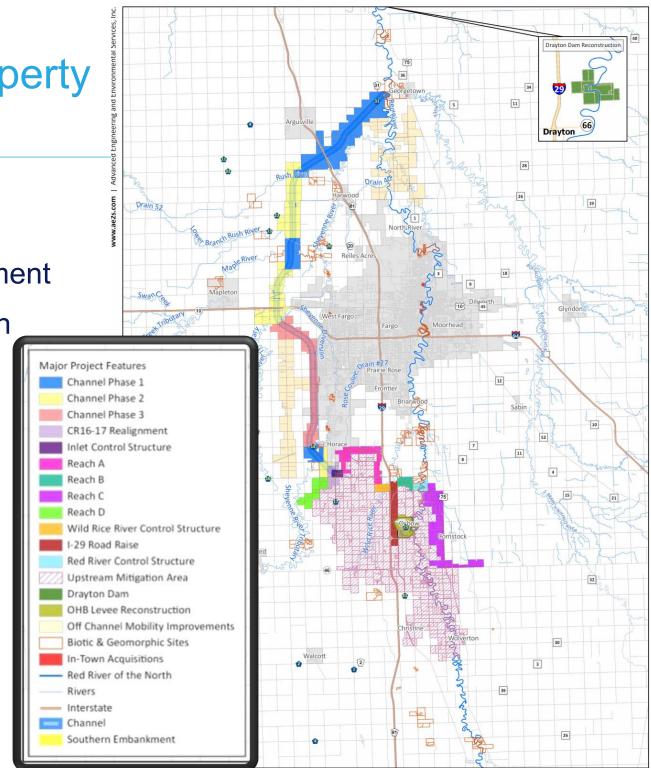
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Questions?

FMDiversion.com

