

**METRO FLOOD DIVERSION AUTHORITY
MAY 23, 2019—3:31 PM**

1. MEETING TO ORDER

A meeting of the Metro Flood Diversion Authority was held Thursday, May 23, 2019, at 3:31 PM in the Fargo City Commission Chambers with the following members present: Cass County Commissioner Mary Scherling; Cass County Commissioner Chad Peterson; Cass County Commissioner Rick Steen; Fargo City Mayor Tim Mahoney; Fargo City Commissioner Tony Grindberg; Fargo City Commissioner Dave Piepkorn; Moorhead City Mayor Johnathan Judd; Moorhead City Council Member Chuck Hendrickson; Clay County Commissioner Kevin Campbell; Clay County Commissioner Grant Weyland via conference call; Cass County Joint Water Resource District Chairman Rodger Olson; and West Fargo City Commissioner Mike Thorstad. Moorhead City Council Member Joel Paulsen was absent.

2. MINUTES APPROVED

MOTION, passed

Mr. Grindberg moved and Mr. Steen seconded to approve the minutes from the April 25, 2019, meeting as presented. Motion carried.

3. AGENDA ORDER

MOTION, passed

Mr. Steen moved and Mr. Peterson seconded to approve the order of the agenda with the addition of an update on Minnesota legislative activities and a response letter to Buffalo-Red River Watershed District. Motion carried.

4. MANAGEMENT UPDATE

Kim Daily from Jacobs said the project cost to date is \$471 million, and \$18 million has been paid to date from the FY2019 cash budget. She reviewed contract actions approved by the Co-Executive Directors and by the Cass County Joint Water Resource District. She provided an update on activities and accomplishments over the last month, which include re-engagement of the P3 proposer teams; contracted appraisals for 114 parcels of land in the channel and for early/opportunistic acquisitions; delineation of cultural mitigation sites along the channel; formation of a Minnesota lands acquisition entity; and property management plan, including weed management.

Short-term priorities include meeting with the MNDNR, Buffalo-Red River Watershed District, Corps of Engineers and Diversion Authority to review permit conditions; meeting with the State Water Commission regarding permit conditions and mitigation; and property owner outreach for environmental monitoring easements and right of entry. Long-term priorities over the next six months include completion and implementation of a financial strategy; issuance of a draft P3 Request for Proposals for the channel project; and substantial completion of the 2nd Street South/Main Avenue pump station project.

Minnesota Legislative update

Andy Pomroy from Fredrikson & Byron, P.A. was present via conference call and provided an update on funding for the project through the Minnesota Legislature. Mr. Pomroy said their firm will be working closely with legislative capital investment committee chairs and staff in the final budget negotiations. Officials from Minnesota Governor Tim Walz' administration will tour the state to see capital requests during the legislative interim.

Corps of Engineers update

Terry Williams, Project Manager from the Corps of Engineers, provided an update, which includes a revised construction schedule with Ames Construction to re-start operations on the Diversion inlet structure; final plans and specifications for construction of the Wild Rice River structure; detailed design of the Red River structure; ongoing design to incorporate Plan B into the southern embankment; cultural resources mitigation along the channel; and a visit from Colonel Sam Calkins and Colonel Karl Jansen during the June 27th board meeting.

5. ADMINITRATIVE/LEGAL UPDATE

Renewal and Extension of Wells Fargo Bank loans

Attorney John Shockley said Fargo and Cass County each have \$100 million loans with Wells Fargo Bank that will come due on July 31, 2019. New term sheets were prepared by Wells Fargo Bank to renew the loans and extend the maturity date to July 31, 2021. Both Fargo and Cass County have approved the proposal. A resolution was drafted for the Diversion Authority to approve and consent to the term sheets.

MOTION, passed

Mr. Grindberg moved and Mr. Hendrickson seconded to adopt the Resolution Approving and Consenting to Term Sheets from Wells Fargo Bank, N.A., to Cass County, North Dakota and to the City of Fargo, North Dakota. On roll call vote, the motion carried unanimously.

Buffalo-Red River Watershed District request for time extension

Mr. Shockley said a letter was received from the Buffalo-Red River Watershed District (BRRWD) requesting additional time to complete its review of the permit application submitted by the Diversion Authority. The BRRWD wants clarification on terminology used by the MNDNR regarding easements in the staging area and wants further review of the conditions tied to the permit. Mr. Shockley recommends the board grant the request for a time extension to complete the permit review by June 28, 2019.

MOTION, passed

Mr. Campbell moved and Mr. Hendrickson seconded to grant the request from the Buffalo-Red River Watershed District for additional time to review permit application #19-003 and authorize Co-Executive Director Michael Redlinger to send a letter in response to the request. On roll call vote, the motion carried with eleven members voting “Yes” and Mr. Piepkorn voting “No”.

6. PUBLIC OUTREACH UPDATE

Committee report

The Public Outreach Committee met on May 22nd. Mr. Olson said the committee reviewed project talking points that were drafted to provide to the public. He said there was an outreach meeting held with Christine regarding a ring dike around the community. The committee also discussed the Conditional Letter of Map Revision (CLOMR) that was submitted to help identify impacts from the project.

Tammy Jo Taft from AE2S provided a demonstration of the website redesign. She said project facts continue to be added in order to keep the public informed on the project status.

Business Leaders Task Force

Mark Nisbet from the Business Leaders Task Force said they continue to support the project and intend to participate in the effort to ensure infrastructure needs are met to move forward with the project.

7. LAND MANAGEMENT

Committee report

The Land Management Committee met on May 22nd.

Property Acquisition Status Report

Mrs. Scherling discussed the Property Acquisition Status Report, which is updated monthly and shows the status of all parcels required for the project. She said the information is helpful to understand all the land purchases taking place and to monitor their progress.

Aq Impacts Study – Realignment of Storage Area

A revised assessment of the agricultural risk of temporary water storage needs to be done as a result of the realignment of the storage area outlined in Plan B. NDSU will conduct the assessment and will examine economic losses due to planting delays on lands that may experience flooding from operation of the project and identify plant acreages and lost input sales.

Mr. Grindberg said no action is needed as the Co-Executive Directors have approved the revised assessment.

8. FINANCE UPDATE

Committee report

The Finance Committee met on May 22nd. Mr. Grindberg said the committee had some questions regarding financial status and budget status figures included in the report.

Kent Costin, City of Fargo Finance Director, said the fiscal agent report tracks encumbrances (open contracts) while the annual cash budget report prepared by the PMC does not include this information. The reason for a different figure on the fiscal agent financial status report compared to the PMC report is because other items are included in the fiscal agent report, i.e. a contract with Oracle America to provide program management software services for the project.

MOTION, passed

Mr. Grindberg moved and Mr. Peterson seconded to accept the financial report as presented. Motion carried.

Voucher approval

The bills for the month are Cass County Joint Water Resource District (CCJWRD) for costs associated with the Metro Flood Diversion, OHB levee, and in-town levees; Dorsey & Whitney for legal services; Ohnstad Twichell, P.C. for legal services; and FEMA for the Conditional Letter of Map Revision (CLOMR) review fee for Plan B.

MOTION, passed

Mr. Grindberg moved and Mr. Steen seconded to approve the vouchers received through May 17, 2019, in the amount of \$2,532,080.80. On roll call vote, the motion carried unanimously.

Recommended Contracting Actions

Michael Redlinger, Assistant Fargo City Administrator and Co-Executive Director, discussed the recommended contracting actions, which were approved by the Finance Committee:

- CH2MHill (Task Order 2, Amendment 4 PMC services)—interim program management and related services for the project extending the period from May 24, 2019, to June 28, 2019, in the amount of \$7,175,000;
- Schmidt & Sons Construction (WP-50A Property Structure Mitigation)—property structure mitigation in the amount of \$109,680.

MOTION, passed

Mr. Grindberg moved and Mr. Steen seconded to approve the recommended contracting actions are presented. On roll call vote, the motion carried unanimously.

9. NEXT MEETING DATE

The next meeting is scheduled for Thursday, June 13, 2019. The meeting will be cancelled if there are no contracting actions, and the board would then meet on Thursday, June 27th.

10. ADJOURNMENT

MOTION, passed

On motion by Mr. Peterson, seconded by Mr. Steen, and all voting in favor, the meeting was adjourned at 4:16 PM.