

# Metro Flood Diversion Authority Finance Committee Meeting Minutes

4:00 PM – September 27, 2023  
City of Fargo Commission Chambers

A regular meeting of the Metro Flood Diversion Authority Finance Committee was held on September 27, 2023. The following members were present: Bernie Dardis, Mayor, City of West Fargo; Dr. Tim Mahoney, Mayor, City of Fargo; Rick Steen, Cass County Joint Water Resource District; Susan Thompson, Finance Director, City of Fargo; David Ebinger, Clay County Commissioner; Mike Redlinger, Administrator, City of Fargo; Shelly Carlson, Mayor, City of Moorhead; Mike Rietz, City of Moorhead Assistant City Manager and Brandy Madrigga, Cass County Finance Director.

Member(s) absent: Chad Peterson, Cass County Commissioner; Tony Grindberg, Cass County Commissioner and Dave Piepkorn, Fargo City Commissioner.

**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 AUGUST 2023 MEETING**

**MOTION PASSED**

Mayor Mahoney moved to approve the minutes from the August 2023, meeting and Mayor Carlson seconded the motion. On a voice vote, the motion carried.

**3. APPROVE ORDER OF AGENDA**

**MOTION PASSED**

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

**4. APPROVAL OF BILLS**

Ms. Thompson reported that the bills payable through September 19, 2023, total \$3,933,527 and are payable to the usual vendors.

**MOTION PASSED**

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

**5. FINANCIAL REPORT**

Ms. Thompson reported that the total assets to date are \$215,162,444, liabilities total \$93,582, and the current net position is \$215,068,862.

**MOTION PASSED**

Mr. Steen moved to approve the financial report as presented and Mayor Mahoney seconded the motion. On a voice vote, the motion carried.

**6. FISCAL AGENT INVESTMENT REPORT**

Ms. Thompson provided the following fiscal agent investment report:

The City of Fargo administers MFDA cash as per the Fiscal Services Contract which indicates that MFDA cash is to be managed in accordance with the City of Fargo’s standard processes. Bank of North Dakota (BND) cash accounts are held in reserve at BND with terms as per BND’s agreement with the MFDA. All other cash is invested by the City of Fargo as either short-term through a governmental money market sweep account with a current return of 5.20%, or longer-term through a managed fund for governmental clients with a current return of 5.19%.

**7. EXECUTIVE DIRECTOR FINANCIAL REPORT**

Mr. Paulsen reported that the annual revenue is tracking as expected and it is anticipated that we will reach our goal this year.

Sales tax revenue from the City of Fargo totaled \$4,212,000 and sales tax from Cass County totaled \$2,197,000. A Legacy Bond Fund draw was received from the State of North Dakota in the amount of \$47,792,000 and funds from the North Dakota State Revolving Fund totaled \$1,600,000. Current revenue for the month is \$56,581,000.

Mr. Paulsen also reported that the overall program budget looks good and there are no concerns. The year-to-date costs are appropriate, and it is anticipated there will be significant costs in the land and property areas forthcoming.

**8. DA BOARD APPROVAL CONTRACTING ACTIONS**

Mr. Paulsen provided an overview of the following contracting actions:

- New Services Agreement 2023/2024, Amendment 0 – snow removal services – provide hourly on-call snow removal and de-icing services that will allow the MFDA to access properties owned by CCJWRD and MCCJPA for the FM Area Diversion Project. Snowbusters, LLC - \$10,000.
- WP-52C Change Order 01 – removal of 25,000 cubic yards of unsuitable material at the AAB site. Extend the substantial completion to October 27, 2023, and final completion to November 10, 2023. Border States Paving, Inc. - \$162,500.

**MOTION PASSED**

**Mayor Mahoney moved to approve both contracting actions as presented and Mayor Carlson seconded the motion. On a roll call vote, the motion carried.**

**9. MOUs AND AGREEMENTS**

Mr. Shockley provided an overview and summary of the following MOU:

- MDU, Sauvageau, & MFDA MOU UMA – Property Relocation Utility Service  
This is a three-party MOU between Montana-Dakota Utilities Co. (MDU), Joseph Sauvageau and the Authority. The Sauvageau’s have agreed to relocate their residence, shops and grain dryer operations due to the Project. The Authority is required to provide natural gas service at Sauvageau’s relocated property. This MOU commits that MDU and the Authority will enter into an “Extension Agreement” which will provide cost estimates and responsibilities for both the Authority and MDU to provide natural gas service to the relocated property. The Extension Agreement shall provide that the Authority will pay all costs to construct the facilities necessary to serve the residence, shop building, and grain dryer at the Location. Sauvageau agrees the Authority shall retain the right to any refund of this payment authorized in Rate 120. It is anticipated that the Extension Agreement will be executed in

2024 but shall be executed no later than January 1, 2025. The expected in-service date for the extension is fall of 2025. The MOU also commits that MDU and Sauvageau's will enter into an "Interruptible Gas Service Agreement" and an "Application for Service Agreement" for the relocated property.

**MOTION PASSED**

**Mayor Carlson moved to approve the MOU as presented and Mayor Mahoney seconded the motion. On a roll call vote, the motion carried.**

**10. OTHER BUSINESS**

Mr. Bakkegard provided a summary of the following work package bid award recommendation:

- **a. WP38B Recommendation to Award Bid**

The contract for WP38B Property Structure Mitigation was publicly advertised and two (2) bids were received at the virtual public bid opening on September 14, 2023, at 1:00 PM.

The engineers estimate for the project was \$461,749.00. Jacobs (PMC), HMG LLC (EOR), and the Authority's legal counsel have reviewed and evaluated the bid documents and recommend the Metro Flood Diversion Authority award the contract for WP38B to Schmidt & Sons Construction in the amount of \$407,557.75 as the lowest responsive bidder.

**MOTION PASSED**

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

- **b. 2024 Draft Cash Budget**

Mr. Paulsen presented the 2024 draft cash budget. He reported that \$955,909,680 are the costs to date and \$218,373,943 is the proposed 2024 cash budget. It was noted that this is a draft and updates will be provided as they evolve.

**11. NEXT MEETING**

The next meeting will be October 25, 2023.

**12. ADJOURNMENT**

The meeting adjourned at 4:27 PM.