

Metro Flood Diversion Authority Finance Committee Meeting Minutes

4:00 PM –August 21, 2024

City of Fargo Commission Chambers

A regular meeting of the Metro Flood Diversion Authority Finance Committee was held on August 21, 2024. The following members were present: Bernie Dardis, Mayor, City of West Fargo; Dr. Tim Mahoney, Mayor, City of Fargo; Shelly Carlson, Mayor, City of Moorhead; Rick Steen, Cass County Joint Water Resource District; Dave Piepkorn, Fargo City Commissioner; Susan Thompson, Finance Director, City of Fargo; David Ebinger, Clay County Commissioner; Chad Peterson, Cass County Commissioner; Mike Redlinger, Administrator, City of Fargo; Tony Grindberg, Cass County Commissioner and Brandy Madrigga, Cass County Finance Director.

Member(s) absent: Mike Rietz, Assistant City Manager, City of Moorhead.

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 JULY 2024 MEETING

MOTION PASSED

Mr. Peterson moved to approve the minutes from the July 2024 meeting and Mr. Steen seconded the motion. On a voice vote, the motion carried.

3. APPROVE ORDER OF THE AGENDA

MOTION PASSED

Mr. Piepkorn moved to approve the order of the agenda and Mr. Peterson seconded the motion. On a voice vote, the motion carried.

4. APPROVAL OF BILLS

Ms. Thompson reported that the bills payable through August 15, 2024, total \$4,472,881, and are payable to the usual vendors, with CCJWRD being the largest at \$1,997,822, and Clay County being the second largest at \$1,336,203.

MOTION PASSED

Mayor Carlson moved to approve the bills as presented and Mr. Redlinger seconded the motion. On a roll call vote, with Mr. Piepkorn voting “nay”, the motion carried.

5. FINANCIAL REPORT

Ms. Thompson reported that the total assets for the project fund as of July 31, 2024, are \$280,511,251; the budget fund total is \$430,321, and the asset grand total is \$280,941,572. Liabilities total \$18,135,028 for a total net position of \$262,806,544.

Ms. Thompson reported that MFDA cash is invested daily in government grade money market sweep accounts with Wells Fargo and is currently making 5.1% in interest. There is also a small portion of cash in longer term government grade securities with PFM.

MOTION PASSED

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

6. CASH BUDGET REPORT

Mr. Barthel noted that the financing proceeds line item on the annual revenue status chart tracks the interest earned from investments as Ms. Thompson addressed in her report and is not delineated in the MFDA cash position. Revenues received for the month totaled \$5,274,000, and the YTD total is \$96,959,000.

The overall status continues to track well. There has been a jump in expenses in lands due to the closing of several large properties in May and June in the UMA. Mr. Barthel also reported that a coding review of the land expenses will be conducted to ensure that all the expenses have been coded to the appropriate cost centers. The operations budget continues to track in salary and benefits and office and other categories are also in alignment.

7. MOUs AND AGREEMENTS

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

a. Comstock Lutheran Church & MFDA Clara Cemetery Agreement

In accordance with the Settlement Agreement, the PRAM, MnDNR Permit Conditions, and Section 106 Requirements for Historic Affected Cemeteries the Authority adopted a Cemetery Protection Plan to identify potential impacts and mitigation measures for cemeteries within the staging area. The Clara Cemetery is in Mitigation Zone 1 of the Comprehensive Project. Potential impacts to the Cemetery include potential for grass and tree damage over existing conditions due to greater depth and duration of flooding if the flooding occurs during the growing season, potential for shifting or tripping over of headstones at and above a 50-Year Flood Event, potential for soil and crop debris from adjacent agricultural field to wash into the Cemetery with the flood waters, necessitating clean-up not needed under existing conditions, potential for headstones tipping over or moving due to flood waters, access problems to the Cemetery for longer periods of time due to greater duration of flooding, and potential need for repairs to gravel roads used for cemetery access and to the road within the Cemetery. The Authority and Church determined mitigation necessary to remedy or prevent potential impacts from the Comprehensive Project to the Cemetery include a flowage easement, a levee built to the 100-Year Flood Event, replanting of trees and other vegetation to improve visual impact, and Post-Operation Debris and Clean-up (collectively, referred to as the "Project"). The Authority is responsible for the design, construction, operation, and maintenance of the Project.

MOTION PASSED

Mayor Carlson moved to approve the MOU as presented and Mayor Mahoney seconded the motion. On a roll call vote, with Mr. Grindberg voting "nay", the motion carried.

8. DA BOARD APPROVAL CONTRACTING ACTION

Mr. Barthel provided an overview and summary of the following contracting action:

Task Order 12, Amendment 0 – Utility Relocation – Cass Rural Water Users District - \$709,916.

This is a new task order to install 2.5 miles of 16-inch watermain to connect the CRWUD system to the City of Fargo water system. This connection was agreed upon as part of the Master Utility Relocation Agreement (MURA) between the Authority and CRWUD.

MOTION PASSED

Mayor Mahoney moved to approve the contracting action as presented and Ms. Thompson seconded the motion. On a roll call vote, the motion carried.

9. OTHER BUSINESS

a. Resolution Authorizing Exchange of Temporary P3 Improvement Warrants (Authority)

Mr. Shockley provided an overview and summary of the above-referenced Resolution.

MOTION PASSED

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

b. Co-Executive Director's Interim Compensation

Mr. Peterson and Mr. Grindberg addressed the workload that Mr. Wilson and Mr. Redlinger have taken on with the departure of the executive director and recommended additional compensation. Mr. Peterson and Mr. Grindberg proposed to compensate the co-executive directors a flat rate based on the average of their respective hourly rates, assuming that the additional workload is consuming 20% of their time, monthly, retroactive to June 1, 2024, until the position is filled.

MOTION PASSED

Mayor Mahoney moved to approve the interim compensation for the co-executive directors and Mayor Carlson seconded the motion. On a roll call vote, with Mr. Redlinger abstaining, the motion carried.

c. Minnesota Funding Update

Mayor Carlson provided an update on the funding that the State of Minnesota and City of Moorhead have contributed to the Project. To date, Minnesota has contributed \$124,000,000. Mayor Carlson also indicated that per the JPA it states that the Minnesota partners are not to exceed \$100,000,000, in funding (2015 dollars), which equates to \$133,000,000 (2024 dollars).

10. NEXT MEETING

The next meeting will be September 25, 2024.

11. ADJOURNMENT

The meeting adjourned at 4:42 PM.