

Metro Flood Diversion Authority Finance Committee Meeting Minutes

4:00 PM –November 20, 2024

City of Fargo Commission Chambers

A regular meeting of the Metro Flood Diversion Authority Finance Committee was held on November 20, 2024. 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; Dave Piepkorn, Fargo City Commissioner; Susan Thompson, Finance Director, City of Fargo; Lori Johnson, Clay County Auditor/Treasurer; Chad Peterson, Cass County Commissioner; Tony Grindberg, Cass County Commissioner; Mike Redlinger, Administrator, City of Fargo and Brandy Madrigga, Cass County Finance Director.

Member(s) absent: Shelly Carlson, Mayor, City of Moorhead and 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 THE MINUTES FROM THE OCTOBER 2024 MEETING

MOTION PASSED

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

3. APPROVE THE ORDER OF THE AGENDA

MOTION PASSED

Mr. Grindberg moved to amend the order of the agenda, removing item 7. b., Montana Dakota Utilities Extension Agreement, and placing it on the December agenda. Mr. Piepkorn seconded the motion and on a voice vote, the motion carried.

4. APPROVAL OF BILLS

Ms. Thompson reported that the bills payable through November 13, 2024, total \$8,277,666, and are payable to the usual vendors, with CCJWRD being the largest at \$3,729,136 and the City of Fargo being the second largest at \$3,314,064.

MOTION PASSED

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

5. FINANCIAL REPORT

Ms. Thompson reported the total assets as of October 31, 2024, are \$302,764,843; liabilities total \$134,157, and the grand total net position is \$302,630,687.

MOTION PASSED

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

6. CASH BUDGET REPORT

Mr. Barthel reported that annual revenues continue to track well and \$17,113,000 has been received this month. A \$10,799,000 Legacy Fund draw was also received, bringing the year-to-date Legacy Fund contributions to \$91,007,000.

Expenses continue to track very well. It is anticipated that there will be milestone payments due to the developer by year-end along with the closing of several properties. The operations budget also continues to track well and remains significantly under budget.

7. MOUs AND AGREEMENTS

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

a. Red River Valley Alliance, LLC (the Developer) and MFDA, Infrastructure Agreement for the SWDCAI
The First Amendment to the Infrastructure Agreement amends Exhibit A of the agreement by identifying additional subject infrastructure to be included as part of the Infrastructure Agreement.

MOTION PASSED

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

8. DA BOARD APPROVAL CONTRACTING ACTIONS

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

a. MRA – The Management Association - \$14,625

Services Agreement, Amendment 0 – Consulting Services – Perform a Classification and Compensation study of the Metro Flood Diversion Authority organization structure and create the future compensation model.

b. Program Advisor Services - \$467,000

Task Order 02, Amendment 2 – Consulting Services – This amendment provides for the 2025 budget and extends the period of performance to December 31, 2025.

c. Dakota Fence - \$0

New Master Agreement for Construction Services (MACS) – WP60A Fencing On-Call Services – Will clearly demarcate the boundary from DA owned land and private owners' land. This will reinforce the boundary with a physical barrier or sign to stop encroachment by others. It will reduce the risk of disruption and future maintenance and cost of these areas caused by encroachment. Future scopes of work and associated costs will be approved under individual Task Orders.

d. American Fence - \$0

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e. NorthStar Safety, Inc. - \$0

New Master Agreement for Construction Services (MACS) – WP60B Signage On-Call Services – Will clearly demarcate the boundary from DA owned land and private owners' land. This will reinforce the boundary with a physical barrier or sign to stop encroachment by others. It will reduce the risk of disruption and future maintenance and cost of these areas caused by encroachment. Future scopes of work and associated costs will be approved under individual Task Orders.

f. 3D Specialties, Inc. - \$0

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MOTION PASSED

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

9. OTHER BUSINESS

a. Sales Tax Update

Mr. Barthel and Mr. Redlinger provided a historical chart of the annual sales tax receipts beginning January 2022 to September 2024. The chart provides the sales taxes received in the years listed and what is forecasted by year-end, 2024.

The funding sources are as follows:

Fargo Sales Tax	\$ 44,250,000
Cass County Sales Tax	\$ 22,250,000
Cash On Hand	\$ 9,818,875
Legacy	\$ 70,000,000
SRF	\$ 15,000,000
WIFIA Draws	\$ 232,000,000
Reimbursements	\$ 25,000
Lease/Rental Payments	\$ 500,000
Asset Sales	\$ 1,000,000
Investment Income	\$ 7,500,000
Miscellaneous	\$ 100,000
Draws from Horace Infrastructure Escrow account	\$ 1,500,000
Draws from BRRWD Escrow account	\$ 2,000,000
Total Sources	\$ 405,943,875

b. Second Draft of the 2025 Cash Budget

Mr. Barthel reported that there have been no changes from October and he anticipates that the third version will be presented at the December meeting.

10. NEXT MEETING

The next meeting will be December 18, 2024.

11. ADJOURNMENT

The meeting adjourned at 4:35 PM.