

Metro Flood Diversion Authority Finance Committee Meeting Minutes

4:00 PM – January 22, 2025

City of Fargo Commission Chambers

A regular meeting of the Metro Flood Diversion Authority Finance Committee was held on January 22, 2025. Members present: Bernie Dardis, Mayor, City of West Fargo; Shelly Carlson, Mayor, City of Moorhead; Dave Piepkorn, Fargo City Commissioner; Susan Thompson, Finance Director, City of Fargo; Lori Johnson, Clay County Auditor/Treasurer; Mike Redlinger, Administrator, City of Fargo; Mike Rietz, Assistant City Manager, City of Moorhead; Rick Steen, Cass County Joint Water Resource District; Jim Kapitan, Cass County Commissioner and Tony Grindberg, Cass County Commissioner.

Member(s) absent: Brandy Madrigga, Cass County Finance Director and Dr. Tim Mahoney, Mayor, City of Fargo.

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 DECEMBER 2024 MEETING
MOTION PASSED**

Mr. Grindberg moved to approve the minutes from the December 2024 meeting and Mayor Carlson seconded the motion. On a voice vote, the motion carried.

**3. APPROVE THE ORDER OF THE AGENDA
MOTION PASSED**

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

4. APPROVAL OF BILLS

Ms. Thompson reported that the bills payable through January 15, 2025, total \$4,670,034, and are payable to the usual vendors, with the City of Fargo being the largest at \$2,225,465 and CCJWRD being the second largest at \$1,660,159.

MOTION PASSED

Mr. Kapitan moved to approve the bills as presented and Mr. Piepkorn seconded the motion. On a voice vote, the motion carried.

5. FINANCIAL REPORT

Ms. Thompson reported the total assets as of December 31, 2024, are \$304,895,152; liabilities total \$33,750, and the grand total net position is \$304,861,402.

MOTION PASSED

Mayor Carlson 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 reported that the annual revenues received through December 31, 2024, totaled \$201,272,000, slightly under what was budget based on the estimated City of Fargo tax receipts.

Legacy Bond Funds resulted in an additional \$22,000,000 in December, for a total of \$113,108,000. A request has been submitted for \$11,000,000, leaving \$87,000,000 available in 2025.

There were underspends in milestone payments and mitigation. There was an overspend in lands with closings on several properties in November and December; the year ended within the program budget.

The \$1,650,000 operations budget came in at \$162,183 under budget. This includes the additional stipends that are being paid to Mr. Redlinger and Mr. Wilson.

7. MOUs AND AGREEMENTS

a. Jodi Smith Consulting Agreement

A draft of the consulting agreement with Jodi Smith was distributed. After discussion, the committee moved to table the agreement to allow for appropriate time to review the correct version. No action was taken.

8. DA BOARD APPROVAL CONTRACTING ACTIONS

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

a. Lyle Wilkens, Inc., WP 38C Master Agreement for Construction Services (MACS) - \$0

Property mitigation on-call services. The agreement will mitigate property structure in the Upstream Mitigation Area as part of the overall delivery. The MACS contract will speed up the property handover process to the Contractor, reduces project completion time, and eliminates the need for external bidding for future work packages. The MACS will remain in effect for approximately 2 years and 6 months from the effective date through June 30, 2027.

b. Schmidt and Sons Construction, Inc. - \$230,668

Task Order 14, Amendment 0 – WP38C OIN 1912 – property structure mitigation. Perform property structure mitigation for OIN 1912.

c. Xcel Energy, Inc. - \$730,000

Task Order 03, Amendment 0 – Services to Sauvageau Farm – Authority is providing gas services to the Sauvageau farm site. Providing similar access and utilities to relocated properties was a commitment the Authority made in the PRAM document, as part of the Settlement Agreement and subsequently as part of the purchase agreement with the property owner.

d. CH2M Hill Engineering, Inc. - \$667,426

Task Order 06, Amendment 13 – P3 Procurement Support and Design and Construction Contract Monitoring Activities – Reallocating 2024 and 2025 budgets due to increased monitoring and oversight in the field due to a more aggressive construction schedule, field quality issues and increased efforts to review claims and letter and write responses.

e. Eide Bailly, LLP - \$27,000

Engagement letter, Amendment 0 – Audit Services 2024 – Audit of the MFDA financial status as of December 31, 2024, in accordance with US GAAS.

MOTION PASSED

Mr. Grindberg moved to approve contracting items 8. a., b., d., and e., and Mr. Steen seconded the motion. On a roll call vote the motion carried.

MOTION PASSED

Mr. Steen moved to approve contracting item 8. c., and Mr. Kapitan seconded the motion. On a roll call vote with Mr. Grindberg abstaining, the motion carried.

9. OTHER BUSINESS

a. Election of the Vice Chair for the Finance Committee

MOTION PASSED

Mr. Kapitan moved to re-appoint Mr. Steen as the vice chair of the finance committee and Mayor Carlson seconded the motion. On a roll call vote, the motion carried.

b. Final 2025 Cash Budget

Mr. Barthel presented the final proposed 2025 cash budget, noting that there were no significant changes from the last rendition. There are some anticipated utility costs resulting in an additional \$3,000,000. The milestone payments to the developer have increased from \$232,000,000 to \$234,000,000 with the schedule changes and change requests that are being finalized.

It is anticipated that the additional costs will be covered by the current revenue and funding sources, assuming that City and County sales tax revenues continue to increase. There will be \$87,000,000 in Legacy funds available and \$234,000,000 in WIFIA draws. *The proposed cash budget for 2025 is \$424,055,689.*

MOTION PASSED

Mayor Carlson moved to approve the 2025 cash budget as presented and Ms. Thompson seconded the motion. On a roll call vote, the motion carried.

10. NEXT MEETING

The next meeting will be on February 26, 2025.

11. ADJOURNMENT

The meeting adjourned at 4:34 PM.