Metro Flood Diversion Authority Finance Committee Meeting Minutes

4:00 PM – September 24, 2025
City of Fargo Commission Chambers

A regular meeting of the Metro Flood Diversion Authority Finance Committee was held on September 24, 2025. Members present: Dr. Tim Mahoney, Mayor, City of Fargo; Bernie Dardis, Mayor, City of West Fargo; Dave Piepkorn, Fargo City Commissioner; Susan Thompson, Finance Director, City of Fargo; Lori Johnson, Clay County Auditor/Treasurer; Mike Redlinger, Administrator, City of Fargo; Rick Steen, Cass County Joint Water Resource District; Jim Kapitan, Cass County Commissioner; Mike Rietz, Assistant City Manager, City of Moorhead and Sarah Heinle, Cass County Finance Director.

Member(s) absent: Shelly Carlson, Mayor, City of Moorhead and Tony Grindberg, Cass County 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 THE MINUTES FROM THE AUGUST 2025 MEETING

MOTION PASSED

Mayor Mahoney moved to approve the minutes from the August 2025 meeting and Mr. Kapitan seconded the motion. On a voice vote, the motion carried.

3. APPROVE THE ORDER OF THE AGENDA

MOTION PASSED

Mayor Mahoney 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 September 16, 2025, total $353,113, and are primarily legal and engineering costs.

MOTION PASSED

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

5. FINANCIAL REPORT

Ms. Thompson reported the total assets as of August 31, 2025, are $293,135,716; liabilities total $816,991, and the total net cash position is $292,318,725.

Ms. Thompson also reported on the sales tax receipts from the City of Fargo and Cass County. She noted that content of the report is not 100% accurate based on several factors, and the timing of the report is generally one month behind. The current report reflects July accrual receipts from Cass County at -1.4% and -3.1% from the City of Fargo.

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

6. CASH BUDGET REPORT

Mr. Barthel reported that the fiscal year-to-date is down due to the lag in the receipt of sales tax from Cass County and the City of Fargo. The remaining Legacy funds of $24,007,000, have been received and there will be no further Legacy receipts; $3,883,000 from the North Dakota State Revolving Fund was also received. The current month revenue is $35,092,000, and the YTD income is $155,089,000.

Milestone payments to the developer in 2025 total $91,291,967, and there has been an uptick in the mitigation budget with property settlements starting to be recognized on the books. The administrative budget continues to track well and is significantly below budget to date.

7. RESOLUTION TO ASSUME PLANNING, DESIGN & CONSTRUCTION OF THE SHEYENNE RIVER MITIGATION

Mr. Shockley provided an overview and summary of the Sheyenne River Mitigation Project and the benefits realized by the Diversion Authority assuming leadership and management of the Project. He also noted that this is the final environmental mitigation project.

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.

8. MOUs AND AGREEMENTS

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

a. AP Wireless & MFDA MURA

This MURA defines the roles and responsibilities of the Metro Flood Diversion Authority (MFDA) and AP Wireless Investments I, LLC (Utility) as it relates to the Utility's real property interests that are impacted by the Comprehensive Project. This MURA addresses the Utility Adjustment that will occur for the Utility's cell tower that is located in the Upstream Mitigation Area. The Utility Adjustment consists of the protecting the cell tower in its existing location with a ring levee. The MFDA will design, construct and fund the Utility Adjustment project which is anticipated for construction in 2026.

b. AP Wireless & MFDA Defense Agreement

The Authority and AP Wireless Investments I, LLC, will enter into a Master Utility Relocation Agreement setting forth terms and conditions of a project to protect certain utility infrastructure. The parties desire to enter into this separate Defense Agreement whereby the Authority has agreed to defend the Utility against actions, lawsuits, or claims that arise from the Authority's (or a member entity) use of eminent domain, if necessary, to acquire real property interests for the Comprehensive Project.

c. Cenex & MFDA Mutual Confidentiality Agreement

CHS and the Authority desire to engage in discussions regarding a potential business transaction relating to mapping of CHS facilities within the Sheyenne River Mitigation Project area during which the MFDA may receive Confidential Information from CHS. The Parties enter into this Agreement to limit disclosure of such Confidential Information.

MOTION PASSED
Mr. Piepkorn moved to approve the MURA and agreements as presented and Mr. Redlinger seconded the motion. On a roll call vote, the motion carried.

9. BUDGET CHANGE REQUEST 022 SHEYENNE RIVER MITIGATION PROJECT

Mr. Barthel provided the rational for the Budget Change Request to add an additional $53,000,000, to the Program Budget. Funds will be transferred from the USACE budget in a PPA amendment to the MFDA Program Budget and allocated under Work Package 41, Future Stream Mitigations, to fund the Sheyenne River Mitigation Project (SRMP). The Program Budget will increase from $2.892 billion to $2.945 billion.

MOTION PASSED

Mr. Steen moved to approve the Budget Change Request adding an additional $53,000,000, to the Program Budget and Mr. Kapitan seconded the motion. On a roll call vote, the motion carried.

10. DA BOARD APPROVAL CONTRACTING ACTIONS

a. WP41A – Maple River Benching Project- Comstock Construction, Inc., $358,400

Recommendation of award.

b. HMG Task Order 101 Amendment 15 Houston-Moore Group, Inc., $1,500,000

Design and construction support – budget and Scope of Work for preliminary design and permitting support for the Sheyenne River Mitigation Project.

MOTION PASSED

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

11. OTHER BUSINESS

a. 2026 DRAFT CASH BUDGET VERSION 1

Mr. Barthel presented the DRAFT 2026 cash budget indicating that the *projected* budget will be $931,239,143, due to the anticipated $730,000,000, in milestone payments to the developer. He also noted that there will be no additional Legacy funds received, and the amounts listed as revenue for sales tax receipts are flat compared to the previous year.

12. NEXT MEETING

The next meeting will be on October 22, 2025.

13. ADJOURNMENT

The meeting adjourned at 4:42 PM.