

Metro Flood Diversion Authority Board of Authority Meeting Minutes

3:30 PM – July 23, 2026

City of Fargo Commission Chambers

A regular meeting of the Metro Flood Diversion Authority Board of Authority was held on July 23, 2026. The following members were present: Eric Gjerdevig, Mayor, City of West Fargo; Josh Boschée, Mayor, City of Fargo; Rick Steen, Cass County Joint Water Resource District; Jim Kapitan, Cass County Commissioner; Tony Grindberg, Cass County Commissioner; Kevin Campbell, Clay County Commissioner and Chad Peterson, Fargo City Commission.

Member(s) absent: Duane Breitling, Cass County Commissioner; David Ebinger, Clay County Commissioner; Lisa Borgen, Moorhead City Council; Shelly Carlson, Mayor, City of Moorhead; Chuck Hendrickson, Moorhead City Council and Michelle Turnberg, Fargo City Commissioner.

1. CALL TO ORDER

Mayor Boschée called the meeting to order at 3:31 PM. Roll call was taken, and a quorum was present.

2. APPROVE THE MINUTES FROM THE JUNE 2026 BOARD OF AUTHORITY MEETING

MOTION PASSED

Mr. Campbell moved to approve the minutes from the June 2026 meeting and Mr. Steen seconded the motion. On a voice vote, the motion carried.

3. APPROVE THE ORDER OF THE AGENDA

MOTION PASSED

Mayor Boschée advised that the order of the agenda will be amended to move item 6.b., to the Consent Agenda. Mr. Steen moved to approve the order of the agenda as amended and Mr. Kapitan seconded the motion. On a voice vote, the motion carried.

4. APPROVE THE CONSENT AGENDA

MOTION PASSED

Mr. Peterson moved to approve the Consent Agenda as amended and Mayor Gjerdevig seconded the motion. On a roll call vote, the motion carried.

5. EXECUTIVE DIRECTOR UPDATE

a. USACE Section 408 Coordination

Mr. Benson reported that Mr. Bakkegard, Mr. Nicholson, Mr. Fisher, Mr. Shockley and himself traveled to St. Paul to meet with the USACE regarding the 408 permit. There was a lot of beneficial dialogue and things continue to move in the right direction. Virtual meetings will continue to be held weekly to keep things moving forward.

b. O&M Update

Mr. Benson reported that the O&M meetings are held monthly and needs continue to be evaluated. Mr. Benson will be providing an update to the board at the September retreat.

Mr. Benson also reported that the USACE will be turning over the Wild Rice Structure to the Diversion, and it is anticipated that the Diversion will be taking over the Red River Structure in the next few months. He also noted that the RRVA is planning an event to celebrate the Sheyenne aqueduct cut over on Wednesday, July 29, at 8 AM. If anyone would like to attend, please contact Mr. Benson or Mr. Fisher so carpooling can be arranged.

6. GENERAL COUNSEL UPDATE

a. WIFIA Update

Mr. Shockley reported that the next draw is anticipated to be received by the end of the month in the amount of \$105,600,000. Mr. Shockley shared, for new board members, that the WIFIA is a 40-year loan at a 2.008% interest rate.

b. Resolution Amending Members to the MFDA Board and Committees

Moved to Consent Agenda.

c. i. Resolution Establishing the Crop Loss Reserve Fund Oversight Subcommittee

Mr. Shockley provided an overview and summary of the above-referenced Resolution regarding the establishment of the Crop Loss Reserve Fund. The subcommittee will be comprised of three members appointed by the Diversion Authority Board to include: (i) Chair of the Diversion Authority Board; (ii) Vice Chair of the Diversion Authority Board; and (iii) the Chair or Vice Chair of the Finance Committee.

Mr. Peterson recommended amending the Resolution to be more generic to allow the Finance Committee to appoint an individual rather than the individual having to be required to hold the chair or vice chair position.

MOTION PASSED

Mr. Peterson moved to amend the Resolution as recommended and Mr. Campbell seconded the motion. On a roll call vote, the motion carried.

MOTION PASSED

Mr. Kapitan moved to approve the Resolution as amended and Mr. Campbell seconded the motion. On a roll call vote, the motion carried.

c. ii. Resolution Authorizing the Executive Director to Issue an RFQ for Investment and Management Services

Mr. Shockley provided an overview and summary of the above-referenced Resolution authorizing the Executive Director to issue an RFQ for a fund manager/advisor of the Crop Loss Program.

MOTION PASSED

Mr. Kapitan moved to approve the Resolution as presented and Mr. Campbell seconded the motion. On a roll call vote, the motion carried.

7. PROJECT UPDATES

a. USACE Project Update

Ms. Williams provided the following USACE update:

1 Diversion Inlet Structure (DIS) – Construction

15 July 2026 Structure includes 3-50 ft. wide Tainter gates. Turnover to Sponsors for OMRRR occurred on 15 June 2026.

2 Wild Rice River Structure (WRRS) – Construction

Structure includes 2-40 ft. wide Tainter gates. Turnover to Sponsors for OMRRR occurring week of 13 July 2026.

3 Red River Structure (RRS) - Construction

Structure includes 3-50 ft. wide Tainter gates. Construction is 97% complete. Contract completion date is 20 August 2026. Embankment construction and prefinal inspections are ongoing. Turnover to Sponsors for OMRRR anticipated in late August 2026.

4 Drain 27 Wetland Mitigation Project Plantings - Mitigation

Native plantings 5-year contract for wetland establishment. Completion date is 2 December 2027.

5 FY2024 Contract Awards – Construction

OHB Ring Levee: Turnover to Sponsors for O&M occurred on 29 December 2025. Turf maintenance ongoing.

Reach SE-1B: 85% complete. Embankment construction complete; topsoil placement ongoing. Contract completion date will be extended into early August 2026.

Reach SE-2B: 93% complete. TRM and turf establishment continue. 45th Street up and over completed and open. Contract completion date is 23 October 2026.

Forest Mitigation #1: Planting/maintenance ongoing. Contract completion date is 31 Dec 2028.

Reach SE-4: 37% complete. Embankment, topsoiling, and 160th up-and-over construction ongoing. Contract completion date is 15 October 2026.

6 FY2025 Contract Awards – Construction

SE-3: 48% complete. Embankment construction ongoing. County Road 81 scheduled to reopen 15 August. Contract completion date is 19 October 2026.

SE-5: 40% complete. Contractor closed Hwy 75 on 15 June; reopening is scheduled for 31 July. Working to get Wolverton Creek crossing open. Contract completion date is 31 October 2026.

Forest Mitigation #2: Planting/maintenance ongoing. Contract completion date is 31 Dec 2029.

7 FY2026 Contract Awards - Mitigation

Forest Mitigation #3:

Service contract awarded 27 February 2026. Planting preparation ongoing. Completion date is December 2028.

8 I-29 Raise – Operations and Maintenance (OMRRR)

Turnover to MFDA occurred on 20 December and preparation of O&M documents is ongoing.

9 Drayton Dam Mitigation Project Design - Operations and Maintenance (OMRRR)

Turnover to MFDA for O&M occurred on 28 Nov 2023. OMRRR manual coordination continues.

SWDCAI Project Update

Mr. Bakkegard provided an update of the construction map that shows the current work in progress, and the 30 and 60-day projected progress:

Progress Map Updates

- CR-81
- WRRS

30 to 60-Day Outlook

- 52nd Ave W Crossing
- CR-14 Crossing
- AAB
- SE-3
- SE-4
- SE-5

b. Project Safety Update

Mr. Bakkegard provided the safety update for the period June 1 to June 30, 2026. He reported that it was a good month with only one minor recordable event that required first aid.

c. P3 Monthly Update

Mr. Bakkegard highlighted the Project Controls section in the July P3 monthly update.

Project Controls

Schedule

The Developer submitted the forty-fourth Project Status Schedule (PSSU) update on June 15, 2026, for the month of May 2026 (01-Jun-26 Data Date). The submittal was accepted for review. To create the PSSU, the Developer reported making approximately 4,427 changes from the PSSU 2026 April submitted on May 15, 2026, including new and deleted activities, changes to logic and relationships between activities, activity description changes, calendar changes, WBS modification and activity duration modifications. The Project Substantial Completion Date in this PSSU is October 1, 2026, which matches the baseline date. The approved PBS Project Substantial Completion Date (Scheduled Project Substantial Completion Date) is October 1, 2026.

PBS3-R2 was accepted contingent upon all the stated conditions being satisfied in the SOP.

Invoicing and Payment

BNSF submitted 179 invoices through the month of June 2026 totaling \$21,762,580.35. These have been forwarded to the Developer for payment for work performed by BNSF and its subcontractors at the Prosper, Hillsboro and KO locations. For the month of June, 169 of the 179 were paid for a total of \$21,578,415.50. The unpaid amount falls within the 60-day turnaround period. The BNSF Construction and Maintenance Agreement (C&M Agreement) between the Authority and BNSF is considered a "Third Party Agreement" as administered under Section 11 of the Project Agreement. Therefore, the invoices received by the Authority are transmitted to the Developer for payment directly to BNSF within 60 days of the invoice date according to Section 7 of the C&M Agreement. Future invoices received will be handled in a like manner. There are no overdue amounts as of the end of April.

Payments to RRVA

July 3, 2025, marked execution of the settlement agreement Statement of Principles (SoP) between the Developer and the Authority. The SoP allows the Developer to submit and request advance payment invoices for relative Pay Units provided the works for the specific Interim Completion Element(s) be substantially complete within 120 days of each advance payment request.

The forecast Payment Dates are from the latest PSSU. In terms of Interim Completion Elements, the actual dates of the receipt of complete ICE Notices have not kept pace with anticipated dates.

The Authority will also pay BNSF a total of \$9,000,000 for lifespan maintenance and future reconstruction of three railroad bridges following completion of construction of these structures, estimated to be Summer 2026. This payment reflects the net present value of the three bridges for which BNSF will accept responsibility for ownership and maintenance. Section 22 of the SoP also allows for payments to the Developer regarding settling outstanding claims.

The report can be viewed in its entirety on the website at www.fmdiversion.gov. Please reach out to Mr. Barthel should you have any questions.

d. Monthly Drone Video

A video highlighting the progress that has been achieved in July 2026 was viewed.

8. **COMMUNICATIONS TEAM UPDATE**

Ms. Wieser Willson provided the following communications update:

PR/Media Relations:

- June construction update
- Lane closures (4)
- Prairie Public interview

Newsletter:

- Leadership
- 48% open rate
- 15% click rate
- Next issue: environmental compliance

Outreach:

- MetroCog presentation

9. **LAND MANAGEMENT UPDATE**

a. Property Acquisition Status Report

Mr. Fisher provided the following property acquisition status report:

Key Activities:

- **In the last month, successfully closed 1 parcels / 1 owner in the UMA**
- **Continued negotiating settlement agreements for existing eminent domain actions**
 - To date, completed three (3) eminent domain trials in Cass County. No new trials in the last month.
 - Completed site inspections and initial discovery hearing for the actions in Minnesota.
 - Scheduled Commissioner Hearings for Minnesota actions.
 - Negotiated many settlements since completing the first trial.
 - 11 pending settlement offers with property owners.
- **Closings are pending for:**
 - MN: 3 parcels / 2 owners
 - ND: 28 parcels / 13 owners
- **21,691 acres of flowage easements have been acquired, and 5,399 acres are outstanding**
- **Continued development of the MFDA's post operation clean-up and restoration programs**
- **Continued development of the MFDA's crop loss programs**

Property Acquisition Progress:

- 98.4% completion in the Construction Footprint
- 68.6% completion in the UMA Footprint
- 95.3% of the parcels in the Southern Embankment have been acquired
- 68.6% of the parcels in the Upstream Mitigation Area have been acquired
- 79.8% of the Environmental Easements have been signed
- 100% completed: Stormwater Diversion Channel; Oxbow-Hickson-Bakke levee; in-town levees and the Drayton Dam mitigation

10. **FINANCE UPDATE**

a. Sales Tax Update

Mr. Steen reported that sale tax receipts from Cass County are up approximately 12% from this time last year and the City of Fargo is up 5%.

Mr. Steen also reported that the 2025 audit was completed and Eide Bailly issued a clean opinion and no significant deficiencies were noted. The Finance Committee moved to accept and file the audit as presented.

b. MFDA 2025 Finance Statement Audit

Mr. Benson reported that the 2025 audit was completed and there were no significant deficiencies noted and that the appropriate controls are in place.

11. OTHER BUSINESS

There was no other business.

12. PUBLIC COMMENT

There was no public comment.

13. CLOSED EXECUTIVE SESSION

*Closed Executive Session pursuant to N.D.C.C. 44-04-19.1 (2) and (9) to discuss negotiating strategy and to provide negotiating instructions to its General Counsel, Executive Director and Director of land regarding (1) a requested amendment to the ICE Advance Agreement between the MFDA, RRVA and ASN; and (2) to discuss negotiation strategy regarding the sale of the Horace Elevator.

MOTION PASSED

Mr. Grindberg moved to go into executive session, and Mr. Steen seconded the motion. On a voice vote, a quorum retreated to the Red River Room at 4:15 PM.

A quorum returned to the Commission Chambers at 5:04 PM.

14. NEXT MEETING

The next meeting will be on August 27, 2026,

15. ADJOURNMENT

Mr. Grindberg moved to adjourn, and Mr. Steen seconded the motion. On a voice vote, the meeting adjourned at 5:05 PM.