

Metro Flood Diversion Authority Finance Committee Meeting Minutes

4:00 PM September 23, 2026

City of Fargo Commission Chambers

A regular meeting of the Metro Flood Diversion Authority Finance Committee was held on September 23, 2026. Members present: Susan Thompson, Finance Director, City of Fargo; Mike Redlinger, Administrator, City of Fargo; Rick Steen, Manager, Cass County Joint Water Resource District; Jim Kapitan, Cass County Commissioner; David Ebinger, Clay Commissioner; Josh Boschee, Mayor, City of Fargo; Shelly Carlson, Mayor, City of Moorhead; Tony Grindberg, Cass County Commissioner; Chad Peterson, Fargo City Commissioner and Sarah Heinle, Cass County Finance Director.

Member(s) absent: Eric Gjerdevig, Mayor, City of West Fargo and Mike Rietz, Assistant City Manager, City of Moorhead.

1. CALL TO ORDER

Mr. Steen 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 2026 MEETING

MOTION PASSED

Mayor Carlson moved to approve the minutes from the August 2026 meeting and Mayor Boschee seconded the motion. On a voice vote, the motion carried.

3. APPROVE THE ORDER OF THE AGENDA

MOTION PASSED

Mayor Boschee moved to approve the order of the agenda and Ms. Thompson seconded the motion. On a voice vote, the motion carried.

4. APPROVAL OF BILLS

Ms. Thompson reported that the bills payable through September 15, 2026, total \$4,884,845, with CCJWRD being the largest at \$3,726,055 and RRWRD the second largest at \$741,509.

MOTION PASSED

Mr. Grindberg moved to approve the bills, and Mr. Redlinger seconded the motion. On a roll call vote, the bills were approved as presented.

5. FINANCE REPORT

Ms. Thompson reported that the total assets as of August 31, 2026, are \$297,967,658; liabilities total \$145,144, and the total net cash position is \$297,822,514.

Mr. Shockley provided a handout of the various line-item funds shown on the Statement of Net Position and he and Mr. Barthel provided an overview of the funds and what is included in each of them.

MOTION PASSED

Mayor Boschee moved to approve the financial report as presented and Mr. Kapitan seconded the motion. On a voice vote, the motion carried.

6. CASH BUDGET REPORT

Mr. Benson reported that there has been good growth in the 2026 sales tax receipts. Cass County is up 15%, and the City of Fargo is up 8.6%.

Mr. Benson also reported that there has not been a WIFIA draw due to the lack of invoices received from the developer. He also noted that more invoices will be coming from the City of Fargo with the completion of the intown projects. The third-party MOU costs are predominantly for mitigation, and some may shift into the 2027 budget.

7. BUDGET CHANGE REQUEST

Mr. Barthel provided an overview of the Budget Change request:

Budget Change Request BCR-022 was approved by the Board on September 25, 2025, which added \$53,000,000 to the Program Budget. Supporting funds were anticipated to be from the USACE budget excess in the Project Partnership Agreement (PPA) amendment. The program budget increase was allocated to work package 41 Future Stream Mitigations to fund the Sheyenne River Mitigation Project (SRMP) and was based on the USACE estimate for the SRMP.

On April 29, 2026, the Project Partnership Agreement Amendment (PPA) No. 2 was executed between the non-federal sponsors and the Department of Army USACE. This amendment cleared the way for the FM Diversion Authority to receive residual unspent federal monies which were allocated toward construction of the Southern Embankment and Associated Infrastructure. The amount of \$100,000,000 was received by the FM Diversion's Fiscal Agent on May 6, 2026.

Budget Change Request BCR-025 completes the transaction authorized under PPA Amendment No. 2 by adding an additional \$47,000,000 to the program budget for an overall total increase of \$100,000,000.

MOTION PASSED

Mr. Kapitan moved to approve the \$47,000,000 adjustment to the Program Budget and Mayor Carlson seconded the motion. On a roll call vote, the motion carried.

8. DA BOARD APPROVAL CONTRACTING ACTIONS

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

- a. **Services Agreement, snow removal services 2026-2027, JT Lawn Services & Landscaping, LLC, \$10,000**
Snow removal services on Metro Flood Diversion Authority owned property for the 2026-2027 winter season. The hourly rates remain the same as the 2025-2026 season.
- b. **Task Order 101, Amendment 17, Design and Construction Services, Houston-Moore Group, Inc., \$5,100,000**

This amendment reallocates funding among subtasks and provides additional support for project needs through 2027. Budget adjustments align funding with anticipated construction support, design and compliance reviews, permitting, post-construction activities, and future project implementation. Funds are reduced where actual effort was lower than expected and increased where additional support is needed to advance project delivery and program objectives.

c. Task Order 102, Amendment 13, H&H, Mitigation and Permitting Support, Houston-Moore Group, Inc., \$3,925,000

Budget adjustments are required to align project funding with current schedules, resource needs, and anticipated workloads. Some of the budget changes include, decreased 2026 budget due to less than anticipated efforts for permit compliance monitoring, operations plan, H&H support and land surveying, just to name a few. Other budget changes include (not limited to) additional budget for FEMA Physical Map revisions, 2027 budget for wetland mitigation monitoring, fencing and signage support, and project closeout documents.

Mr. Grindberg expressed concern about the continual asking for money for new projects and specifically addressed task order #102 indicating that in March 2025 the finance committee debated about the FEMA mapping at which time, Mr. Grindberg's motion dictated that the FEMA mapping work that HMG was doing was not to exceed the \$2,174,989.

MOTION PASSED

Mr. Grindberg moved that \$800,000 (FEMA mapping request) of the \$3,925,000 to be tabled and the additional information be presented at the October finance meeting to gain a better understanding of the timeframe and what the costs will be to complete the FEMA mapping. Mayor Carlson seconded the motion and on a roll call vote, the motion carried.

MOTION PASSED

Mr. Grindberg moved to approve task order #102 as amended, and Mr. Kapitan seconded the motion. On a roll call vote, the motion carried.

MOTION PASSED

Mayor Boschee moved to approve contracting actions 8., a., & b., and Mr. Redlinger seconded the motion. On a roll call vote, the motion carried.

9. OTHER BUSINESS

a. WIFIA Update

Mr. Shockley reported that we have not submitted WIFIA draw #4 as the developer has not submitted adequate expenses to request payment.

b. WIFIA Internal Controls Policy

Mr. Shockley reported that an internal controls policy has been created for the WIFIA loan. This is a standard process and procedure that is implemented by organizations that utilize the WIFIA program.

MOTION PASSED

Mr. Peterson to approve the WIFIA internal controls policy as presented and Mayor Boschee seconded the motion. On a roll call vote, the motion carried.

c. CRWUD & MFDA PURCHASE AGREEMENT

Mr. Shockley provided an overview of the above-referenced purchase agreement:

Cass Rural agrees to sell, and the MFDA agrees to purchase, upon the terms and conditions contained in this Agreement, the following real property in Cass County, North Dakota: That part of the Southeast Quarter of the Northwest Quarter of Section 3, Township 137 North, Range 49 West of the Fifth Principal Meridian, Cass County, North Dakota, described as follows:

Commencing at the northeast corner of said Northwest Quarter; thence South 03°23'02" East, along the easterly line of said Northwest Quarter, for a distance of 2447.09 feet to the southeast corner of said Northwest Quarter; thence South 87°07'49" West, along the southerly line of said Northwest Quarter, for a distance of 32.99 feet to the southeast corner of a tract of land described in Document No. 1470549, on file at the Cass County Recorder's Office; thence continue South 87°07'49" West, along the southerly line of

said tract and the southerly line of said Northwest Quarter, for a distance of 17.01 feet to the southwest corner of said tract; thence North 03°23'02" West, along the westerly line of said tract, for a distance of 480.00 feet; thence North 87°07'49" East for a distance of 17.01 feet to a point of intersection with the easterly line of said tract; thence South 03°23'02" East, along the easterly line of said tract, for a distance of 480.00 feet to the true point of beginning.

Said tract contains 0.187 acres, more or less, and is subject to easements as may be of record. The property described above is the "Purchase Property."

MOTION PASSED

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

d. 2027 Cash Budget First Draft

Mr. Barthel provided an overview of the first draft of the 2027 Cash Budget and walked through each line-item. The first draft totals \$427,508,616. Mr. Barthel also indicated that the crop loss program is being set up with the initial \$25,000,000 coming out of the \$100,000,000 from the USACE.

10. NEXT MEETING

The next meeting will be on October 21, 2026.

11. ADJOURNMENT

The meeting adjourned at 4:56 PM.