

MINUTES OF MEETING
CASS COUNTY JOINT WATER RESOURCE DISTRICT
CASS COUNTY HIGHWAY DEPARTMENT
WEST FARGO, NORTH DAKOTA
MARCH 12, 2015

The Cass County Joint Water Resource District met on March 12, 2015, at 8:00 a.m. at the Cass County Highway Department, West Fargo, North Dakota.

Present were Mark Brodshaug and Dan Jacobson, Southeast Cass Water Resource District; Rodger Olson, Maple River Water Resource District; Ken Lougheed, North Cass Water Resource District; Raymond Wolfer, Rush River Water Resource District; Carol Harbeke Lewis, Secretary-Treasurer; Michelle Anderson, Administrative Assistant; Sean Fredricks, Lukas Andrud, and John Shockley, Attorneys for the Board; Lyndon Pease, Engineer for the Board; John Glatzmaier, Ty Smith and John Albrecht, CH2M HILL Engineers, Inc.; Rocky Schneider and Tanaya Reitz, Advanced Engineering and Environmental Services, Inc. (AE2S); Brady Woodard, Moore Engineering, Inc.; and Paul Breen, Fargo resident.

Minutes

It was moved by Manager Olson, seconded by Manager Lougheed, and unanimously carried to approve the minutes of the February 26, and March 5, 2015, meetings.

Agenda

It was moved by Manager Wolfer, seconded by Manager Jacobson and unanimously carried to approve the agenda.

Metro Flood Diversion Project – access update

Lyndon Pease updated the board on access issues. Geotechnical borings on the southern alignment in the staging area will resume this week and are expected to continue through the end of March.

Metes and bounds surveys will begin this summer on the northern end of the diversion channel on 70 to 80 parcels of property regarding the Metro Flood Diversion Project. Letters will be sent out to the property owners and a public meeting will be held at the Harwood Community Center on April 9, 2015, at 6:30 p.m. Access is needed on the western alignment between the Maple River and the Sheyenne River near West Fargo for survey work. *Right of Entry Agreements* are being sent to property owners. Geotechnical borings are being conducted on the Maple River.

Cultural resource surveys need to be done on 11 cemeteries, 6 in North Dakota and 5 in Minnesota, to determine whether the cemetery is eligible for listing on the National

Register of Historic Places. A cultural resource survey was recently completed on a Minnesota cemetery.

Metro Flood Diversion Project / Oxbow-Hickson-Bakke Ring Levee Project – appraisal review and approval

It was moved by Manager Olson and seconded by Manager Jacobson to approve the appraisal of 354 and 358 Schnell Drive, Oxbow, North Dakota, with an effective date of December 31, 2014, as just compensation for acquisition of the property for the Oxbow-Hickson-Bakke Ring Levee Project. Upon roll call vote, the motion carried unanimously.

Metro Flood Diversion Project / Oxbow-Hickson-Bakke Ring Levee Project / In Town Levees Project – relocation benefits

Tanaya Reitz presented a summary of relocation payment requests for residents of the In Town Levee Project.

It was moved by Manager Jacobson, seconded by Manager Lougheed to approve the following:

- Payment for moving costs in the amount of \$1,190.00 00 and rental assistance in the amount of \$5,040.00 for Park East Unit #1-109, regarding the In Town Levees Project;
- Payment for moving costs in the amount of \$1,190.00 and rental assistance in the amount of \$5,040.00 for Park East Unit #1-208 regarding the In Town Levees Project;
- Payment for moving costs in the amount of \$1,330.00 and rental assistance in the amount of \$2,184.00 for Park East Unit #1-210 regarding the In Town Levees Project;
- Payment for moving costs in the amount of \$1,420.00 for Park East Unit #1-302 regarding the In Town Levees Project;
- Payment for moving costs in the amount of \$1,420.00 for Park East Unit #3-208 regarding the In Town Levees Project;
- Payment for moving costs in the amount of \$1,770.00 and rental assistance in the amount of \$4,200.00 for Park East Unit #3-410 regarding the In Town Levees Project;
- Payment for moving costs in the amount of \$2,985.00 for Park East Unit #5-302 regarding the In Town Levees Project;
- Payment for storage costs in the amount of \$90.00, rental assistance in the amount of \$7,200.00, and Last Resort Housing costs in the amount of \$3,423.06 for Park East Unit #5-310 regarding the In Town Levees Project;
- Payment for moving costs in the amount of \$5,514.32 and rental assistance in the amount of \$5,250.00 for Park East Unit #5-404 regarding the In Town Levees Project;
- Payment for moving costs in the amount of \$1,280.00 for Park East Unit #5-409 regarding the In Town Levees Project; and
- Request for replacement housing differential payment in the amount of \$42,100 for 1318 Elm Street, Fargo, North Dakota, regarding the In Town Levees Project.

Upon roll call vote, the motion carried unanimously.

Metro Flood Diversion Project / Oxbow-Hickson-Bakke Ring Levee Project / In Town Levees Project – land acquisition

Lukas Andrud gave an update to the Board on the land acquisitions. Park East Apartments will close on or before July 15, 2015. Approximately 45% of renters have moved or are planning to move. Property was acquired in Section 2 of Harwood Township and Section 2 of Raymond Township.

It was moved by Manager Olson and seconded by Manager Wolfer to approve and authorize Chairman Brodshaug to sign the *Purchase Agreement* for a tract of land in the SE 1/4 of Section 24 in Pleasant Township for the Oxbow-Hickson-Bakke Ring Levee Project. Upon roll call vote, the motion carried unanimously.

Ms. Reitz presented and reviewed a *Land Management Summary* through February 28, 2015.

Metro Flood Diversion Project – assessment district

Brief discussion was held on the first public informational meeting regarding FM Flood Risk Management District No. 1. There was a low turnout, but good questions were asked. Compliments were given to Manager Brodshaug for answering questions and presenting at the meeting. Other scheduled media presentations and the next two public meetings were briefly discussed. It was suggested questions should be directed to Rocky Schneider and his team to research.

Manager Lougheed is requesting and reviewing assessment information regarding Wiser Township.

Sean Fredricks will complete a conflict analysis for Manager Lougheed, as a new member on the board. Brief discussion was held on the process of conflict analysis.

Metro Flood Diversion Project – bonding

John Shockley updated the Board on the recent Finance Committee meeting. Potential bond financing could exceed the life of the two current sales tax designations from the City of Fargo and Cass County. It was recommended another election be held in 10 to 15 years, before the sunset period, to vote whether sales tax will continue to help finance the Metro Flood Diversion Project. Currently, Cass County sales tax is split with 93% designated to the Metro Flood Diversion Project and 7% to other county projects.

The Finance Committee approved of using PMF as the fiscal agent to sell the bonds. The underwriter will be the entity purchasing the bond and selling it in smaller amounts. PMF plans to put together a proposal for Mr. Shockley to review and bring to the next meeting. Mr. Shockley will check with the Finance Committee and put together a brief explanation on how the bonds will be paid.

Mr. Shockley will update the Board routinely on the progress of the intergovernmental agreements. He suggested the process begin immediately so the agreements are in place when the bond is ready to be sold.

Mr. Shockley presented and reviewed the memorandum for bond counsel fees. He explained the fees are estimates, assuming the issuance of a standard special assessment bond. If the bond is structured differently a revised estimate may be submitted.

It was moved by Manager Olson and seconded by Manager Jacobson to appoint John Shockley, Ohnstad Twichell, P.C., as Bond Counsel for the Cass County Joint Water Resource District in regard to the Metro Flood Diversion Project and agree to the *Memorandum on Bond Counsel* fees dated March 11, 2015. Upon roll call vote, the motion carried unanimously.

The Board directed Mr. Schockley to proceed with updating the *Declaration of Intent* to \$725 million.

Metro Flood Diversion Project – project updates

There are six separate entities that make up the Diversion Authority: City of Moorhead, Clay County; Buffalo-Red River Watershed District; City of Fargo, Cass County; Cass County Joint Water Resource District. Each entity has approved a budget, except Buffalo-Red River Watershed District, which is a concern to the Diversion Authority. The unapproved budget was discussed at the Diversion Authority Public Outreach Committee meeting on March 11, 2015, and will also be discussed by the Diversion Authority during the meeting at 3:30 p.m. on March 12, 2015. Buffalo-Red River Watershed District meets again the last week of March.

John Glatzmaier said the design for the Oxbow-Hickson-Bakke Ring Levee Project is 95% complete and has been reviewed by the Corps of Engineers. The project will be bid in April. Contractors will start on the pump station discharge outlet piping and storm water piping within the internal levee piping system. There are 6 to 7 homes that need to be demolished. Discussion was held on whether the demotion package should be separated or combined with construction.

The Corps of Engineers is working on the preliminary design for the diversion inlet structure and the Maple River aqueduct.

The Minnesota DNR is working on the Environmental Impact Study (EIS). A draft EIS will be completed by the end of August 2015. The DNR has stated they are not getting information fast enough from CH2M HILL Engineers, Inc. Mr. Glatzmaier said there are approximately 5 requests left to be completed and they are responding as diligently as they can. A short analysis is complete on upstream retention. The socioeconomic impact is not complete.

The cemetery and staging area mitigation plan is scheduled to be available by June 6, 2015. The plan identified 11 potential mitigation options. Out of the 11 cemeteries, 6 will submit to Phase I Cultural Resource surveys and 5 were unresponsive to the request.

Another open house to view the Maple River aqueduct model is scheduled for Thursday, March 19, 2015, in Rosemount, Minnesota. There is a You Tube video showing the operation of the model.

A *Request for Quotes* is being prepared for the pre-purchase of pipe and a large check valve for the Oxbow-Hickson-Bakke Ring Levee Project. After the quotes are received, they will make a recommendation to the Board on how to proceed with the purchase. The manufacturer began work approximately 5 weeks ago.

Three staging area property owners began the process of relocating to Oxbow. A Task Order will be submitted at the next meeting. Brief discussion was held on the hope that more property owners will begin the process once they observe how it is done.

Ty Smith presented and reviewed the Oxbow Golf and Country Club design and construction activities with the Board. Mr. Smith summarized the involvement of CH2M HILL Engineers, Inc. over the next couple of years and the items that will be brought for action and approval regarding the Oxbow Golf and Country Club. The “indirect” coordination of the Oxbow club house and “direct” coordination and management role by CH2M HILL Engineers, Inc. of the golf course were explained.

Discussion was held regarding replacement versus enhancement of construction relating to the Oxbow Golf and Country Club work. The contracts in place were briefly reviewed and discussed. The bridges on the Oxbow golf course were incorporated into the original contract. Mr. Smith will check on the language of the Master Agreement. Oxbow Golf and Country Club would be responsible for any additional amount of cost outside the original amount agreed upon.

It was moved by Manager Olson and seconded by Manager Loughheed to approve the reimbursement of Contractor’s Application for Payment No. 4 from Landscapes Unlimited, LLC in the amount of \$81,335.24 to Oxbow Golf and Country Club regarding the Oxbow-Hickson-Bakke Ring Levee Project. Upon roll call vote, the motion carried unanimously.

Mr. Smith provided a brief update on the In Town Levees Project construction work. Pump stations are being constructed on 2nd Street and 4th Street.

Legislative update

Sean Fredricks gave the board a legislative update on the eminent domain HB 1332, community facilities districts SB 2375, and quick-take HB 1095. Eminent domain authority is intact under HB 1332. SB 2375 was turned into an interim study. HB 1095 was initiated by the Office of the State Engineer to clean up language in the drainage complaint statutes, but proposed amendment language which would end quick-take authority for Water Resource Districts.

Mr. Fredricks met with State Water Commission staff to discuss HB 1095 and its impact on Water Resource Districts. An amendment will be offered at the hearing on Thursday, March 19, 2015, at 3:15 p.m. The hearing on SB 2020 will be held on the morning of March 19, 2015.

Maple River Dam – lease agreements

Brady updated the Board on two *Lease Agreements* on Maple River Dam property. It was moved by Manager Jacobson and seconded by Manager Olson to approve and authorize the Chairman to sign the *2015 Lease Agreements* with Dean Sprunk and Steven Fleischfresser. Upon roll call vote, the motion carried unanimously.

Reimbursement

It was moved by Manger Olson and seconded by Manager Wolfer to approve and authorize the Secretary-Treasurer to sign the reimbursement request #11 from the Diversion Authority from funds administered by the State Water Commission, pursuant to SB 2020. Upon roll call vote, the motion carried unanimously.

Bills

It was moved by Manager Jacobson, and seconded by Manager Lougheed to approve the payment of Checks #11675 and #11676, Checks #11697 through #11714, and the electronic funds transfer, as presented. Upon roll call vote, the motion carried unanimously.

Adjournment

There being no further business for the Board to consider, it was moved by Manager Lougheed, seconded by Manager Wolfer, and unanimously carried to adjourn the meeting.

APPROVED:

Mark Brodshaug
Chairman

ATTEST:

Carol Harbeke Lewis
Secretary-Treasurer