

**FLOOD DIVERSION BOARD OF AUTHORITY
NOVEMBER 8, 2012—3:30 PM**

1. MEETING TO ORDER

A meeting of the Flood Diversion Board of Authority was held Thursday, November 8, 2012, at 3:30 PM in the Fargo City Commission Room with the following members present: Cass County Commissioner Darrell Vanyo; Cass County Commissioner Scott Wagner; West Fargo City Commissioner Mike Thorstad; Cass County Joint Water Resource District Manager Rodger Olson; Fargo City Commissioner Tim Mahoney; Fargo City Commissioner Brad Wimmer; Fargo City Commissioner Mike Williams; Clay County Commissioner Kevin Campbell; and Moorhead City Council Member Nancy Otto. Also present was ex-officio member Gerald Van Amburg, Buffalo-Red River Watershed District.

Staff members and others present: Cass County Administrator Keith Berndt; Fargo City Administrator Pat Zavoral; Clay County Administrator Brian Berg; Moorhead City Manager Mike Redlinger; Fargo City Engineer Mark Bittner; Fargo City Engineer April Walker; Moorhead City Engineer Bob Zimmerman; Cass County Engineer Jason Benson; Tom O'Hara, Program Manager, CH2MHill; Bruce Spiller, CH2MHill; Aaron Snyder, Branch Chief for Project Management & Development, Corps of Engineers; Brett Coleman, Project Manager, Corps of Engineers; and Terry Williams, Project Manager, Corps of Engineers.

2. MINUTES APPROVED

MOTION, passed

Mr. Wagner moved and Mr. Mahoney seconded to approve the minutes from the October 11, 2012, and October 23, 2012, meetings as written. Motion carried.

3. AGENDA ORDER

MOTION, passed

Mr. Mahoney moved and Mr. Wagner seconded to approve the order of the agenda as presented. Motion carried.

4. PROGRAM MANAGEMENT FIRM UPDATE

Program manager consultant monthly report

Mr. O'Hara provided an update on activities over the last month including design efforts on bridges; completion of alignment analysis and refinement on southern and western alignments; preliminary development of the Oxbow area levee option along with formation of a Corps-led project delivery team; and close out of FY2012 activities and transition to FY2013 work plan.

Corps of Engineers status update

Terry Williams said Corps of Engineers led-design efforts continue to be on schedule and under budget; the National Environmental Policy Act (NEPA) process to address project modifications has begun; and work continues on Phase II cultural surveys.

Western alignment decision

Ms. Williams said the western alignment extends from the Sheyenne River to the Maple River and was shifted west of the Raymond interchange on I-94 and will re-route Drain 14. The alignment is offset from the existing Sheyenne Diversion channel, which resolves the technical issues while being the most consistent with the feasibility study alignment. She said a press release will be sent tomorrow with an updated map.

Oxbow area ring dike/levee option

Ms. Williams said a Corp-led effort has begun to address the conditions submitted from the City of Oxbow associated with a ring dike/levee concept.

Ms. Williams briefly discussed other Corps of Engineers levee projects, i.e. Halstad, Minnesota; Argusville, North Dakota; and Oslo, Minnesota. She outlined the construction costs and damages prevented as a result of the levees. She said the Corps has a Levee Safety Program, which assesses the integrity and viability of levee systems.

Post-feasibility alternative decision on southern alignment

Bruce Spiller from CH2MHill said initially four southern alignment alternatives were studied and then narrowed down to two options, VE-13 Option A and VE-13 Option C. The program management consulting team recommends the board approve VE-13 Option A as the preferred alignment. He said fewer businesses and homes are impacted, and the overall project cost is reduced significantly. Also, this alternative reduces impacts upstream and maintains impacts downstream.

MOTION, passed

Mr. Wagner moved and Mr. Mahoney seconded that the Flood Diversion Board of Authority provides its position to the Corps of Engineers and endorses proposed alternative VE-13 Option A as the preferred southern alignment. On roll call vote, the motion carried unanimously.

Timeline on post-feasibility/NEPA actions

Mr. O'Hara discussed a timeline for board decisions regarding the western alignment, VE-13 Option A (southern alignment), and the Oxbow area levee option. He said final board input on the Oxbow area levee is scheduled for May 2013 with the NEPA review completed and findings presented in July 2013.

Mr. Campbell asked about the authorization process on the federal level. Mr. Snyder said Congress needs to take action, and Mr. Mahoney said a decision could possibly be considered by Congress in the spring of 2013.

Task orders update

Mr. Spiller provided an update on amended task orders with the Houston-Moore Group (HMG), which total \$650,000 and involves bridge design work; post-feasibility engineering analysis; land management services; work-in-kind (WIK); and hydrology/hydraulic modeling; and a new task order with HMG for design and support for the Red River in-town levees and Oxbow area levee.

Mr. Spiller also discussed an amendment to the contract with the Minnesota Department of Natural Resources to extend the period of performance required to complete the scoping phase for the Minnesota Environmental Impact Statement (EIS). The total cost for the amendment to the EIS is \$115,500.

MOTION, passed

Mr. Wagner moved and Mr. Mahoney seconded to approve the Task Orders with HMG in the amount of \$650,000. On roll call vote, the motion carried unanimously.

MOTION, passed

Mr. Wagner moved and Mr. Campbell seconded to approve the Minnesota EIS Amendment No. 1 to complete the EIS scoping phase in the amount of \$115,500. On roll call vote, the motion carried unanimously.

Mr. Spiller also updated the board on the status of existing task orders.

5. UPDATES FROM COMMITTEES

Retention efforts update from Red River Basin Commission

Mr. Vanyo asked for a monthly update from the Red River Basin Commission to be provided regarding upstream retention efforts. Mr. Olson said work has begun on the first phase area (upstream to Halstad) with retention site modeling to determine mainstream and regional impacts and prioritization.

Land Management Committee

Mr. Vanyo provided an update on topics discussed at the Land Management Committee meeting held earlier this afternoon, which include continuing analysis on the levee/ring dike concept in the Oxbow area, an update from the Agricultural Policy Subcommittee, and purchase agreements for two hardship properties.

Purchase offer for hardship acquisitions

Mr. Vanyo said purchase agreements were drafted and offers were made to three property owners. Two of the owners agreed upon the sale terms and the third owner is waiting on a second appraisal. The committee approved purchase agreements for two properties. There was discussion about the future of the three homes. Mr. Vanyo said they will be rented and managed by the property management firm selected by the board.

MOTION, passed

Mr. Wimmer moved and Mr. Campbell seconded to approve agreements to purchase two properties determined to be in compliance with the conditions of the adopted Hardship Policy by the Hardship Review Committee. The properties will be purchased at the appraised value plus \$6,000 to compensate for relocation expenses in the amounts of \$217,000 and \$347,000. On roll call vote, the motion carried unanimously.

Public Outreach Committee

Mr. Olson said the Public Outreach Committee met on November 7th, and he provided an update on topics discussed at the meeting: efforts continue with the collection and posting of public comments and questions to the website regarding the project; the e-newsletter will be distributed on November 12th and will include a link to view an interactive staging area animation; a public information meeting will be held in Horace on November 14th; a fish passage project public meeting will be held on November 15th; an outreach and communications plan was prepared and will be a “living” document with regular updates added as the project continues; and NDSU hosted a four-part speaker series through their Department of Emergency Management on the diversion project.

Finance Committee

Mr. Montplaisir said the Finance Committee met on November 7th, and he provided an update on the following topics:

Financing options

The committee approved the payment of non-contract bills, which continue to be paid on a cash basis. He said short-term and long-term financing options continue to be reviewed, and different legislative options to help with financing were discussed. He said the Water Resource Districts have helped in providing information on special assessment districts, and the committee reviewed the “Schedule and Tasks for Development of a Special Assessment District” and gave preliminary approval to that document.

Jon Diebel from CH2MHill prepared a FY2012 summary report with expenditures/obligations of the Diversion Board and Corps of Engineers, which were broken down into work categories.

Hardship purchases

The committee approved purchase agreements for two hardship properties.

Kindred School District tax levy

Mr. Montplaisir discussed how the Kindred School District was affected as a result of a 20% property value reduction on City of Oxbow properties. He said the financial impact amounts to \$51,486, and the tax burden shifts so that Oxbow residents will pay less in taxes and the rest of the school district will pay slightly more to make up the difference.

Mr. Vanyo said this issue will be formally discussed at next month’s Land Management and Finance Committee meetings, and then at the Diversion Board meeting.

Mr. Berndt said that despite the 20% reduction in Oxbow values, the overall school district value increased by 7.42%.

**6. VOUCHERS, Approved
*MOTION, passed***

Mr. Mahoney moved and Mr. Wagner seconded to approve the vouchers as presented. Motion carried.

7. OTHER BUSINESS

Mr. Vanyo thanked Mr. Wagner for his service on the board. Mr. Wagner is retiring from the county commission next month.

8. NEXT MEETING DATE

The next meeting will be held on Thursday, December 13, 2012, at 3:30 PM.

9. ADJOURNMENT

MOTION, passed

On motion by Mr. Wimmer, seconded by Mr. Wagner, and all voting in favor, the meeting was adjourned at 4:35 PM.

Minutes prepared by Heather Worden, Cass County Administrative Assistant