

**FLOOD DIVERSION BOARD OF AUTHORITY
JULY 10, 2014—3:30 PM**

1. MEETING TO ORDER

A meeting of the Flood Diversion Board of Authority was held Thursday, July 10, 2014, at 3:30 PM in the Fargo City Commission Room with the following members present: Cass County Commissioner Darrell Vanyo; Cass County Commissioner Ken Pawluk; West Fargo City Commissioner Mike Thorstad; Fargo City Commissioner Tim Mahoney; Fargo City Commissioner Melissa Sobolik; Fargo City Commissioner Mike Williams; Cass County Joint Water Resource District Manager Rodger Olson; 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: Fargo City Administrator Pat Zavoral; Moorhead City Manager Michael Redlinger; Clay County Administrator Brian Berg; Fargo City Director of Engineering Mark Bittner; Fargo City Engineer April Walker; Cass County Engineer Jason Benson; Moorhead City Engineer Bob Zimmerman; John Glatzmaier, CH2MHill; Brett Coleman, Project Manager, Corps of Engineers; and Terry Williams, Project Manager, Corps of Engineers.

2. INTRODUCTION OF NEW BOARD MEMBER

Mr. Vanyo welcomed Melissa Sobolik to the board. She replaces former Fargo City Commissioner Brad Wimmer.

3. MINUTES APPROVED

MOTION, passed

Mr. Thorstad moved and Ms. Otto seconded to approve minutes from the June 12, 2014, meeting as presented. Motion carried.

4. AGENDA ORDER

MOTION, passed

Mr. Campbell moved and Mr. Williams seconded to approve the order of the agenda with the addition of discussion on a news article regarding Ducks Unlimited to the Public Outreach Committee report. Motion carried.

5. MANAGEMENT UPDATE

Program management consultant (PMC) report

John Glatzmaier provided an update on activities over the last month including Oxbow/Hickson/Bakke (OHB) levee permits and construction; work on the in-town levee designs in coordination with the new Fargo City Hall building; on-going process with the Minnesota EIS (Environmental Impact Statement); continued work on land acquisition activities and policies; and reconvening of Lower Rush inlet design team for Reach 5 channel.

Corps of Engineers report

Terry Williams provided an update of activities by Corps of Engineers staff including continued work on the Maple River aqueduct physical modeling; continued coordination and information to the Minnesota DNR during their EIS process; participation in weekly meetings on the OHB levee; continued coordination on the in-town levee design; posting of cemetery study on the diversion website and sending letters to impacted and non-impacted sites.

She said an open house and tour of the Maple River aqueduct model will be held on Thursday, July 24th at UMore Park in Rosemount, Minnesota.

6. ADMINISTRATIVE/LEGAL UPDATELawsuit update

Attorney Erik Johnson provided an update regarding lawsuits filed by the Richland-Wilkin Joint Powers Authority. The first lawsuit was filed in Federal Court and last month a second lawsuit was filed in Wilkin County District Court. As a result of the second lawsuit, a motion was filed in Federal Court to make a determination if the case should remain under Federal jurisdiction. A hearing on the motion is scheduled for July 23rd.

7. TECHNICAL UPDATEDesign Contracts / Task Orders / Authority Work Directives (AWD)

Mr. Glatzmaier reviewed Authority Work Directives as follows: AWD-00038 to provide additional assistance to the Corps of Engineers to complete the Hickson hydrology update at a cost of \$20,000 with Houston-Moore Group (HMG); AWD-00039 to provide conceptual non-structural berm designs for 11 impacted cemeteries and survey six rural wells in staging area at a cost of \$12,000 with HMG; and AWD-00040 to provide engineering services during the bidding phase of 2014 in-town levee construction projects at a cost of \$20,000 with HMG.

MOTION, passed

Mr. Mahoney moved and Ms. Otto seconded to approve AWD-00038, AWD-00039, and AWD-00040 with HMG for a total cost of \$52,000. On roll call vote, the motion carried unanimously.

8. PUBLIC OUTREACH UPDATECommittee report

Mr. Olson discussed numerous outreach activities including work with the Corps to address questions from the public; coordination with the Corps to meet with impacted cemeteries to address each site individually; outreach efforts through presentations to various organizations and service clubs; work on the most recent e-newsletter and updates to the diversion website.

Mr. Olson said Congress included money in the Farm Bill for critical conservation areas, which include funding for projects to help retain water. U.S. Secretary of Agriculture Tom Vilsack visited the area recently and said the Red River Valley is considered a critical conservation area. As a result, there is \$20 million available annually for retention projects. Also, an additional \$50 million will be made available for the Red River Valley over the next five years to use toward retention.

Mr. Olson said the Red River Retention Authority will serve as the point of contact to discuss requests and will be working within the rules of the National Resources Conservation Service (NRCS). The program will also be available to individual landowners. Mr. Campbell said the dollars being made available for retention are a very important part of the process to help reduce impacts created by the diversion.

Mr. Vanyo discussed an article in today's newspaper regarding the recent approval of an arrangement with Ducks Unlimited to assist with wetland mitigation efforts. He said the 404 permit for the OHB levee requires some wetland acreage to be mitigated. Mr. Coleman said project sponsors considered the services of Ducks Unlimited as the best option to complete the mitigation.

Business Leaders Task Force update

Mr. Vanyo said a meeting was held with Minnesota legislators, Moorhead City Council Members, Clay County Commissioners, and business leaders on July 9th to discuss the project.

9. LAND MANAGEMENT UPDATE

Committee report

Mr. Vanyo said the Land Management Committee met earlier this afternoon. One of the issues discussed was development of RFQ (Request for Qualifications) for crop insurance consulting firms to assist with flowage easement appraisals. He said the mitigation plan for farmland in the staging area requires the purchase of flowage easements. The appraisal process would involve properties in different locations within the staging area, which will help to determine if providing crop insurance may reduce flowage easement values.

CCJWRD update

Mr. Brodshaug provided an update on land acquisitions completed through June 30, 2014. He reviewed a handout with information on completed acquisitions, budget figures, and completed negotiations. He said numerous appraisals are in progress for properties associated with the OHB levee and in-town levee. He said six residential and four commercial properties will be added to the acquisition list as part of the El Zagal Golf Course project.

10. FINANCE UPDATE

Committee report

Michael Montplaisir, Cass County Auditor, said the Finance Committee met on July 9th. He said \$52 million has been spent to date on the diversion project. He said work continues on the loan documents for financing through U.S. Bank. The committee discussed future public meetings to present information on the special assessment option and decided to use \$900 million for the bond amount for the total state and local cost share. The committee also approved an expenditure with Ducks Unlimited associated with the 404 permit for wetland mitigation.

Voucher approval

The bills for the month are for legal services with Erik Johnson & Associates, Dorsey & Whitney LLP, and Ohnstad Twichell, P.C.

MOTION, passed

Mr. Mahoney moved and Mr. Pawluk seconded to approve the vouchers for June, 2014. On roll call vote, the motion carried unanimously.

11. NEXT MEETING DATE

The next meeting will be held on Thursday, August 14, 2014, at 3:30 PM.

12. ADJOURNMENT

MOTION, passed

On motion by Mr. Pawluk, seconded by Ms. Sobolik, and all voting in favor, the meeting was adjourned at 4:40 PM.

Minutes prepared by Heather Worden, Cass County Administrative Assistant