

**FLOOD SALES TAX COMMITTEE
MARCH 2, 2011—3:00 PM**

1. MEETING TO ORDER

Commission Chairman Darrell Vanyo called a meeting of the Flood Sales Tax Committee to order on Wednesday, March 2, 2011, at 3:00 PM in the Commission Room, Cass County Courthouse, with the following present: County Commission Chairman Darrell Vanyo; County Engineer Keith Berndt; County Auditor Michael Montplaisir; Water Resource District Representative Rodger Olson and County Commissioner Ken Pawluk. Also present was Chad Engels, Moore Engineering and members of the local media.

Mr. Vanyo explained the Flood Sales Tax Committee was established to review submitted projects and determine which projects are eligible to receive partial funding through the sales tax revenue. He said today's meeting is an organizational meeting to set guidelines on how the committee should proceed.

Mr. Vanyo asked for a chairman recommendation for the committee. He is a committee member as the Commission Chairman, however; will go off the committee when his appointment as Commission Chairman is over. The committee agreed the Commission Chairperson should serve as chairperson for the Flood Sales Tax Committee.

On September 8, 2010, Mr. Vanyo sent a letter to Cass County Water Resource District Managers, Cass County Township Chairmen and Cass County City Mayors informing them of a policy adopted on August 2, 2010 by the Cass County Commission outlining how the sales tax proceeds will be spent. The voters passed a one half percent sales tax at the November 2, 2010 election and the revenue generated will be used to fund flood reduction projects. The purpose of the letter was to solicit input in assembling a list of flood risk reduction projects which will be considered and prioritized by the committee. The policy states the county will evaluate projects on an annual basis.

2. REVIEW OF PROJECTS REQUESTED AND PROJECTS COMING DIRECTLY FROM THE COUNTY

Mr. Berndt worked with local entities in compiling a list of projects. He distributed a handout outlining twenty-nine projects which have been submitted for consideration. Of the projects submitted twenty-one were received from local entities and eight were submitted by Mr. Berndt.

Mr. Olson said the water resource districts have six additional projects they are submitting for consideration. Mr. Engels distributed a spreadsheet and briefly outlined the projects.

3. REVIEW OF MONEY AVAILABLE IN 2011

Mr. Montplaisir said beginning in May, Cass County will begin receiving a small amount of sales tax revenue with more sizeable amounts starting in June. He projects the sales tax should generate between \$10 and \$11 million per year. The first priority

will be to reimburse the City of Fargo the \$1.7 million owed for the Red River diversion study. After reimbursing the city, the remainder of the funds, approximately 10% of collections or roughly \$1 million will be used to assist in funding flood protection projects submitted to the county for consideration.

4. ESTABLISHMENT OF A PROCESS FOR PRIORITIZATION

Mr. Vanyo asked the committee to make a list of discussion points for the prioritization process.

The list of discussion points are as follows:

1. Population benefited by the project
2. Distribution of funds by location
3. Disbursement percentage determined by the number of people benefited
4. Cost effectiveness of the project
5. Permanency of the project
6. Effect of the diversion on the project
7. Does the project have long-term merit (ex: 10 years)
8. Other sources of funding

Making a priority list will allow people requesting funding to know if they are on the priority list, however; the list can be adjusted depending on necessity. Mr. Vanyo said it may be best to have people come before the committee and give a brief presentation on their projects.

5. DISCUSSION OF MEETING FREQUENCY, TIMETABLE FOR FIRST PROJECT, OBJECTIVES, ETC.

Mr. Vanyo will set the next meeting for May and people should be made aware that the first round of funding may not be available for approximately one year.

Mr. Pawluk asked if a project should be eligible for consideration if it has been started or even completed. Mr. Vanyo said consideration should be given to all projects submitted as a result of the letter of request sent by Mr. Vanyo on September 8th, 2010.

Mr. Vanyo said the committee should make a list of the top two or three projects before the next solicitation goes out and some type of conclusion should be reached by this fall.

The objective of the committee is to deal with funds which go beyond the 50/50 match with the City of Fargo.

Mr. Vanyo clarified if sales tax revenue is used for home buyouts to allow for permanent flood protection it would not be straying from the ballot measure passed by the voters in November, 2010.

6. ADJOURNMENT

Mr. Vanyo declared the meeting adjourned at 4:15 PM.