

MINUTES OF MEETING
DIVERSION AUTHORITY AGRICULTURAL POLICY SUBCOMMITTEE
CASS COUNTY HIGHWAY DEPARTMENT
WEST FARGO, NORTH DAKOTA
AUGUST 14, 2012

The Diversion Authority Agricultural Policy Subcommittee met on August 14, 2012, at 7:00 p.m. at the Cass County Highway Department, West Fargo, North Dakota.

Present were those whose names appear on the attached roster.

Rodger Olson called the meeting to order and introductions were made.

Approval of agenda order

Mark Ottis suggested adding a Co-Chair to the Subcommittee from the farmers within the proposed pool area.

It was moved by Jon Evert, seconded by Mark Askegaard and unanimously carried to approve the agenda, as amended.

Summary of information from the last meeting

Jon Diebel reviewed a summary of information from the last meeting regarding the Drainage Plan Study and Transportation Plan Study. The information was also included in the meeting packet.

Terry Fasteen reviewed bridge cross-sections for various locations on county roads. These bridges are at a 500-year design. A typical county bridge would be at a 15 to 25-year design.

Minutes

It was moved by Mark Bittner, seconded by Matt Ness and unanimously carried to approve the minutes of the July 10, 2012, meeting.

New subcommittee member

Mr. Olson welcomed and introduced Brian Rust. He is a new member on the Agricultural Policy Subcommittee.

Agricultural land acquisition alternatives

Mr. Diebel provided information on agricultural land acquisition alternatives and said, with concurrence, could be taken to the Land Management Committee.

Federal Crop Insurance Program

Doug Hagel, USDA Risk Management Agency (RMA), met with the Subcommittee to review and discuss information on the Federal Crop Insurance Program, as it relates to the Fargo-Moorhead Area Diversion Project (Diversion).

Mr. Hagel said all crop insurance losses are considered on a case by case basis. He said there is no crop insurance on land in a containment area, such as the one proposed for the Diversion. However, if the crop can be planted prior to its final planting date and there was excessive rainfall, crop insurance would cover the loss. If a decision is made to intentionally back water up on the land, that would be considered a man-made decision and crop insurance would not cover the loss. If there is 100% loss with crop insurance, it does not make the farmer 100% whole. Any acreage that is not planted or harvested for 3 years is not insurable.

Mr. Ottis asked if the Diversion Authority could fund a program to insure the acreage that is not insurable through Federal Crop Insurance. Mr. Hagel said they could do that.

Dennis Rust asked about coverage for properties downstream of the Diversion if the crop was planted before final planting dates and they got a 100-year summer flood and cannot get their water into the Diversion. Mr. Hagel said they would have coverage in that type of situation.

Scott Stofferahn said if the Diversion Authority needs to carry some type of policy that may supersede the Federal Crop Insurance coverage, they would have to define what the risk really is, as well as the probabilities and frequencies of needing it. The RMA can work with the Corps of Engineers and Diversion Authority to help determine the premium cost to insure those acres.

Mr. Stofferahn said without a Diversion, the area has to put up a flood fight, which may back up water in other areas. He asked if those areas would be covered. Mr. Hagel said that type of thing has been covered every year, but there was also very little Prevented Planting coverage needed.

Mark Bittner said the property owners need to keep in mind the fact that the staging area is based on a 100-year event and we have not seen a 100-year event. Up to that level, the drainage would clearly be better in the summer. The staging area would only be used when there is a 100-year event or greater.

Mr. Olson said the Diversion Authority would make payments for easements. Mr. Evert said coverage needs to be just compensation as they need to recover their costs and aid what they would have had. Mr. Bittner said that gets handled in the appraisal process. Brett Coleman explained that there are Federal guidelines to the appraisal process, which are quite extensive. Mr. Bittner asked if there is a way to balance the risk to both sides. Mr. Ottis added that restrictions to deeds, that would limit the future use of property, are also part of the loss incurred. Mr. Bittner said there needs to be a balance of value versus income. Mr. Evert said land values have changed so much the

last few years, that anything agreed to a couple years ago would be irrelevant now. Mr. Bittner pointed out that there will be some benefits there for drainage improvements.

Agricultural Land Acquisition Alternatives

Mr. Diebel handed out a draft of agricultural land acquisition alternatives for consideration. He said these are options that might meet the needs of everyone in the area. The matter will be discussed further at the next meeting.

Discussion topics and schedule for next meeting

Agenda topics for the next meeting were discussed. The group was asked for feedback on future agendas.

Mr. Ottis said they would like to spend more time on the agricultural land acquisition alternatives before submitting them to the Land Management Committee and on to the Diversion Authority. He also asked that infrastructure effects be placed on the next agenda.

Mr. Evert said that the agricultural land acquisition alternatives now go to the Land Management Committee and they approve it and send it to the Diversion Authority and he is not sure where that is supposed to happen. He asked that the matter be placed on the next agenda. He asked that the people that prepared the studies should be back next month.

It was moved by Ken Bergh and seconded by Mark Askegaard to not take official action on the agricultural land acquisition alternatives presented.

Discussion: It was suggested that someone take the information back and come up with a summary. Mr. Ottis said later on the agenda for this meeting is the idea of appointing a Co-Chair. He said the Co-Chairs could go through the summary and make sure that is what the group was saying and it would make the process more productive. Mr. Bittner said he is not opposed to the Co-Chair concept, but both sides need to start trusting each other. He added that Mr. Olson is a strong spokesperson for them and represents their interests very well. Eric Dodds pointed out that Subcommittee members are welcome to provide feedback on any of the documents presented before the next meeting so that the subject experts can address those issues at the next meeting. It was pointed out that this is only an advisory committee that needs to work together to try and resolve issues. Mr. Ottis said he did not know the process they were working through and that they were finalizing the document. Mr. Askegaard said it is probably just a lack of communication and they may not have asked pertinent questions at that time. Mr. Olson said information cannot be taken to the Land Management Committee without approval from this Subcommittee.

All Subcommittee members voted in favor. Motion carried.

Appointment of a Co-Chair / Vice Chair

Mr. Ottis said the agriculture community has its own agenda and should be directly involved without someone on the Diversion Authority being the Chairman. Mr. Evert said the Chair should be someone impacted by the project. Mr. Bergh said he believes Mr. Olson represents them well, but they have different constituencies, so it would be a good idea to have a Co-Chair. Mr. Olson said they cannot make a decision here as the Land Management Committee and the Diversion Authority would have to accept it. He said he would take it to the Land Management Committee. The Subcommittee Charter does allow for the appointment of a Chair and Vice Chair.

It was moved by Jon Evert to nominate Mark Askegaard as Vice Chair of the Agricultural Policy Subcommittee. Matt Ness seconded the motion. Ken Bergh moved to cast a unanimous ballot for Mark Askegaard to serve in the capacity of Vice Chair of the Agricultural Policy Subcommittee. The motion carried unanimously.

Meeting schedule

The next meeting will be held at 7:00 p.m. on September 11, 2012, at the Cass County Highway Department in West Fargo.

Adjournment

There being no further business to be considered by the Subcommittee, the meeting adjourned without objection.

APPROVED:

Rodger Olson
Chairman

ATTEST:

Carol Harbeke Lewis
Cass County Joint Water Resource District
Secretary-Treasurer