

**FLOOD DIVERSION BOARD OF AUTHORITY**  
**Thursday, January 10, 2013**  
**3:30 PM**

Fargo City Commission Room  
Fargo City Hall  
200 3<sup>rd</sup> Street North

1. Call to order
2. Approve minutes from previous meeting Item 2. Action
3. Approve order of agenda Action
4. Election of chair and vice chair for 2013 Item 4. Action
5. Program Management Consultant (PMC) update Information/action
  - a. Monthly report (Tom O'Hara)
  - b. Corps of Engineers monthly update (Terry Williams/Brett Coleman)
  - c. Upstream area levees status (Terry Williams)
  - d. Status of Authority Work Directives and Task Orders (Bruce Spiller)
  - e. Approval of new Authority Work Directives (Bruce Spiller) Item 5e.
6. Minnesota DNR presentation (Stuart Arkley/Randall Doneen) Information
7. Committee updates Information/action
  - a. Retention effort update from Red River Basin Commission (Yohe)
  - b. Land Management Committee (Dennis Walaker)
    - Hardship property status update
    - Oxbow area community levee MOU (Tom O'Hara) Item 7b.
  - c. Public Outreach Committee (Rodger Olson)
    - Committee report Item 7c.
  - d. Finance Committee (Michael Montplaisir)
    - Committee report
8. Voucher approval Item 8. Action
9. Other Business
10. Next Meeting
11. Adjournment

cc: Local Media

**FLOOD DIVERSION BOARD OF AUTHORITY  
DECEMBER 13, 2012—3:30 PM**

**Item 2.**

**1. MEETING TO ORDER**

A meeting of the Flood Diversion Board of Authority was held Thursday, December 13, 2012, 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; 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.

Ex-officio member Gerald Van Amburg, Buffalo-Red River Watershed District, was absent.

Staff members and others present: Cass County Administrator Keith Berndt; Fargo City Administrator Pat Zavoral; Moorhead City Manager Mike Redlinger; Fargo City Director of Engineering 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; and Terry Williams, Project Manager, Corps of Engineers.

**2. MINUTES APPROVED**

***MOTION, passed***

**Mr. Mahoney moved and Mr. Walaker seconded to approve minutes from the November 8, 2012, meeting as written. Motion carried.**

**3. AGENDA ORDER**

***MOTION, passed***

**Mr. Walaker moved and Mr. Campbell 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 work on permitting, mitigation, and environmental assessment review status; approval of two hardship property acquisitions; presentation for the Cass County Township Officers' Association meeting; and attendance at other public meetings.

Corps of Engineers status update

Terry Williams said Corps of Engineers led-design efforts continue to be on schedule and under budget; staff continues to work on the National Environmental Policy Act (NEPA) process to address project modifications; staff is preparing for landowner and public meetings with residents from Oxbow, Hickson, and Bakke Subdivision areas; and Phase II cultural surveys for 2012 have been completed.

She briefly reviewed the timeline on post-feasibility and NEPA actions and decisions anticipated through July, 2013.

Task orders update

Mr. Spiller reviewed the status of existing task orders with the board. He also provided an update on five amended task orders with the Houston-Moore Group (HMG), which total \$231,000 and involves project management services; post-feasibility engineering analysis; work-in-kind (WIK); hydrology and hydraulic modeling; and levee design and design support.

***MOTION, passed***

**Mr. Wimmer moved and Mr. Mahoney seconded to approve amended Task Orders with HMG in the amount of \$231,000. On roll call vote, the motion carried unanimously.**

Demonstration of staging area flood impact animation

Lee Beauvais from Moore Engineering provided a demonstration of map animations depicting locations within the upstream staging area of the proposed diversion project during different flood events.

**5. UPDATES FROM COMMITTEES***Retention efforts update from Red River Basin Commission*

Jon Evert was present to provide an update from the Red River Basin Commission. He outlined numerous presentations given over the last month regarding retention efforts and possible modeling options to use on the project.

*Land Management Committee*

Mr. Walaker provided an update on topics discussed at the Land Management Committee meeting held earlier this afternoon, including completion of two hardship buyouts and one additional buyout scheduled in the spring; update on the Oxbow, Hickson, and Bakke Subdivision ring levee; discussion on the property tax shortfall to the Kindred School District; Bank of North Dakota mortgage financing; and update on special assessment districts.

**Bank of North Dakota Financing**

Mr. Vanyo said he recently spoke with an official from the Bank of North Dakota (BND) regarding new mortgages and refinancing mortgages. There have been concerns raised by residents in the staging area that it is difficult to obtain financing because of the proposed diversion project. The state may be in a better position to help since they understand the issues. The Bank of North Dakota has a \$275,000 ceiling on loans, and the committee approved to work with the state to raise the ceiling.

***MOTION, passed***

**Mr. Olson moved and Mr. Walaker seconded to work with the Bank of North Dakota to raise the maximum loan amount from the current \$275,000 cap. Motion carried.**

**Mitigation for Oxbow/Hickson/Bakke Subdivision Staging Area**

Mr. Vanyo said the committee discussed development of a mitigation policy that would allow work on levees in Oxbow, Hickson and Bakke Subdivision (staging area) to begin sooner than buyouts of individual properties. The committee approved the following statement regarding mitigation measures for the staging area:

“In order to provide early protection and reduce uncertainty for communities and property owners in the staging area, the Diversion Board of Authority is willing to fund mitigation measures like ring dikes or levees and all supporting infrastructure early in the project timeline and even prior to authorization. If a community or property owner decides not to accept the early protection offered, then property acquisition will follow the federal guidelines and timelines, which currently call for acquisition no earlier than 2018 for property in the staging area.”

Mr. Wimmer believes this statement shows a good faith effort by the Diversion Board of Authority, and takes these areas out of limbo sooner. Ms. Otto said the Finance Committee discussed the expenses associated with a ring dike/levee around Oxbow, and estimated costs at \$25 million for property buyouts and \$25 million for construction of the levee.

Mr. Olson said the statement also addresses that the board will follow federal guidelines for all property buyouts, which he believes is an important component.

***MOTION, passed***

**Mr. Pawluk moved and Mr. Walaker seconded to approve the mitigation statement as presented. Motion carried.**

#### Public Outreach Committee

Mr. Olson said the Public Outreach Committee met on December 12<sup>th</sup>, and he provided an update on topics discussed including meetings with the Township Officers' Association and Horace community; a community meeting to be held in January with landowners from the Oxbow, Hickson and Bakke Subdivision areas; and an outreach meeting to be held in March with residents from the Argusville and Harwood area.

Daron Selvig from AE2S said the Fargo/Moorhead/West Fargo Chamber of Commerce is developing a task force consisting of business leaders to focus on permanent flood protection for the area; new alignment maps have been posted on the website; and the next edition of the e-newsletter will be distributed on December 17<sup>th</sup>.

#### Finance Committee

Mr. Montplaisir said the Finance Committee met on December 12<sup>th</sup>, and he provided an update on the following topics:

##### **CH2MHill contract extension**

***MOTION, passed***

**Mr. Wimmer moved and Mr. Pawluk seconded to approve a six-month contract extension with CH2MHill ending June 30, 2013 for the purpose of program management consultation and basic program management services for the FM Area Flood Diversion Project. On roll call vote, the motion carried unanimously.**

**Joint Water Resource District to lead development of assessment district plan**

Mr. Montplaisir said the committee recommends the Cass County Joint Water Resource District (CCJWRD) be assigned to develop a special assessment district plan for the North Dakota local cost share. Mr. Campbell discussed the Minnesota cost share and said the State of Minnesota will pay for construction costs, and options will need to be considered later on how to pay for operation and maintenance costs.

Mark Brodshaug, Chairman of the CCJWRD, was present. He briefly discussed the tasks of the Cass County Joint Water Resource District, Finance Committee and Diversion Project Assessment Committee (DPAC) in the development of a special assessment district. The DPAC will consist of 11 people and will be comprised of five CCJWRD members; one City of West Fargo representative; three City of Fargo representatives; and two Cass County representatives.

***MOTION, passed***

**Mr. Mahoney moved and Mr. Wimmer seconded to assign the Cass County Joint Water Resource District (CCJWRD) to develop a special assessment district plan for the North Dakota local cost share of the FM Area Flood Diversion Project. On roll call vote, the motion carried unanimously.**

**Houston-Moore Group (HMG) adjusted rate schedule for 2013**

The Houston-Moore Group has requested a 4% increase in its rate schedule for 2013. The committee approved the request effective July 1, 2013. Mr. Mahoney said many people are not receiving a cost of living adjustment given the state of the economy. Mr. Pawluk asked what circumstances have changed to warrant the increase. Mr. Berndt believes it is due to inflation.

Mr. Wimmer suggested the item be tabled and that the Finance Committee re-address the topic next month in order for HMG to provide additional information regarding the request. The board agreed to table the item.

**Kindred School District fact sheet**

The Kindred School District requested the Diversion Board of Authority reimburse the school district for revenues they claim were lost because of a 20% reduction in property tax valuations for Oxbow, which was granted by the State Board of Equalization. Mr. Montplaisir said the school district did not lose any tax dollars; Oxbow residents will pay less in taxes, and the remaining residents of the school district will pay more to compensate for the reduction.

Mr. Vanyo said since the school district did not lose any revenue, the board is not responsible to reimburse the school district.

***MOTION, passed***

**Mr. Mahoney moved and Mr. Pawluk seconded to authorize the chairman to send a letter to the Kindred Public School District indicating since there was no loss in revenues as a result of the 20% reduction in taxable valuation for Oxbow, no reimbursement will be given to the school district. Motion carried.**

6. **VOUCHERS, Approved**

*MOTION, passed*

**Mr. Mahoney moved and Mr. Wimmer seconded to approve the vouchers as presented. On roll call vote, the motion carried unanimously.**

7. **NEXT MEETING DATE**

The next meeting will be held on Thursday, January 10, 2013, at 3:30 PM.

8. **ADJOURNMENT**

*MOTION, passed*

**On motion by Mr. Wimmer, seconded by Mr. Walaker, and all voting in favor, the meeting was adjourned at 4:50 PM.**

Minutes prepared by Heather Worden, Cass County Administrative Assistant

## ARTICLE 5. QUORUM AND VOTING

### Section 5.01. Quorum.

(a) A quorum to transact business at any meeting of the Diversion Authority Board requires attendance by a majority of the voting Authority Board Members.

(b) If a quorum is not present at any regular or special meeting of the Diversion Authority Board, the Authority Board Members that are present may not take action upon any matter other than to continue the meeting to a future date, time and place.

Section 5.02. Action by the Diversion Authority Board. The number of votes required to approve a matter before the Diversion Authority Board is governed by the Limited Joint Powers Agreement.

## ARTICLE 6. OFFICERS

Section 6.01. Elections of Officer. The officers of the Diversion Authority Board shall consist of a chair (the "Chair") and a vice-chair (the "Vice-Chair"). The Diversion Authority Board may also establish an office of the secretary (the "Secretary") and a treasurer (the "Treasurer"). At the first regular meeting of the Diversion Authority Board and at the first meeting of the Diversion Authority Board held each calendar year, the Diversion Authority Board shall elect such officers. Each officer shall serve until his or her successor is elected and qualified, unless sooner removed pursuant to these Bylaws. The Chair and the Vice-Chair must be Diversion Authority Members. Neither the Secretary nor the Treasurer must be members of the Diversion Authority Board. The office of Secretary and Treasurer may be held by the same individual.

Section 6.02. Removal of Officers. Officers may be removed by a 2/3 vote of the Diversion Authority Board at any time, with or without cause.

Section 6.03. Vacancies. A vacancy in an office because of death, resignation, removal, disqualification, or other cause may be filled for the unexpired portion of the term in the manner determined by the Diversion Authority Board.

### Section 6.04. Officer Responsibilities.

(a) Chair. The Chair shall be the principal executive officer of the Diversion Authority. The Chair shall preside at all meetings of the Diversion Authority Board of Directors, shall appoint all committee members as needed, shall sign and execute all authorized contracts, notes or other obligations in the name of the Diversion Authority, unless otherwise authorized by the Diversion Authority Board, shall call special meetings of the Diversion Authority Board when the Chair deems it necessary, and shall do and perform, in addition to the usual duties pertaining to the office, such other duties as from time to time may be assigned by the Diversion Authority Board.

# Authority Work Directive (AWD) Summary

---

Date: January 10, 2013

---

## Houston-Moore Group AWD Summary

	<b>Amount (\$)</b>
AWD-00021 Work-In-Kind – Geomorphology Consultation	10,000
AWD-00022 Hydrology and Hydraulic Modeling	24,000
AWD-00023 Hydrology and Hydraulic Modeling	9,000
<b>Total of Task Orders</b>	<b>43,000</b>

---

**AWD-00021**  
**Work-In-Kind**

**\$10,000**  
**No Schedule Extension**

**Description:**

AWD-00021 provides Work-in-Kind services as requested by USACE.

**Geomorphology Consulting:** Provide additional time for a senior engineer to provide ongoing engineering consultation, and assist USACE with responses to Minnesota Department of Natural Resources (MN DNR) comments and questions regarding Geomorphology issues.

**Background:**

USACE requested the Diversion Authority to assist with the MN DNR workshop in December 2012. After that workshop, additional engineering consultation support was identified to assist with responses to MN DNR questions and comments. The work is creditable as Work-in-Kind.

The estimate for this additional work is \$10,000. This scope will be incorporated into Task Order 8, subtask 2.E.IV, under a future Amendment, and costs will be allocated from the On-Call Services allowance.

**AWD-00022**  
**Hydrology and Hydraulic Modeling**

**\$ 24,000**  
**No Schedule Extension**

**Description:**

AWD-00022 provides Hydrology and Hydraulic (H&H) consultation services.

**Maple River Aqueduct Physical Model:** Provide additional assistance, including participation in bi-weekly conference calls, through January 2013 and provide additional technical information and support to USACE in preparation for the Maple River Aqueduct Physical Model Design Charrette.

**Background:**

USACE requested the Diversion Authority to provide the above described work as creditable Work-in-Kind assistance.

The estimate for this additional work is \$24,000. This scope will be incorporated into Task Order 9, subtask 2.F.IV, under a future Amendment, and costs will be allocated from the On-Call Services allowance.

**AWD-00023**  
**Hydrology and Hydraulic Modeling**

**\$ 9,000**  
**No Schedule Extension**

**Description:**

AWD-00023 provides Hydrology and Hydraulic (H&H) consultation services.

**Update HEC-RAS Model:** Update the HEC-RAS model geometry so that flow does not pass from the Wild Rice River to the Red River control structure. This modeling update will incorporate the geometry of the connecting channel between the Wild Rice and Red Rivers.

**Background:**

USACE requested the Diversion Authority to provide the above described work as creditable Work-in-Kind assistance.

The estimate for this additional work is \$5,000. This scope will be incorporated into Task Order 9, subtask 2.F.VII, under a future Amendment, and costs will be allocated from the On-Call Services allowance.

---

**Update HEC-RAS Model:** Develop 20-year Existing Conditions models and provide floodplain mapping for the Staging Area. This modeling will provide a better understanding of upstream Staging Area water surface elevations during intermediate events (between the 10-year and 50-year events). This information will be used to support the USACE's work with the MN DNR.

***Background:***

USACE requested the Diversion Authority to provide the above described work as creditable Work-in-Kind assistance.

The estimate for this additional work is \$4,000. This scope will be incorporated into Task Order 9, subtask 2.F.VII, under a future Amendment, and costs will be allocated from the On-Call Services allowance.



Item 7b.

## FM AREA DIVERSION PROJECT

***Oxbow Levee Community Conditions MOU***

**DECISION PAPER NO.: DP-00022**

**Date:** 1/10/2013

**RECOMMENDED FOR DIVERSION AUTHORITY BOARD ACTION:**

Motion is made that the Board of Authority adopts the concepts outlined in the draft Memorandum of Understand (MOU) between the Authority and the City Of Oxbow included in Attachment 1. The MOU is in response to the City of Oxbow’s requested conditions for support of the Oxbow Area Levee construction. The Board further directs the Authority staff to continue negotiations with the City of Oxbow and directs that the final MOU be presented back to the Board for approval at the February 2013 Board meeting.

**SUMMARY OF DECISION TOPIC:**

The City of Oxbow has submitted a request with 12 conditions of their agreement to construct a ring levee to protect properties from floodwater. Seven of the conditions are addressed by Corps of Engineers policies and do not require Board action. Five of the conditions require a response from the local sponsor, the Flood Diversion Authority.

In attempting to resolve these requests, a number of discussions have taken place between Authority and City of Oxbow staffs. During these discussions, the City Of Oxbow requested a Memorandum of Understanding (MOU) be developed to clearly capture what both sides were agreeing to. The attached MOU is the preliminary draft version of that MOU. This preliminary draft version of the MOU is non-binding and speaks only to the intent of the parties to continue to work toward an acceptable solution.

This MOU will now be coordinated between both the City of Oxbow and the Authority staff to refine the details and ensure that all the City’s requests are adequately addressed in a way that is acceptable to the Authority.

The final version of this MOU will be presented back to the Diversion Authority Board at its February 2013 meeting.

**Submitted by:**

Tom O’Hara  
CH2M HILL  
Program Manager  
 Fargo-Moorhead Area Diversion Project

01/07/2013

Date

Attachment 1: Draft Memorandum of Understanding

---

Brian C. Berg, Clay County Administrator  
Concur: 01/07/2013 Non-Concur: \_\_\_\_\_

---

Michael J. Redlinger, Moorhead City Manager  
Concur: 01/07/2013 Non-Concur \_\_\_\_\_

---

Keith Berndt, Cass County Administrator  
Concur: 01/07/2013 Non-Concur: \_\_\_\_\_

---

April Walker, Fargo City Engineer  
Concur: 01/07/2013 Non-Concur \_\_\_\_\_

---

Mark Bittner, Fargo Director of Engineering  
Concur: 01/07/2013 Non-Concur: \_\_\_\_\_

---

Pat Zavoral, Fargo City Administrator  
Concur: \_\_\_\_\_ Non-Concur \_\_\_\_\_

---

David Overbo, Clay County Engineer  
Concur: 01/07/2013 Non-Concur: \_\_\_\_\_

---

Robert Zimmerman, Moorhead City Engineer  
Concur: 01/07/2013 Non-Concur \_\_\_\_\_

**Attachment 1: Preliminary Draft, subject to review and update by both parties.**

**MEMORANDUM OF UNDERSTANDING**

**CITY OF OXBOW, NORTH DAKOTA AND METRO FLOOD  
DIVERSION BOARD OF AUTHORITY**

This Memorandum of Understanding is made effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 2013, by and between the **METRO FLOOD DIVERSION BOARD OF AUTHORITY**, a joint powers entity established by the 2011 limited joint powers agreement between Clay County, Minnesota, Moorhead, Minnesota, Cass County, North Dakota, Fargo, North Dakota, Cass County Joint Water Resource District and the Buffalo-Red River Watershed District [hereinafter referred to as the “Diversion Authority”], party of the first part, and the **CITY OF OXBOW, a North Dakota municipal corporation** [hereinafter referred to as the “City” or the “City of Oxbow”].

**RECITALS:**

**WHEREAS**, property within the City of Oxbow and other property has been identified as being impacted by the periodic staging of water upstream of the physical structure of the project known as the Fargo-Moorhead Metropolitan Area Flood Risk Management Project [hereinafter referred to as the “Metro Flood Project”] to the point where it has been determined that mitigation of the impact should be addressed; and

**WHEREAS**, the U.S. Army Corps of Engineers [hereinafter the “Corps”], which is the federal sponsor of the Metro Flood Project, is developing an alternative proposal by which a levee [hereinafter referred to as the “O-H-B Levee”] would be constructed to protect many of the parcels located within the City of Oxbow and to provide flood protection for the community of Hickson and the Bakke Subdivision; and

**WHEREAS**, the current preliminary routing of the proposed O-B-H Levee would require that approximately 40 homes lying within the City of Oxbow be acquired and either moved or destroyed and would require the acquisition of other unimproved lands to accommodate construction of the levee; and

**WHEREAS**, the City of Oxbow has requested that, as part of the project, the land within the city that is being acquired and used for construction of the levee be replaced so that loss of population and tax base to the city may be minimized; and,

**WHEREAS**, the City of Oxbow has requested that the proposed levee project include installation of public infrastructure (sanitary sewer, storm sewer, water, street and gutter and street lighting and sidewalks, as may be appropriate) to service the said replacement land (lots) with the cost of such infrastructure to be borne by the Diversion Authority (or such other source other than the City of Oxbow or its residents); and

**WHEREAS**, construction of the proposed levee also will cross through the existing golf course of the Oxbow Golf and Country Club (a North Dakota nonprofit corporation) which

would require the destruction of golf holes as well as the destruction or removal of the clubhouse and related facilities and the City of Oxbow has requested that enough replacement land be acquired within the area protected by the levee to accommodate replacement golf holes and a replacement location for the clubhouse and that the Diversion Authority pay the costs for such acquisition of such land and for the design and construction of the replacement golf holes and, in addition, that the Diversion Authority cover the cost of making various modifications to the golf course made necessary by the construction of the levee project; and

**WHEREAS**, the Corps, which is the federal sponsor of the Metro Flood Project, has indicated that, subject to the Corps' formal approval process, it will study and approve the O-H-B Levee alternative as part of the Metro Flood Project but the Corps has asked that the non-federal sponsors to approve the O-H-B Levee alternative and the non-federal sponsors (speaking through the Diversion Authority) have, in turn, asked the Oxbow City Council to approve the same; and

**WHEREAS**, the Diversion Authority and the City of Oxbow have agreed to a mutual understanding as to the proposed O-B-H Levee, which they wish to put into a written memorandum;

**NOW, THEREFORE, IT IS AGREED:**

1. City of Oxbow—approval of O-H-B-Levee alternative. Subject to the terms hereof, the City Council of the City of Oxbow agrees to, and supports, the construction of a flood protection levee as is being proposed by the U.S. Army Corps of Engineers. The parties recognize that the current proposal being considered is a preliminary route and design and that the Corps, with input from non-federal sponsors and others, will approve the route and design; but the parties agree to coordinate with each other to identify a suitable route and design and, in turn, the Diversion Authority will work with the Corps regarding obtaining the Corps' approval. The Diversion Authority intends to be responsible for the actual design and construction of the O-H-B Levee.

2. **DIVERSION AUTHORITY RESPONSIBILITIES.** The Diversion Authority, in cooperation with the Corps agrees:

2.1. Acquisition of Property. That the land, homes, buildings and other improvements needed for the levee to be built will be identified along with any needed permanent and temporary easements for construction. The Corps, the Diversion Authority, or both, will be responsible for the acquisition of such property in accordance with applicable law. The Diversion Authority may delegate the task of acquisition to one or more of its member entities such as the County of Cass or the Cass County Joint Water Resource District.

2.2. Infrastructure for Replacement Lots. The Diversion Authority will provide funds for construction of public infrastructure for the replacement lots (based upon the approximate number of 40 lots in need of replacement).

2.3. Oxbow G & CC. The Diversion Authority will fund the cost of acquisition of such land as is needed for replacement golf holes and will fund the acquisition of the Oxbow Golf & Country Club clubhouse in accordance with federal provisions and fund the cost of other modifications to the golf course made necessary by the construction of the levee project. It is understood that the City of Oxbow, the Diversion Authority, or both, may need to form an agreement with the Oxbow Golf and Country Club for the acquisition of the land, buildings and improvements, land for the replacement golf holes and clubhouse; arrangements for the design and construction of the golf holes and arrangements for the design and construction of other modifications to the golf course made necessary by the construction of the levee project.

2.4 Golf Course Designer. By request of the City of Oxbow, Robert Trent Jones, Jr. may be engaged for design of the work to be done on the Oxbow Golf and Country Club. The City of Oxbow may wish to incorporate arrangements for said engagement into an agreement with the Oxbow Golf & Country Club. [The Diversion Authority, through one of their contracted engineering firms, has already engaged said Jones and his architectural firm for preliminary work.]

2.5. Sources of Funds. The Diversion Authority agrees that the non-federal share of the cost of the construction of the levee will be a Metro Flood Project cost. The Diversion Authority intends to use a combination of funding provided sales tax revenues of the city of Fargo and of the county of Cass and by appropriated funds of the state of North Dakota to finance the obligations described in this memorandum of understanding.

2.6 Special Assessments. The Diversion Authority intends for a special improvement district to be established with the boundaries of the district to include all lands benefitted by the Metro Flood Project—said district to be established for purposes of selling bonds to finance the local share of Metro Flood Project costs.

2.6.1. It is expected that property protected by the O-H-B levee will be included in said assessment district; however, the Diversion Authority intends for such property owners to be treated the same as other property owners within said district, and no special benefit is intended to be assigned to said property as a result of the construction of the O-H-B Levee.

2.6.2. It is expected that the property within the area protected by the O-H-B Levee will be assessed for costs of maintenance and related administration of the levee.

2.7 Timing of Design and Construction. It is the intent of the Diversion Authority that the O-B-H Levee be designed beginning in 2013 with acquisition of land beginning as soon as the routing of the levee is finalized and the land for the project is identified and with construction to commence in 2014. It is further intended, therefore, that design and construction of the O-B-H Levee may commence before the Metro Flood Project, as a whole, receives authorization from the United States Congress. This will be contingent upon successful negotiation with the Corps of a memorandum of understanding that will allow the O-B-H Levee to be constructed prior to said authorization.

2.8 Purchase of Existing Levee Material. To the extent that the existing (and recently constructed) flood levee along Schnell Drive and elsewhere within the city will be no longer needed because of the construction of the O-B-H Levee, the Diversion Authority will purchase from the City of Oxbow the earth material from said existing levee at an appropriate value to be agreed between the parties, said funds to allow the City of Oxbow to either reduce the assessments for the prior levee or to use funds otherwise as it may deem appropriate.

### **3. OXBOW RESPONSIBILITIES.**

3.1 The City of Oxbow will be responsible for making the arrangements for development of land necessary to accommodate the replacement lots (again, estimated at 40 such lots), including arrangements for annexation of such land or lands into the City of Oxbow as the City may deem appropriate; entry into a Development Agreement with one or more developers, or the like. The City of Oxbow will be responsible for making arrangements for construction and installation of the public infrastructure to service said replacement lots. It is recognized that said development may occur in phases as may be deemed appropriate by the City of Oxbow or others. The City of Oxbow recognizes that the Diversion Authority will not be responsible for the financing of, or the cost of, installation of infrastructure servicing lands, parcels or lots that are in addition to the said replacement lots. The Diversion Authority and the City of Oxbow agree to coordinate with one another regarding payment of said infrastructure costs and, as may be necessary or appropriate, the public financing of such cost.

3.2. The City of Oxbow will be responsible for making arrangements with the Oxbow Golf and Country Club for the acquisition of replacement land for golf holes and for the design and construction of such holes. It is further recognized that the construction of the levee may allow some existing golf holes to remain in place so long as certain modifications to the hole are made to mitigate against the impact of construction. Such modifications are to be included within said design and construction cost paid by the Diversion Authority along with the holes to be completely replaced.

### **GENERAL PROVISIONS.**

4. The Diversion Authority may need to utilize public financing (i.e. via sale of tax-exempt municipal bonds) to fund some or all of the obligations described in this memorandum and the proceeds of such public financing may need to be restricted to authorized public uses. The parties understand that certain restrictions on uses of funds and the operations of facilities financed by such funds may need to be established as part of the public financing process, and agree to cooperate and coordinate with one another for such purposes.

5. The parties recognize that this agreement, and the terms hereof, are contingent upon and subject to the authority and limitations thereof, if any, of the Corps to approve the design and construction of the O-B-H Levee being proposed.

6. The parties recognize and agree that this Memorandum of Understanding may need to be supplemented by more detailed arrangements in order for the concepts and agreements contained

herein to be implemented and the parties agree to coordinate with each other and to work together to do so.

[The remainder of this page intentionally left blank.]

**METRO FLOOD DIVERSION BOARD  
OF AUTHORITY**

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Darrell Vanyo, Chairman of the Board

**CITY OF OXBOW**, a North Dakota  
municipal corporation

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
James Nyhoff, Mayor

ATTEST:

\_\_\_\_\_  
City Auditor

# Public Outreach Committee Report

## For Diversion Authority – January 10, 2013

---

- Oxbow/Hickson/Bakke Ring Levee Community Meeting: The Diversion Authority and Corps of Engineers held a meeting for Oxbow, Hickson and Bakke-area landowners on Tuesday, January 8<sup>th</sup> at Bennett Elementary School in Fargo. The meeting focused on the specific properties impacted and sought local input on whether a ring levee is the preferred course of action. Individual landowner meetings were also held throughout the week.
- Preparations are underway to provide educational material on the Diversion Project at the upcoming North Dakota Legislative Open House on February 12<sup>th</sup> at 4pm in the Brynhild Haugland Room at the State Capitol Building in Bismarck.
- Initial planning is underway to provide educational material for a Minnesota Legislative Open House.
- FMDiversion.com:
  - Video of the Oxbow/Hickson/Bakke Ring Levee Community Meeting has been posted in the Video section of the website.
  - Several answers have been posted in the FAQ section to recent questions posed about the Diversion Project by readers of the website.
  - An internal review, updating and condensing of the website is underway with the goal of making information more accessible to the public.
- E-Newsletter Update: The next edition of the Diversion Dialogue E-Newsletter is scheduled to be distributed on Monday, January 14. We are planning to include the following articles:
  1. Update on potential Board action regarding the proposed ring levee for the Oxbow area.
  2. A summary of the Oxbow/Hickson/Bakke Ring Levee Community Meeting and links to video from the meeting.
  3. A preview of the Diversion topics to be discussed at the North Dakota Legislative Open House on February 12<sup>th</sup> at 4pm in the Brynhild Haugland Room at the State Capitol Building in Bismarck.
  4. Agricultural update. A report on the Request for Proposals for economic evaluation of the value of a temporary water retention easement payment to compensate landowners for the impacts of water retention from project operation.
  5. USACE Update: The USACE will provide an update on their activities related to the project.



*Erik R. Johnson & Associates, Ltd*

*Attorneys at Law*

*505 Broadway - Suite 206*

*Fargo, ND 58102*

*(701) 280-1901*

*Invoice*

City of Fargo -- Auditor's Office

Attn: Kent Costin

200 North 3rd Street

Fargo, ND 58102

Date

11/25/2012

Description	Amount
METRO FLOOD PROJECT -- Aug 26th through November 25th, 2012:	3,104.20
Erik Johnson legal services -- detailed entries attached -- Aug 26 thru Sept 25, 2012	
Nancy J Morris legal services-- detailed entries attached -- Aug 26 thru Sept 25, 2012	1,841.10
Erik Johnson legal services -- detailed entries attached -- Sept 26 thru Oct 25, 2012	2,412.30
Nancy J Morris legal services-- detailed entries attached -- Sept 26 thru Oct 25, 2012	6,346.95
Erik Johnson legal services -- detailed entries attached -- Oct 26 thru Nov 25, 2012	3,870.90
Nancy J Morris legal services -- detailed entries attached -- Oct 26 thru Nov 25, 2012	3,762.95
<i>Thank you for your business.</i>	<b>Total</b> \$21,338.40

September 25, 2012

**Client: City of Fargo**  
**Job: Metro Flood**

Atty	DATE	DESCRIPTION	TIME
E	8/27/2012	Telephone conference with Bob Cattnach; call with Gene Barr	1.3
E	8/28/2012	Misc. emails - Cattnach, etc	0.3
E	8/29/2012	Receive documents by email re: WIK credit; review for phone call	0.5
E	8/29/2012	Attend conference call re: WIK crediting and related items	0.7
E	8/29/2012	Conference with Cattnach re: misc. issues of day and email Pat Zavoral and Kent Costin	0.4
E	9/4/2012	Conference with Pat Zavoral and Dorsey re: discussions with Corps	0.8
E	9/6/2012	Review docs for Tom Waters and email with Cattnach	0.5
E	9/10/2012	Review CIP RFI and make comments and send out	1
E	9/11/2012	Attend conference with Mayor, Vanyo and staff re: preparation for September 26 meeting with Corps and conference with CH2M re: next contract	2.7
E	9/12/2012	Metro Flood - attend assessment meeting and review related documents from meeting	1.50
E	9/13/2012	Attend public meeting	1.50
E	9/13/2012	Metro Flood	2.00
E	9/24/2012	Telephone conference with Cattnach re: Corps meeting and work on submission re: release surrounding lifting of moratorium	3.40
Total Time			16.60
Hourly Rate \$			187.00
Total Fees - ERJ \$			3104.20
N	8/31/2012	Staff meeting, attend	1.8
N	9/6/2012	Early Acq. sub- Review Property Management Proposal and Corr.	0.5
N	9/7/2012	Early Acq. Subcommittee - Attend meeting	0.9
N	9/11/2012	Office conference with Erik	0.2
N	9/12/2012	Assessment meeting	1.3
N	9/13/2012	Attend diversion meeting	2
N	9/13/2012	Land Management meeting	1.8
N	9/13/2012	Diversion Authority Mtg	1.5
N	9/20/2012	Review property management proposals corr w/ Eric Dodds re: selection and contract	0.8
N	9/24/2012	Review response letter, revise re: setback flood plain	0.60
Total Time			11.40
Hourly Rate \$			161.50
Total Fees - NJM \$			1,841.10

**Client: City of Fargo**  
**Job: Metro Flood**

Atty	DATE	DESCRIPTION	TIME
E	9/28/2012	Commucation with Sean and Pat re: legislature	0.40
E	9/28/2012	Conference with Waters	0.20
E	9/28/2012	Receive emails and review decision papers from Wates and reply	0.30
E	10/1/2012	Confer with Dorsey re: Corps matters	1.20
E	10/1/2012	Conference call with JP Morgan re: financing	1.50
E	10/1/2012	Confer with Jon Diebel re: purchase process	0.50
E	10/2/2012	TCW Jim Kerns re: CIP Insurance	0.10
E	10/3/2012	Conference with Nancy re: open record issues and emails; conference call with Paul Tietz re: financing issues; email to set up JP Morgan visit	1.00
E	10/5/2012	Tech Adv Committee; attend meeting	1.50
E	10/9/2012	email from Darrell re: JP Morgan; tcw Tietz and respond to email	0.70
E	10/11/2012	Attend Metro Flood meeting	2.00
E	10/17/2012	Review letter from Rinke Noonan; conference with Drysdale; meet with Jon diebel re: letter and revaluation	2.00
E	10/23/2012	Attend meeting with Oxbow	0.50
E	10/23/2012	TCW Eric Dodds re: special assessment	0.50
E	10/24/2012	Conference with Sean Fredricks and conference with Kent Costin	0.50
		Total Time	12.90
		Hourly Rate	187.00
		Total Fees - ERJ	2412.30
N	9/27/2012	Review decision paper & contract re: property management	0.60
N	9/28/2012	Review correspondence re: Corps, CH2MHill, fees	0.20
N	9/28/2012	Review decision paper re: property management; review & revise/ coments re: contract	0.70
N	10/1/2012	Purchase considerations; AG opinion; correspondence	0.30
N	10/1/2012	Management contract, review and correspond w/ Jon D.	0.60
N	10/1/2012	Call w/ Jon Diebel re: open record of Appraisal and acquisition strategy	0.60
N	10/1/2012	Revise property management contract; research	0.30
N	10/2/2012	Revise property management contract; Call w/ Jon Diebel & Kim Nichols	0.80
N	10/2/2012	Appraisal and open records correspondence and discussion	0.30
N	10/2/2012	Continued draft & revise of contract; review proposal, application & lease terms	2.30
N	10/3/2012	Review correspondence re: appraisal disclosures	0.40
N	10/3/2012	Review correspondence re: insurance lease and revise contract	1.50
N	10/3/2012	Correspondence re: appraisals; Call w/ Sean F.; Call w/ Jon Diebel	1.20
N	10/3/2012	Management Contract - revise; correspond w/ K. Nichols @ Coldwell re: terms & lead paint disclosure	1.50
N	10/3/2012	Feder - review Call w/ Aubry Zuger	0.30
N	10/4/2012	Property Management Contract - correspond; revise;	1.30
N	10/4/2012	Call w/ Damon Roberts; correspond w/ Corps counsel	0.50
N	10/4/2012	Call w/ Damon Roberts re: Corps open records concerns; Call w/ Jon Diebel	0.50
N	10/4/2012	Continued revision of contract; review correspondence; revise	1.30
N	10/5/2012	Administrative Staff Meeting	1.90
N	10/5/2012	Review Coldwell Bank documents & correspondence	0.40

October 25, 2012

**Client: City of Fargo**  
**Job: Metro Flood**

Atty	DATE	DESCRIPTION	TIME
N	10/9/2012	Land Management Contract	0.30
		Review proposed revised Coldwell agreement, correspond w/Jon Diebel	0.60
N	10/9/2012		
N	10/10/2012	Purchase Agmt; correspond w/ Jon Diebel	0.50
		Correspondence re: management contract; revise correspondence w/	0.40
N	10/11/2012	Coldwell Bank	
N	10/11/2012	Land Management Contract	1.40
N	10/11/2012	Diversion Authority Board meeting	2.80
N	10/12/2012	Attend Special Assessment meeting	2.60
N	10/12/2012	Review special assessment memos	0.60
		Correspondence w/ K. Nichols; Land Property Management; revise draft	0.80
N	10/15/2012	correspondence and Purchase Agmt	
N	10/15/2012	Correspond w/ Jon Diebel; review Purchase Agmt; revise	0.90
N	10/15/2012	Review correspondence & encroachment w/ Eric Dodds	0.30
		Office conference w/ Jon Diebel and Erik re: response to counsel;	1.50
N	10/17/2012	land valuations and property purposes	
N	10/17/2012	Land Management Agmt.; correspondence re: Gross	0.80
N	10/18/2012	Correspondence re: permitting	0.30
		Land Management Hardship - purchase agreement review; call w/	4.30
		Mark Wagner; correspondence re: inspections; call w/ Mark Wagner;	
		call w/ Jon Diebel; correspondence re: management contract; review	
N	10/18/2012	of purchase agmt.	
N	10/18/2012	Review permitting correspondence	0.50
N	10/19/2012	Attend Administrative Staff meeting	1.60
N	10/19/2012	Review draft document re: Oxbow levee; correspondence	0.40
N	10/19/2012	Finalize Purchase Agreement	0.30
N	10/22/2012	Review final offers and agreements	0.20
		Review correspondence re: Hardship Policies & Disclosure forms,	0.70
N	10/25/2012	research and correspondence	
Total Time			39.3
Hourly Rate			161.50
Total Fees - NJM			6346.95

November 25, 2012

**Client: City of Fargo**  
**Job: Metro Flood**

Atty	DATE	DESCRIPTION	TIME
		Research state debt limits and related; telephone conference with Paul Tietz; telephone conference with Tom Diebol; email to Dorsey re: permitting plan	1.30
E	10/29/2012		
E	10/30/2012	Telephone conference with Dorsey	0.80
		Telephone conference with Kent about financing and legislation; telephone conference with Jessica of PFM about same; email all;	1.60
E	11/1/2012	emails with Gene Barr, Mark B. and Cattanach	
E	11/2/2012	Attend administrative advisory staff meeting and telephone conference with Cattanach and followup	1.80
E	11/6/2012	Telephone conference with Jessica of PFM and others and followup	1.50
E	11/7/2012	Prepare list/memo of legislation for Finance Committee; attend Finance Committee meeting	3.00
E	11/8/2012	Attend Metro Flood meeting and review agenda	2.00
			2.00
E	11/9/2012	Draft legislation - review existing PFA authority, review Minnesota PFA transp. Revolving fund authority and initiate drafting of legislation	
E	11/13/2012	Work on draft legislation for PFA authority; telephone conference with Paul	3.30
E	11/20/2012	JP Morgan conference call; discuss financing options with JP Morgan	1.70
E	11/21/2012	Research and draft proposed legislation for appropriation; email with Tietz and others	1.70
		Total Time	20.70
		Hourly Rate	187.00
		Total Fees - ERJ	3870.90
N	10/26/2012	Hardship buyout appraisals consideration and correspondence	0.80
N	10/29/2012	Correspondence re: disclosure for Land Management	0.50
N	10/29/2012	Correspondence re: Hardship buyouts, abstracts, etc.	0.20
		Phone call w/ Jim Sandau re: selected appraiser; phone call w/ John Diebel; correspondence w/ John Diebel; phone call w/ Erik Dodds;	1.20
N	10/29/2012	correspondence re: appraiser	
		Correspondence re: appraisers and terms; review list;	0.60
N	10/30/2012	correspondence re: approval to Scilley's	
N	10/31/2012	Hardship Policy review; attend Finance Committee Meeting	2.20
N	10/31/2012	Correspondence re: hardship purchases	0.20
		Review correspondence; phone call w/ Jerry Sandau re: appraisers	0.50
N	11/1/2012	and certification	
N	11/1/2012	Review agenda materials	0.80
		Review correspondence re: buyout terms and timing; correspondence	0.30
N	11/1/2012	re: terms	
		Scilly's - Discussion re: appraisers; correspondence re: term of	0.30
N	11/1/2012	Occupancy	
N	11/2/2012	Attend Administrative Staff meeting	2.00
		Correspondence re: extension of closing date and occupancy of	0.30
N	11/2/2012	Hardship Properties	

November 25, 2012

**Client: City of Fargo**  
**Job: Metro Flood**

Atty	DATE	DESCRIPTION	TIME
N	11/2/2012	Correspondence re: abstracts, title opinions and closing	0.20
N	11/6/2012	Conference re: financing and legislative action	1.20
N	11/6/2012	Scilly's - Correspondence re: Hardship buyout and appraiser	0.40
N	11/8/2012	Land Management meeting	1.30
N	11/8/2012	Diversion Authority	1.90
N	11/9/2012	Correspondence re: abstract and Title Opinions; review documents	0.60
		Hornbacher Hardship - phone calls w/ CCAC, Title Co, Jim Sandau	0.60
N	11/16/2012	and Lisa Wheeler	
N	11/16/2012	Administrative Staff Meeting	2.10
		Hornbacher Hardship - review title opinion and correspondence re:	0.80
N	11/19/2012	closing, etc. w/ agent for title company	
		Hornbacher - Correspondence re: Identification of buyer and title	1.20
		holder re: deed preparation; phone calls and correspondence w/ Jim	
N	11/19/2012	Sandau and Claudette	
		Coldwell Banker/Hardship Properties - Correspondence re: insurance;	1.50
		review contract and file; correspondence re: responsibility and	
N	11/20/2012	securing insurance	
		Hornbacher - Review settlement statement; correspond w/ Kent;	0.40
N	11/20/2012	revise	
		Phone calls w/ Claudette, Jim Sandau and Steve Huber,	0.60
N	11/20/2012	correspondence w/ Steve Huber	
		Hornbacher - Phone call w/ Kent re: payoff; correspondence w/	0.60
N	11/21/2012	Claudette; review HUD	
Total Time			23.3
Hourly Rate			161.50
Total Fees - NJM			3762.95



MINNEAPOLIS OFFICE  
612-340-2600

(Tax Identification No. 41-0223337)

RECEIVED DEC 12 2012

*Red River Auditor*  
*12/26*

STATEMENT OF ACCOUNT FOR PROFESSIONAL SERVICES

Fargo-Moorhead Flood Diversion Bd of Authority  
c/o Erik R. Johnson & Associates, Ltd.  
Attn: Erik Johnson  
505 Broadway, Suite 206  
Fargo, ND 58102

December 10, 2012  
Invoice No. 1841905

Client-Matter No.: 491379-00001  
Red River Diversion Project

For Legal Services Rendered Through November 30, 2012

INVOICE TOTAL

Total For Current Legal Fees	\$15,177.50
Total For Current Invoice	\$15,177.50
<b>Summary of Account</b>	
*Prior Balance Due	\$9,138.50
Total Amount Due	\$24,316.00

*Should have been Pd.*

\*If payment has been submitted for prior balance due, please disregard.

For your convenience, please remit payment to the address below or we offer the option of remitting payment electronically by wire transfer. If you have any questions regarding this information, please contact the lawyer you are working with on this project or Dorsey's Accounts Receivable Department at 1-800-861-0760. Thank you.

Mailing Instructions:  
Dorsey & Whitney LLP  
P.O. Box 1680  
Minneapolis, MN 55480-1680

Wire Instructions:  
U.S. Bank National Association  
800 Nicollet Mall  
Minneapolis, MN 55402

ABA Routing Number: 091000022  
Account Number: 1602-3010-8500  
Swift Code: USBKUS441MT

Please make reference to the invoice number

Service charges are based on rates established by Dorsey & Whitney. A schedule of those rates has been provided and is available upon request. Disbursements and service charges, which either have not been received or processed, will appear on a later statement.

ALL INVOICES ARE DUE 30 DAYS FROM DATE OF INVOICE UNLESS OTHERWISE EXPRESSLY AGREED BY DORSEY & WHITNEY

**OHNSTAD TWICHELL, P.C.**  
 901 13TH AVENUE EAST  
 PO BOX 458  
 WEST FARGO ND 58078-0458  
 WK 701-282-3249 FAX 701-282-0825  
 Federal I.D. #45-0310621

December 26, 2012

**CITY OF FARGO**  
 ATTN KENT COSTIN  
 200 3RD ST N  
 FARGO, ND 58103

Invoice# 118196 JTS  
 Our file# 110005 00005  
 Billing through 12/18/2012

**US ARMY CORPS OF ENGINEERS - RIGHT OF ENTRY/LAND ACQUISITION - MINNESOTA**

Balance forward as of invoice dated 10/30/12	\$2,685.00
Last payment received 11/19/2012	2,685.00
Accounts receivable balance carried forward	<u>\$0.00</u>

**PROFESSIONAL SERVICES**

10/22/2012	SNW	Review and revise draft memo regarding right of way in MN.	
		0.50 hrs	
10/23/2012	JTS	Attend telephone conference hearing.	
		1.00 hrs	
11/26/2012	JTS	Work on ROE memos.	
		4.00 hrs	
12/18/2012	JTS	Attend Right of Way conference.	
		0.60 hrs	
		Total fees for this matter	\$1,238.00

**EXPENSES**

11/01/2012	Westlaw research	9.16
	Total expenses for this matter	<u>\$9.16</u>

**Billing Summary**

Total fees	\$1,238.00
Total expenses	\$9.16
<b>Total of new charges for this invoice</b>	<u><b>\$1,247.16</b></u>
<b>Total balance now due</b>	<u><u><b>\$1,247.16</b></u></u>

*A/C - 790-7931-489-3465*  
*Proj: - V01301 - "Right of Entry"*

**FM Diversion Authority**  
**Fiscal Accountability Report Design Phase (Fund 790)**  
**As of 12/31/2012**

	2011	2012	Cumulative Totals
<b>Revenues</b>			
City of Fargo	443,138	6,696,153	7,139,290
Cass County	443,138	6,696,153	7,139,290
City of Moorhead / Clay County	98,475	1,488,033	1,586,508
State Water Commission (10% Cap)	-	-	-
<b>Total Revenues</b>	<b>984,750</b>	<b>14,880,339</b>	<b>15,865,089</b>
<b>Expenditures</b>			
7905 Army Corp Payments	-	-	-
7910 WIK - Administration	107,301	268,501	375,803
7915 WIK - Project Design	149,632	4,528,836	4,678,468
7920 WIK - Project Management	679,037	6,678,476	7,357,513
7925 WIK - Recreation	-	163,223	163,223
7930 LERRDS - North Dakota	48,664	3,214,554	3,263,218
7931 LERRDS - Minnesota	-	26,748	26,748
7940 WIK Mitigation - North Dakota	-	-	-
7941 WIK Mitigation - Minnesota	-	-	-
7950 Construction - North Dakota	-	-	-
7951 Construction - Minnesota	-	-	-
7955 Construction Management	-	-	-
7990 Project Financing	-	-	-
7995 Project Eligible - Off Formula Costs	-	-	-
7999 Non Federal Participating Costs	116	-	116
<b>Total Expenditures</b>	<b>984,750</b>	<b>14,880,339</b>	<b>15,865,089</b>

**FM Diversion Authority  
Summary of Cash Disbursements  
Period December 2012**

Date: 12/27/2012

Period/Year: 12/2012

Account Number	Check Date	Check Number	Vendor Name	Transaction Amount	Description 1	Project Number	Project Description
790-7910-429.33-20	12/27/2012	JB12120020	CITY OF FARGO	260.00	FISCAL SERVICES	V00102	General & Admin. WIK
<b>Total Accounting Services</b>				\$260.00			
790-7910-429.33-25	12/19/2012	234622	DORSEY & WHITNEY LLP	9,138.50	RED RIVER DIVERSION PROJ	V00101	Dorsey Whitney Legal WIK
	12/19/2012	234631	ERIK R JOHNSON & ASSOCIATES	16,826.60	FM DIVERSION LEGAL 6-8/12	V00102	General & Admin. WIK
<b>Total Legal Services</b>				\$25,965.10			
790-7910-429.38-99	12/26/2012	235031	NORTH DAKOTA TELEPHONE CO	76.20	NOV 2012 CONF BRIDGE USE	V00102	General & Admin. WIK
<b>Total Other Services</b>				\$76.20			
790-7915-429.33-05	12/5/2012	234195	URS CORPORATION	129,123.00	THROUGH 10/31/12	V01002	NW Alignment Survey-URS
	12/19/2012	234684	HOUSTON-MOORE GROUP LLC	353,584.11	10/1-10/31/12	V01603	CR-81 & 129 BRIDGE DESIGN
	12/19/2012	234684	HOUSTON-MOORE GROUP LLC	68,151.77	9/1-10/31/12	V01605	POST FEASIBILITY ANALYSIS
	12/19/2012	234684	HOUSTON-MOORE GROUP LLC	11,299.05	10/1-10/31/12	V01607	RECREATION/USE MASTER PLN
	12/19/2012	234684	HOUSTON-MOORE GROUP LLC	13,838.23	10/1-10/31/12	V01608	WORK-IN-KIND (WIK)
	12/19/2012	234684	HOUSTON-MOORE GROUP LLC	29,949.70	10/1-10/31/12	V01609	HYDROLOGY/HYDRAULIC MODEL
<b>Total Engineering Services</b>				\$605,945.86			
790-7920-429.33-05	12/19/2012	234684	HOUSTON-MOORE GROUP LLC	85,643.84	10/1-10/31/12	V01601	HMG - PROJECT MANAGEMENT
<b>Total Engineering Services</b>				\$85,643.84			
790-7920-429.33-79	12/19/2012	234601	CH2M HILL ENGINEERS INC	52,940.74	THRU 10/26/12	V00202	CH2M Hill 3/12-9/30/12
	12/19/2012	234601	CH2M HILL ENGINEERS INC	477,694.95	THRU 10/26/12	V00203	CH2M HILL - 10/1-6/30/13
	12/26/2012	234917	CH2M HILL ENGINEERS INC	8,260.70	THRU 11/30/12	V00202	CH2M Hill 3/12-9/30/12
	12/26/2012	234917	CH2M HILL ENGINEERS INC	835,448.35	THRU 11/30/12	V00203	CH2M HILL - 10/1-6/30/13
<b>Total Project Management</b>				\$1,374,344.74			

**FM Diversion Authority  
Summary of Cash Disbursements  
Period December 2012**

Date: 12/27/2012

Period/Year: 12/2012

Account Number	Check Date	Check Number	Vendor Name	Transaction Amount	Description 1	Project Number	Project Description
790-7930-429.33-05	12/19/2012	234684	HOUSTON-MOORE GROUP LLC	102,929.54	10/1-10/31/12	V01602	CR-31 BRIDGE DESIGN
	12/19/2012	234684	HOUSTON-MOORE GROUP LLC	124,040.19	10/1-10/31/12	V01604	CR-32 & CR-22 BRIDGE DSGN
	12/19/2012	234684	HOUSTON-MOORE GROUP LLC	127,517.53	10/1-10/31/12	V01604	CR-32 & CR-22 BRIDGE DSGN
	12/19/2012	234684	HOUSTON-MOORE GROUP LLC	43,134.39	10/1-10/31/12	V01606	LAND MANAGEMENT SERVICES
	12/19/2012	234684	HOUSTON-MOORE GROUP LLC	1,056.00	10/1-10/31/12	V01610	UTILITIES DESIGN
<b>Total Engineering Services</b>				<b>\$398,677.65</b>			
790-7930-429.33-91	12/5/2012	234027	COLDWELL BANKER	4,346.77	DIVERSION PROP PURCHASES	V02001	PROPERTY MANAGEMENT
	12/13/2012	234522	COLDWELL BANKER	8,000.00	PROPERTY MGMNT EXPENSES	V02001	PROPERTY MANAGEMENT
<b>Total Property Management</b>				<b>\$12,346.77</b>			
790-7930-429.71-30	12/19/2012	234685	HUBER, STEVE	1,056.43	PROPERTY TAX SETTLEMENT	V01702	ND LAND PURCHASE-HARDSHIP
<b>Total Land Purchases</b>				<b>\$1,056.43</b>			
<b>Total Disbursed for Period</b>				<b>\$2,504,316.59</b>			

**FM Diversion Authority  
Outstanding Contracts  
As of December 31, 2012**

Date: 12/28/2012

Project Number	Account Number	PO No.	Vendor No.	P.O. Date	Vendor Name	Encumbered	Liquidated	Balance
V00101	790-7910-429.33-25	F12217	9367	12/31/2011	DORSEY & WHITNEY LLP	52,102.12	52,102.12	-
V00101	790-7910-429.33-25	146629	9367	1/18/2012	DORSEY & WHITNEY LLP	52,679.63	52,679.63	-
V00101	790-7910-429.33-25	F12289	9367	2/21/2012	DORSEY & WHITNEY LLP	58,693.38	58,693.38	-
V00101	790-7910-429.33-25	F12293	9367	2/21/2012	DORSEY & WHITNEY LLP	1,600.00	1,600.00	-
V00101	790-7910-429.33-25	156087	9367	10/15/2012	DORSEY & WHITNEY LLP	86,960.88	86,960.88	-
V00101	790-7910-429.33-25	157021	9367	11/9/2012	DORSEY & WHITNEY LLP	27,111.94	27,111.94	-
V00101	790-7910-429.33-25	157608	9367	11/29/2012	DORSEY & WHITNEY LLP	9,138.50	9,138.50	-
V00102	790-7910-429.38-99	F11738	20660	11/15/2011	GALLAGHER BENEFIT SERVICES INC	250.00	250.00	-
V00102	790-7910-429.31-10	F11749	646	11/15/2011	FORUM COMMUNICATIONS (ADVERT)	494.24	494.24	-
V00102	790-7910-429.31-10	F11750	646	11/15/2011	FORUM COMMUNICATIONS (ADVERT)	345.97	345.97	-
V00102	790-7910-429.31-10	F11751	646	11/15/2011	FORUM COMMUNICATIONS (ADVERT)	296.56	296.56	-
V00102	790-7910-429.31-10	F11752	646	11/15/2011	FORUM COMMUNICATIONS (ADVERT)	17.05	17.05	-
V00102	790-7999-729.68-30	PCARD	18009	12/20/2011	GOOGLE LOVEINTHEOVEN	116.00	116.00	-
V00102	790-7910-429.31-10	F12082	647	12/31/2011	FORUM COMMUNICATIONS (LEGALS)	2,224.20	2,224.20	-
V00102	790-7910-429.38-69	F12079	8645	12/31/2011	SEIGEL COMMUNICATIONS SERVICE	1,490.00	1,490.00	-
V00102	790-7910-429.53-60	F12218	13981	12/31/2011	NORTH DAKOTA TELEPHONE CO	81.20	81.20	-
V00102	790-7910-429.33-20	AJ	COF	2/1/2012	CITY OF FARGO	1,300.00	1,300.00	-
V00102	790-7910-429.55-10	F12256	20829	2/14/2012	BROKERAGE PRINTING	153.85	153.85	-
V00102	790-7910-429.55-10	F12256	20829	2/14/2012	BROKERAGE PRINTING	202.10	202.10	-
V00102	790-7910-429.52-30	F12595	1772	4/16/2012	WARNER & CO	4,975.00	4,975.00	-
V00102	790-7910-429.33-20	AJ	COF	5/25/2012	CITY OF FARGO	1,850.00	1,850.00	-
V00102	790-7910-429.33-25	151789	16872	6/15/2012	ERIK R JOHNSON & ASSOCIATES	673.20	673.20	-
V00102	790-7910-429.33-25	151876	16872	6/19/2012	ERIK R JOHNSON & ASSOCIATES	1,309.00	1,309.00	-
V00102	790-7910-429.33-20	AJ	COF	6/25/2012	CITY OF FARGO	340.00	340.00	-
V00102	790-7910-429.33-25	152528	1286	7/10/2012	OHNSTAD TWICHELL PC	1,903.50	1,903.50	-
V00102	790-7910-429.34-55	152692	20174	7/16/2012	PFM ASSET MANAGEMENT LLC	140,000.00	-	140,000.00
V00102	790-7910-429.33-20	AJ	COF	7/27/2012	CITY OF FARGO	240.00	240.00	-
V00102	790-7910-429.33-25	153237	1286	7/31/2012	OHNSTAD TWICHELL PC	728.50	728.50	-
V00102	790-7910-429.38-99	153670	13981	8/9/2012	NORTH DAKOTA TELEPHONE CO	71.60	71.60	-
V00102	790-7910-429.38-99	154211	13981	8/23/2012	NORTH DAKOTA TELEPHONE CO	90.60	90.60	-

**FM Diversion Authority  
Outstanding Contracts  
As of December 31, 2012**

Date: 12/28/2012

Project Number	Account Number	PO No.	Vendor No.	P.O. Date	Vendor Name	Encumbered	Liquidated	Balance
V00102	790-7910-429.33-20	AJ	COF	8/30/2012	CITY OF FARGO	280.00	280.00	-
V00102	790-7910-429.33-20	AJ	COF	9/26/2012	CITY OF FARGO	320.00	320.00	-
V00102	790-7910-429.38-99	155381	13981	9/27/2012	NORTH DAKOTA TELEPHONE CO	87.40	87.40	-
V00102	790-7910-429.33-20	AJ	COF	10/30/2012	CITY OF FARGO	410.00	410.00	-
V00102	790-7910-429.33-20	AJ	COF	11/28/2012	CITY OF FARGO	220.00	220.00	-
V00102	790-7910-429.33-25	157670	16872	11/30/2012	ERIK R JOHNSON & ASSOCIATES	16,826.60	16,826.60	-
V00102	790-7910-429.38-99	158387	13981	12/20/2012	NORTH DAKOTA TELEPHONE CO	76.20	76.20	-
V00102	790-7910-429.33-20	AJ	COF	12/27/2012	CITY OF FARGO	260.00	260.00	-
V00201	790-7920-429.33-79	144170	20663	11/18/2011	CH2M HILL ENGINEERS INC	1,908,938.41	1,908,938.41	-
V00202	790-7920-429.33-79	148611	20663	3/15/2012	CH2M HILL ENGINEERS INC	3,500,000.00	3,421,851.30	78,148.70
V00203	790-7920-429.33-79	154940	20663	9/17/2012	CH2M HILL ENGINEERS INC	5,000,000.00	1,313,143.30	3,686,856.70
V00301	790-7910-429.38-69	143936	11604	11/16/2011	ADVANCED ENGINEERING INC	50,000.00	50,000.00	-
V00401	790-7920-429.33-06	143937	165	11/16/2011	BRAUN INTERTEC CORP	54,060.00	43,620.00	10,440.00
V00501	790-7915-429.33-06	143938	165	11/16/2011	BRAUN INTERTEC CORP	36,150.00	34,009.00	2,141.00
V00601	790-7915-429.33-06	144975	20729	12/13/2011	IN SITU ENGINEERING	54,800.00	47,973.00	6,827.00
V00701	790-7915-429.33-05	144866	20723	12/9/2011	MINNESOTA DNR	346,100.00	230,550.00	115,550.00
V00801	790-7915-429.33-05	146973	801	1/27/2012	HOUSTON ENGINEERING INC	92,424.03	92,424.03	-
V00802	790-7915-429.33-05	146974	801	1/27/2012	HOUSTON ENGINEERING INC	70,742.30	70,742.30	-
V00803	790-7915-429.33-05	146975	801	1/27/2012	HOUSTON ENGINEERING INC	47,124.46	47,124.46	-
V00804	790-7925-429.33-05	148054	801	2/29/2012	HOUSTON ENGINEERING INC	163,222.91	163,222.91	-
V00805	790-7915-429.33-05	148058	801	2/29/2012	HOUSTON ENGINEERING INC	94,786.00	94,786.00	-
V00806	790-7915-429.33-05	148078	801	2/29/2012	HOUSTON ENGINEERING INC	108,369.87	108,369.87	-
V00901	790-7915-429.33-05	146976	1118	1/27/2012	MOORE ENGINEERING INC	92,291.55	92,291.55	-
V00902	790-7915-429.33-05	146977	1118	1/27/2012	MOORE ENGINEERING INC	135,231.99	135,231.99	-
V00903	790-7915-429.33-05	146978	1118	1/27/2012	MOORE ENGINEERING INC	142,924.27	142,924.27	-
V00904	790-7930-429.33-05	148055	1118	2/29/2012	MOORE ENGINEERING INC	78,760.62	78,760.62	-
V00905	790-7930-429.33-05	148056	1118	2/29/2012	MOORE ENGINEERING INC	32,727.08	32,727.08	-
V00906	790-7915-429.33-05	148057	1118	2/29/2012	MOORE ENGINEERING INC	8,326.50	8,326.50	-
V00907	790-7915-429.33-05	148077	1118	2/29/2012	MOORE ENGINEERING INC	164,867.66	164,867.66	-
V01002	790-7915-429.33-05	148086	17791	2/29/2012	URS CORPORATION	480,488.42	343,043.32	137,445.10

**FM Diversion Authority  
Outstanding Contracts  
As of December 31, 2012**

Date: 12/28/2012

Project Number	Account Number	PO No.	Vendor No.	P.O. Date	Vendor Name	Encumbered	Liquidated	Balance
V01201	790-7930-429.33-25	F12069	19734	12/31/2011	CASS COUNTY JOINT WATER RESOUR	16,708.86	16,708.86	-
V01201	790-7930-429.34-65	F12069	19734	12/31/2011	CASS COUNTY JOINT WATER RESOUR	22,452.50	22,452.50	-
V01201	790-7930-429-33-25	149405	19734	4/10/2012	CASS COUNTY JOINT WATER RESOUR	20,652.04	\$20,652.04	-
V01201	790-7930-429-34-65	149405	19734	4/10/2012	CASS COUNTY JOINT WATER RESOUR	62,467.05	\$62,467.05	-
V01201	790-7930-429-33-05	156814	19734	11/5/2012	CASS COUNTY JOINT WATER RESOUR	48,138.28	\$48,138.28	-
V01201	790-7930-429-33-25	156814	19734	11/5/2012	CASS COUNTY JOINT WATER RESOUR	23,113.23	\$23,113.23	-
V01201	790-7930-429-34-65	156814	19734	11/5/2012	CASS COUNTY JOINT WATER RESOUR	8,250.00	\$8,250.00	-
V01201	790-7930-429-33-25	157055	19734	11/9/2012	CASS COUNTY JOINT WATER RESOUR	55,312.46	\$55,312.46	-
V01201	790-7930-429-34-65	157055	19734	11/9/2012	CASS COUNTY JOINT WATER RESOUR	26,500.00	\$26,500.00	-
V01201	790-7930-429-71-31	157055	19734	11/9/2012	CASS COUNTY JOINT WATER RESOUR	13,500.00	\$13,500.00	-
V01301	790-7915-429.33-05	147745	1118	2/17/2012	MOORE ENGINEERING INC	5,558.50	5,558.50	-
V01301	790-7931-429.33-25	F12593	1286	4/16/2012	OHNSTAD TWICHELL PC	1,408.00	1,408.00	-
V01301	790-7931-429.33-05	149869	1118	4/23/2012	MOORE ENGINEERING INC	1,780.00	1,780.00	-
V01301	790-7931-429.33-25	150230	1286	5/3/2012	OHNSTAD TWICHELL PC	2,029.50	2,029.50	-
V01301	790-7931-429.33-25	150961	1286	5/23/2012	OHNSTAD TWICHELL PC	220.50	220.50	-
V01301	790-7931-429.33-25	151790	1122	6/15/2012	MOORHEAD, CITY OF	15,062.90	15,062.90	-
V01301	790-7931-429.33-25	152058	1286	6/27/2012	OHNSTAD TWICHELL PC	410.00	410.00	-
V01301	790-7931-429.33-25	154504	1286	9/4/2012	OHNSTAD TWICHELL PC	1,373.50	1,373.50	-
V01301	790-7931-429.33-25	154505	1286	9/4/2012	OHNSTAD TWICHELL PC	676.50	676.50	-
V01301	790-7931-429.33-25	156088	1286	10/15/2012	OHNSTAD TWICHELL PC	1,102.50	1,102.50	-
V01301	790-7931-429.34-65	157054	1286	11/9/2012	OHNSTAD TWICHELL PC	2,685.00	2,685.00	-
V01501	790-7915-429.74-10	150960	19581	5/23/2012	GEOKON INC	33,815.36	33,815.36	-
V01601	790-7920-429.33-05	151232	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	2,072,675.00	708,229.62	1,364,445.38
V01602	790-7930-429.33-05	151233	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	871,000.00	468,309.88	402,690.12
V01603	790-7915-429.33-05	151234	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	2,333,300.00	1,654,125.84	679,174.16
V01604	790-7930-429.33-05	151235	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	1,421,000.00	965,012.00	455,988.00
V01605	790-7915-429.33-05	151236	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	905,000.00	841,946.16	63,053.84
V01606	790-7930-429.33-05	151237	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	538,103.00	196,830.76	341,272.24
V01607	790-7915-429.33-05	152022	21007	6/25/2012	HOUSTON-MOORE GROUP LLC	240,000.00	78,516.96	161,483.04
V01608	790-7915-429.33-05	152023	21007	6/25/2012	HOUSTON-MOORE GROUP LLC	727,330.00	452,988.97	274,341.03

**FM Diversion Authority  
Outstanding Contracts  
As of December 31, 2012**

Date: 12/28/2012

Project Number	Account Number	PO No.	Vendor No.	P.O. Date	Vendor Name	Encumbered	Liquidated	Balance
V01609	790-7915-429.33-05	152024	21007	6/25/2012	HOUSTON-MOORE GROUP LLC	344,341.00	96,392.30	247,948.70
V01610	790-7930-429.33-05	152025	21007	6/25/2012	HOUSTON-MOORE GROUP LLC	94,000.00	31,830.40	62,169.60
V01611	790-7930-429.33-05	155529	21007	10/2/2012	HOUSTON-MOORE GROUP LLC	771,000.00	-	771,000.00
V01612	790-7930-429.33-05	155530	21007	10/2/2012	HOUSTON-MOORE GROUP LLC	665,000.00	-	665,000.00
V01613	790-7915-429.33-05	157599	21007	11/29/2012	HOUSTON-MOORE GROUP LLC	575,000.00	-	575,000.00
V01701	790-7930-429.71-30	155627	7198	10/3/2012	NORTHERN TITLE CO	484,016.00	484,016.00	-
V01702	790-7930-429.71-30	157394	20529	11/21/2012	KENNELLY & OKEEFFE	216,401.85	216,401.85	-
V01702	790-7930-429.71-30	F13677	11046	11/26/2012	RED RIVER TITLE SERVICES INC	250.00	250.00	-
V01702	790-7930-429.71-30	F13678	11046	11/26/2012	RED RIVER TITLE SERVICES INC	170.00	170.00	-
V01702	790-7930-429.71-30	157470	20529	11/26/2012	KENNELLY & OKEEFFE	342,601.87	342,601.87	-
V01702	790-7930-429.71-30	158252	21423	12/18/2012	HUBER, STEVE	1,056.43	1,056.43	-
V01801	790-7930-429.33-05	155531	1714	10/2/2012	ULTEIG ENGINEERS INC	100,000.00	-	100,000.00
V01901	790-7930-429.33-05	155469	21258	10/1/2012	PROSOURCE TECHNOLOGIES, INC	100,000.00	-	100,000.00
V02001	790-7930-429.33-91	157598	10078	11/29/2012	COLDWELL BANKER	4,346.77	4,346.77	-
V02001	790-7930-429.33-91	158046	10078	12/12/2012	COLDWELL BANKER	8,000.00	8,000.00	-
V02101	790-7930-429.33-05	157607	12775	11/29/2012	RED RIVER BASIN COMMISSION	500,000.00	-	500,000.00
						\$ 26,806,063.89	\$ 15,865,089.28	\$ 10,940,974.61

	A	B	C	D	E	F
1	Diversion Board of Authority					
2	Property Tax Payments					
3						
4	Parcel #	Taxes	Annual Installment of Specials	Drains	Discount	Due
5	Hayden Heights Lots					
6	02-0810-00060-000		4,005.00	0.06		4,005.06
7	02-0810-00070-000		4,004.17	0.06		4,004.23
8	02-0810-00080-000		4,003.34	0.06		4,003.40
9	02-0810-00090-000		4,002.51	0.06		4,002.57
10	02-0810-00100-000		4,001.68	0.06		4,001.74
11	02-0810-00110-000		4,000.85	0.06		4,000.91
12	02-0810-00120-000		4,000.02	0.06		4,000.08
13	02-0810-00130-000		3,999.20	0.06		3,999.26
14	02-0810-00140-000		3,998.36	0.06		3,998.42
15	02-0810-00150-000		4,029.35	0.06		4,029.41
16	02-0810-00180-000		4,171.16	0.12		4,171.28
17	02-0810-00190-000		4,061.54	0.06		4,061.60
18	02-0810-00200-000		4,061.54	0.06		4,061.60
19	02-0810-00210-000		4,061.54	0.06		4,061.60
20	02-0810-00220-000		4,061.54	0.06		4,061.60
21	02-0810-00230-000		4,061.54	0.06		4,061.60
22	02-0810-00240-000		4,061.54	0.06		4,061.60
23	02-0810-00250-000		4,061.54	0.06		4,061.60
24	02-0810-00260-000		4,061.54	0.06		4,061.60
25	02-0810-00270-000		4,061.54	0.06		4,061.60
26	02-0810-00280-000		4,061.54	0.06		4,061.60
27		-	84,831.04	1.32	-	84,832.36
28	Oxbow Properties					
29	78-0010-00020-000	2,343.46	533.81		(117.18)	2,760.09
30	78-0010-01430-010	3,717.93	533.81		(185.88)	4,065.86
31		6,061.39	1,067.62		(303.06)	6,825.95
32						
33	Total	6,061.39	85,898.66		(303.06)	91,658.31
34						
35	Note - on the Oxbow properties the Diversion Authority was					
36	credited with the property taxes owed for the time the previous					
37	owners occupied the homes.					