

**FLOOD DIVERSION AUTHORITY
FINANCE COMMITTEE
AGENDA FOR JUNE 11, 2012**

Cass County Commission Room
1:00 PM

1. Call to Order
2. Approval of the minutes from the previous meeting
3. Approval of Bills
4. Financial Update
5. Receive and File Springsted Report—Mike Montplaisir
6. Short and Intermediate Funding Needs—Pat Zavarol
7. Special Assessment Financing Option—Brian Neugebauer
8. Financing of Hardship Buyout Properties
9. Other business
10. Next meeting date
11. Adjournment

cc: Local Media
Flood Diversion Board of Authority
CH2M Hill
AE2

**FLOOD DIVERSION FINANCE COMMITTEE
MAY 7, 2012—1:00 PM**

1. MEETING TO ORDER

A meeting of the Flood Diversion Finance Committee was held on May 7, 2012, at 1:00 PM in the Cass County Commission Room with the following present: City of Fargo Finance Director Kent Costin; City of Moorhead Finance Director Wanda Wagner; Cass County Administrator Keith Berndt; Fargo City Administrator Pat Zavoral; Cass County Commissioner Darrell Vanyo; Cass County Auditor Mike Montplaisir and Clay County Auditor Lori Johnson.

Also present were Patrick Chaffee, AE2S and Jon Diebel, CH2MHill.

2. APPROVAL OF MINUTES FROM PREVIOUS MEETING

MOTION, passed

Mr. Vanyo moved and Mr. Berndt seconded to approve the minutes from the April 9, 2012 meeting as presented. All members voted in favor. Motion carried.

3. APPROVAL OF BILLS, Approved

Mr. Costin explained the bills which were all based on contracts.

MOTION, passed

Mr. Berndt moved and Mr. Zavoral seconded to approve the bills and forward them to the Flood Diversion Board of Authority. Motion carried.

4. FINANCE UPDATE

Mr. Costin reviewed the financial statements for the month ending April 30, 2012. He said the bills are flowing through as planned.

5. TRAVEL REIMBURSEMENT POLICY

Mr. Montplaisir said the four participating entities provided copies of their travel policies. After review Mr. Montplaisir would like to use the City of Fargo policy as a model. He will draft a policy for consideration at the next meeting. Mr. Costin suggested using international travel in the policy.

6. EXPANDING THE FINANCE COMMITTEE

Nancy Otto, Moorhead City Council, will be added to the Finance Committee and Mr. Zavoral will ask the City of Fargo to appoint a representative.

7. OTHER BUSINESS

Mr. Diebel said they have the feasibility costs compiled. Ms. Wagner said they have submitted all bills incurred by the City of Moorhead for tracking purposes.

Mr. Berndt said in moving forward it is necessary to have a financial plan in place in order to keep the project on track. Mr. Zavoral said they have engaged in discussions with a local bank regarding the ability to obtain local funding.

Mr. Zavoral said the initial projection has been received from Springsted, Inc. it is conservative and the sales tax may not be sufficient funding for the project.

Mr. Zavoral said the acquisition of right-of-way needs to be started.

8. NEXT MEETING DATE

The next meeting will be held at 1:00 PM on Monday, June 11th in the Cass County Commission Room.

9. ADJOURNMENT

MOTION, passed

On motion by Mr. Vanyo, seconded by Mr. Berndt, and all voting in favor, the meeting was adjourned at 1:26 PM.

FM Diversion Authority
Fiscal Accountability Report Design Phase (Fund 790)
As of 05/31/2012

	2011	2012	Cumulative Totals
Revenues			
City of Fargo	443,138	1,358,850	1,801,988
Cass County	443,138	1,358,850	1,801,988
City of Moorhead	98,475	301,966	400,441
State Water Commission (10% Cap)	-	-	-
Total Revenues	984,750	3,019,666	4,004,416
Expenditures			
7905 Army Corp Payments	-	-	-
7910 WIK - Administration	107,301	70,344	177,645
7915 WIK - Project Design	149,632	975,826	1,125,458
7920 WIK - Project Management (CH2M Hill)	679,037	1,601,396	2,280,433
7925 WIK - Recreation	-	160,767	160,767
7930 LERRDS - North Dakota	48,664	205,895	254,559
7931 LERRDS - Minnesota	-	5,438	5,438
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
Total Expenditures	984,750	3,019,666	4,004,416

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

Date: 5/31/2012

Period/Year: 05/2012

Account Number	Check Date	Check Number	Vendor Name	Transaction Amount	Description 1	Project Number	Project Description
790-7915-429.33-05	5/23/2012	225958	HOUSTON ENGINEERING INC	34,261.71	THROUGH 4/22/12	V00801	Meander Belt Width Analys
	5/23/2012	225958	HOUSTON ENGINEERING INC	41,764.39	THROUGH 4/22/12	V00802	Increase Flow In Town
	5/23/2012	225958	HOUSTON ENGINEERING INC	300.00	THROUGH 4/22/12	V00803	Transportation Master Pln
	5/23/2012	225958	HOUSTON ENGINEERING INC	17,962.75	THROUGH 4/22/12	V00805	Extreme Rainfall-Houston
	5/23/2012	225958	HOUSTON ENGINEERING INC	19,604.04	THROUGH 4/22/12	V00806	Post Feasibility-Houston
Total Engineering Services				\$113,892.89			
790-7910-429.33-20	5/25/2012	JB05120008	CITY OF FARGO	1,850.00	FISCAL SERVICES	V00102	General & Admin. WIK
Total Accounting Services				\$1,850.00			
790-7920-429.33-79	5/30/2012	226134	CH2M HILL ENGINEERS INC	316,866.91	SERV FOR FEB & MAR 2012	V00201	CH2M Hill Management
	5/30/2012	226134	CH2M HILL ENGINEERS INC	373,665.17	SERVICES THRU 3/30/2012	V00202	CH2M Hill 3/12-9/30/12
Total Project Management				\$690,532.08			
790-7925-429.33-05	5/23/2012	225958	HOUSTON ENGINEERING INC	12,375.43	THROUGH 4/22/12	V00804	Rec.& Use Plan- Houston
Total Engineering Services				\$12,375.43			
790-7930-429.33-05	5/9/2012	225489	URS CORPORATION	29,020.56	3/10-4/13/12	V01001	URS Corp. - PED
Total Engineering Services				\$29,020.56			
790-7931-429.33-25	5/9/2012	225425	OHNSTAD TWICHELL PC	2,029.50	DIVERSION AUTH FEES	V01301	City of Moorhead ROE
	5/30/2012	226234	OHNSTAD TWICHELL PC	220.50	RIGHT OF ENTRY/LAND AQUIS	V01301	City of Moorhead ROE
Total Legal Services				\$2,250.00			
Total Disbursed for Period				\$849,920.96			

Erik R. Johnson & Associates, Ltd
Attorneys at Law
 505 Broadway - Suite 206
 Fargo, ND 58102
 (701) 280-1901

City of Fargo -- Auditor's Office
 Attn: Kent Costin
 200 North 3rd Street
 Fargo, ND 58102

Invoice

Date	4/25/2012
Invoice #	

Description	Amount
Metro Flood Co-Bond Counsel services (ERJ):	1,309.00
3/28/2012 TCW Paul Tietz 0.5	
3/29/2012 TCW Paul re: Metro Flood 1.7	
4/13/2012 Prepare for conference with Paul Tietz re: Metro Flood financing 1.8	
4/13/2012 Review MacGillivray questions and research and develop answer 0.4	
4/13/2012 Send out replies to questions 0.3	
4/14/2012 Finalize bond counsel answers and remit by email; review extension memo for Springsted 0.5	
4/17/2012 research GO backup for water dist bonds & attend bond conf call 1.8	
Total hrs: 7 hrs x \$220 x 85%	
Follow up work on reimbursement issue-- 2008A Bond issue:	93.50
3/27/2012 2008A TCW with Jim Hinderaker; tcw Jim Hausauer; reimbursement/proceeds issue 0.5	
<i>Thank you for your business.</i>	
Total	\$1,402.50

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Total	\$1,402.50

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

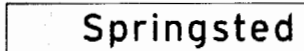
Date: 6/1/2012

Project Number	Account Number	PO No.	Vendor No.	P.O. Date	Vendor	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	50,000.00	1,570.06	48,429.94
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	-
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	-
V00201	790-7920-429.33-79	144170	20663	11/18/2011	CH2M HILL ENGINEERS INC	1,906,767.53	1,906,767.53	-
V00202	790-7920-429.33-79	148611	20663	3/15/2012	CH2M HILL ENGINEERS INC	3,750,000.00	373,665.17	3,376,334.83
V00301	790-7910-429.38-69	143936	11604	11/16/2011	ADVANCED ENGINEERING INC	50,000.00	50,000.00	-
V00401	790-7915-429.33-06	143937	165	11/16/2011	BRAUN INTERTEC CORP	54,060.00	32,778.00	21,282.00
V00501	790-7915-429.33-06	143938	165	11/16/2011	BRAUN INTERTEC CORP	36,150.00	8,382.00	27,768.00
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	230,550.00	230,550.00	-
V00801	790-7915-429.33-05	146973	801	1/27/2012	HOUSTON ENGINEERING INC	99,200.00	92,424.03	6,775.97
V00802	790-7915-429.33-05	146974	801	1/27/2012	HOUSTON ENGINEERING INC	195,000.00	70,742.30	124,257.70
V00803	790-7915-429.33-05	146975	801	1/27/2012	HOUSTON ENGINEERING INC	73,000.00	27,832.96	45,167.04
V00804	790-7925-429.33-05	148054	801	2/29/2012	HOUSTON ENGINEERING INC	175,200.00	160,767.15	14,432.85
V00805	790-7915-429.33-05	148058	801	2/29/2012	HOUSTON ENGINEERING INC	102,340.00	43,625.75	58,714.25
V00806	790-7915-429.33-05	148078	801	2/29/2012	HOUSTON ENGINEERING INC	152,755.51	108,369.87	44,385.64
V00901	790-7915-429.33-05	146976	1118	1/27/2012	MOORE ENGINEERING INC	93,765.00	84,321.55	9,443.45

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

Date: 6/1/2012

Project Number	Account Number	PO No.	Vendor No.	P.O. Date	Vendor	Encumbered	Liquidated	Balance
V00902	790-7915-429-33-05	146977	1118	1/27/2012	MOORE ENGINEERING INC	125,050.00	116,789.89	8,260.11
V00903	790-7915-429-33-05	146978	1118	1/27/2012	MOORE ENGINEERING INC	152,330.00	70,225.22	82,104.78
V00904	790-7930-429-33-05	148055	1118	2/29/2012	MOORE ENGINEERING INC	130,866.00	28,881.61	101,984.39
V00905	790-7930-429-33-05	148056	1118	2/29/2012	MOORE ENGINEERING INC	24,680.00	18,584.28	6,095.72
V00906	790-7915-429-33-05	148057	1118	2/29/2012	MOORE ENGINEERING INC	8,340.00	8,326.50	13.50
V00907	790-7915-429-33-05	148077	1118	2/29/2012	MOORE ENGINEERING INC	183,920.00	149,879.88	34,040.12
V01001	790-7915-429-33-05	146979	17791	1/27/2012	URS CORPORATION	171,166.67	112,491.33	58,675.34
V01002	790-7915-429-33-05	148086	17791	2/29/2012	URS CORPORATION	192,000.00	-	192,000.00
V01101	790-7905-429-33-42	144681	20696	12/6/2011	DEPARTMENT OF THE ARMY	305,364.07	-	305,364.07
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	83,119.09	83,119.09	-
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	-
V01501	790-7915-429-74-10	150960	19581	5/23/2012	GEOKON INC	33,748.60	-	33,748.60
V01601	790-7920-429-33-05	151232	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	961,675.00	-	961,675.00
V01602	790-7930-429-33-05	151233	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	871,000.00	-	871,000.00
V01603	790-7915-429-33-05	151234	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	2,333,300.00	-	2,333,300.00
V01604	790-7930-429-33-05	151235	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	1,421,000.00	-	1,421,000.00
V01605	790-7915-429-33-05	151236	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	605,000.00	-	605,000.00
V01606	790-7930-429-33-05	151237	21007	5/31/2012	HOUSTON-MOORE GROUP LLC	197,503.00	-	197,503.00
						\$15,000,000.00	\$4,004,416.70	\$10,995,583.30



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MEMORANDUM

TO: Diversion Authority
FROM: Dave MacGillivray
DATE: May 3, 2012
SUBJECT: Preliminary Estimates of Debt Funding Capacity
Local Revenues

Introduction

As a preliminary step in defining an overall financing program the Authority desires general estimates of the debt funding capacities using the dedicated local revenues. The local revenues are from existing authorized sales tax and potential special assessment revenues. A variety of debt structuring approaches exists. Each approach is determined by a large number of financial, market and legal parameters. As these initial approaches are discussed and evaluated, future analyses should be conducted to move towards the best option(s) as new information becomes available.

Local funding is only a portion of an overall funding strategy. Other revenue sources and debt placement options are still being defined and explored. The local funding approach should be expected to change as these other funding sources become more certain.

Local Bond Program

The local bond program is based on a revenue only approach, by which is meant only the pledged revenues, sales taxes and/or special assessments are available to bond investors as a source of repayment. Local jurisdictions most commonly used general obligation bonding, where bond investors can look not only to the pledged revenues but also general property taxes. In comparison revenue bonding programs are inherently more risky for investors. Therefore the bond structure and legal requirements must first be of sufficient credit quality so that investors will consider purchasing the bonds. After the marketability threshold is attained additional security provisions can gain the issuer substantial reductions in the interest rate. But as security provisions are added, the revenues actually available to repay bond

construction proceeds are reduced - as a greater share of revenues is held to insulate the investors from their repayment risk. Our objective is to balance these competing objectives of reducing interest rates and maximizing the project funding.

A primary driver of the security package is debt service coverage, the estimated annual difference between pledged revenues and debt service, expressed as a ratio. Hence for \$120,000 of estimated pledged revenues available for a \$100,000 estimated annual debt service payment would be 120% coverage.

The Authority and its consulting engineers have discussed the local revenue sources and bond security provisions, most notably a 120% coverage level. At the outset we would note that this coverage level may or may not result in a marketable revenue bond. As a general comment this coverage level may meet a minimal marketability threshold requiring the highest interest rates and most restrictive bond legal provisions. Our analysis includes these approaches but also explores options at what we characterize as the 'next step' up in the financial security package, 140% coverage. That said the 140% would ensure marketability but still be at the low end of the credit quality profile. (Most recently the City of Fargo sold a relatively short-term sales tax revenue bond with 176% coverage and received a credit rating in the upper 'A' category.

*Need to
in 2013*

The Authority's discussion to-date has also considered that while financing is needed in 2014, sales tax revenues collected from that year through 2020 would not be available for debt service. In further discussions with the City of Fargo's bond attorneys, this approach would not be legally possible with most traditional bond structures. Therefore our initial estimates include options with and without capitalized interest, and where capitalized interest is used it has a maximum term of 36 months. For our initial options bonds are assumed to be issued in 2014, requiring sales tax revenues to be available no later than 2017.

The Authority has discussed a bond issue secured by a blend of sales tax and special assessments. As the current sales tax authority lapses in approximately 2030 and the useful life of the project is very long, it is reasonable to repay the bonds over a term longer than the lapse in the current sales tax authority. Sales tax revenue bonds cannot be sold for a term greater than the current authorization period. The concept is to merge both sales tax and special assessment revenues as a combined security source for the revenue bonds. At this point we can't comment on the marketability of such a transaction. We are providing options showing an expanded repayment term of 30 years, with the same assumptions as other scenarios.

As a question exists about revenue only bonds with a term longer than the current sales tax authority, we are providing an option where the City and/or County provide credit support for the bond issue; here assumed to be an annual appropriation pledge of general revenues. These obligations are viewed by the rating agencies as being of slightly less credit quality than the entity's general obligation rating. For this analysis we have assume a 'Aa3,' with interest rates reflecting this credit quality. For this option we have assumed a coverage level of 110%. Coverage is not necessarily required by the market but rather as a risk mitigation approach against the need to access general City and County revenues.

Our bond issue estimates used the following parameters and assumptions:

- Issuer: Diversion Authority
- Annual Revenues: \$20M with no growth
- Last year of revenue collection: County's \$10M for 2030 + 2 months (Jan - Feb 2031) = \$11,666,667
- Debt service reserve fund: Funded based on the 3-part federal test
- Projected interest earnings on the reserve is "revenue" and is included in the coverage
- Capitalized interest options include an interest earning component to partially offset gross cost
- Interest rates: base cases reflect a 'best effort' market review of general market levels of BBB+/Baa1 sales tax revenue bonds sold in the last 60 days. Very small number of transactions, so interest rate levels should be viewed as general indicator of market levels. Interest rates for the 140% coverage options are 20 bps under those for the 120% coverage options. Interest rates for the annual appropriation option are at credit rating levels of 'Aa3.' Sensitivity analysis provided of the base levels plus 100 basis points.
- No representations that the revenue bond issues can attain BBB credit rating levels
- Costs of issuance and underwriter compensation at general market level estimates

Our initial analysis compares estimated net proceeds with variations in the repayment term, coverage, capitalized interest, interest rate market and credit quality. Specifically the following variations by category are:

- Repayment term: Last payment in year of sales tax authorization: 2031 and 30-year repayment, last year 2044
- Coverage: 120%, 140% and 110% for annual appropriation option
- Capitalized Interest: None and 36 months
- Interest rate market: current and current plus 100 bps
- Credit Quality: revenue bond BBB+ and Annual Appropriation bond Aa3

The results of our analysis are attached as exhibit 1.

From this first analysis the following general impacts of the various approaches can be made:

- Coverage changes to 140% from 120% causes net proceeds to fall by approximately \$20,000,000
- Capitalized interest funded from bond proceeds cause net proceeds to fall by approximately \$40-\$50,000,000
- Extending the term causes net proceeds to increase by approximately \$50-\$60,000,000
- Annual Appropriation bonds cause net proceeds to increase by approximately \$50-\$80,000,000 for a 30-year repayment term.

These results are best communicated through discussion after all parties have the opportunity to read and review this description and attachments. We welcome that discussion and anticipate providing the Authority with additional and ongoing financing options.

Diversion Authority

Preliminary Financial Options - Estimated Funding Capacities

Option	Bond Type	Par	Net Proceeds	Term	Coverage	Capitalized Interest (Y/N)	Interest Rate Assumption
1A	Sales Tax Revenue	\$188,500,000	\$172,467,600	2031	1.20X	N	Current as of April 2012
1B	Sales Tax Revenue	\$162,500,000	\$125,052,760	2031	1.20X	Y	Current as of April 2012
1C	Sales Tax Revenue	\$174,500,000	\$159,260,555	2031	1.20X	N	Current as of April 2012 + 100BP
2A	Sales Tax Revenue	\$161,500,000	\$149,875,120	2031	1.40X	N	Current as of April 2012
2B	Sales Tax Revenue	\$139,000,000	\$108,967,565	2031	1.40X	Y	Current as of April 2012
3A	Sales Tax Rev/SA Rev	\$250,000,000	\$230,933,845	2044	1.20X	N	Current as of April 2012
3B	Sales Tax Rev/SA Rev	\$217,500,000	\$202,286,020	2044	1.40X	N	Current as of April 2012
4A	Annual Appropriation Sales Tax Rev	\$302,000,000	\$283,042,155	2044	1.10X	N	Current as of April 2012

Hardship Review Committee Report

For Land Management Committee Meeting – June 14, 2012

General Notes:

- The Hardship Review Committee held its first meeting on Tuesday, June 5 at 3:30 pm at the Cass County Courthouse.
- Committee members and advisers in attendance included Brian Berg (chair), Dr. John Baird, Chip Ammerman, Mike Montplaisir, Nancy Morris, and Eric Dodds. Seven or eight applicant representatives also attended the meeting.
- The Committee discussed how to handle future applications that do not meet the two basic parameters for hardship acquisition (within the planned buyout area and having a serious medical condition). It was concluded that the Program Administrator will screen future applications and only forward qualifying applications to the Committee for consideration.
- Eight applications were received and reviewed by the Committee. As part of the review process, the Committee allowed applicant representatives to in attendance to provide any additional comments desired.

Recommendations:

- The Hardship Review Committee recommended buyouts of three hardship policy applicants.
- A summary of the recommended hardship buyout properties is presented in the following table

App #	Date Received	Parcel #	Address 1	Address 2	Assessed Value*
2012-01	4/16/2012	78-0010-00150-000	121 OXBOW DR	OXBOW ND 58047-5001	233,300
2012-06	5/8/2012	78-0010-01430-010	744 RIVERBEND RD	OXBOW ND 58047-5015	318,900
2012-08	6/1/2012	78-0010-00020-000	105 OXBOW DR	OXBOW ND 58047-5001	201,100

*Assessed value is provided for reference only. Actual acquisitions will be based on appraised value.

- It is recommended that the Land Management Committee authorize appraisals of the three qualifying properties.

Path Forward:

- The Hardship Program Administrator will notify each applicant of the decisions of the Hardship Review Committee.
- The Hardship Review Committee will submit its recommendations to the Early Acquisition Sub-Committee and the Land Management Committee.
- The PMC adviser will publish a map clarifying the eligible area for hardship buyouts.



REMIT TO:

Attn: Accounts Receivable
City of Moorhead
P.O. Box 779
Moorhead, MN 56561
218-299-5320
Fax: 218-299-5306

Date: May 7, 2012

Invoice

ATTN: KENT COSTIN
FM JOINT DIVERSION AUTHORITY
200 3RD STREET NORTH
FARGO ND 58103

Description of Service:

RIGHT OF ENTRY LEGAL FEES

DATE	DESCRIPTION	UNIT PRICE	TOTAL
02/21/12	FEB RIGHT OF ENTRY LEGAL FEES		2,817.52
SUBTOTAL			\$2,817.52
TAX			
TOTAL DUE			\$2,817.52

THANK YOU FROM THE CITY OF MOORHEAD

Please make **checks payable** to the City of Moorhead.
If you have any questions, contact Jodi at (218) 299-5312.

"When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction. When we use information from your check to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day we receive your payment, and you will not receive your check back from your financial institution."

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

February 22, 2012

CITY OF MOORHEAD
 PO BOX 779
 MOORHEAD, MN 56561-0779

Invoice# 112606 JTS
 Our file# 110005 00005
 Billing through 02/21/2012

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

Balance forward as of invoice dated	01/23/12	\$3,199.28
Last payment received	01/26/2012	3,199.28
Accounts receivable balance carried forward		<u>\$0.00</u>

PROFESSIONAL SERVICES

01/23/2012	JTS	Work on Motions as needed.	2.50 hrs
01/24/2012	JTS	Review and redraft motions.	0.50 hrs
01/27/2012	JTS	Review affidavits and send to witnesses.	0.30 hrs
01/27/2012	JTS	Review and sign motions.	0.20 hrs
01/27/2012	JTS	Review and work on Motions and other documents.	2.00 hrs
01/30/2012	JTS	Conference with Clerk regarding her affidavit.	1.00 hrs
01/31/2012	JTS	Attend ROE meeting at Moore Engineering.	1.25 hrs
01/31/2012	JTS	Finish work on Motions to court.	1.00 hrs
02/14/2012	JTS	Attend Army Corps meeting.	1.00 hrs
		Total fees for this matter	\$1,998.75

ENTERED *cash 2/27/12*
 OBLIGATION # 18257

EXPENSES

01/30/2012	Filing Fee paid to the Clay County Court Administrator	100.00
02/01/2012	Postage on 1/31/12	109.37
02/21/2012	Photocopies	609.40
	Total expenses for this matter	<u>\$818.77</u>

Billing Summary

PURSUANT TO SECTION 13-01-14, NDCC, A LATE PAYMENT CHARGE OF 1% PER MONTH IS

11005 MOORHEAD, CITY OF -

Invoice# 112606

Page 2

Total fees	\$1,998.75
Total expenses	\$818.77
Total of new charges for this invoice	<u>\$2,817.52</u>
Total balance now due	<u>\$2,817.52</u>

~~A100-430-00-43105~~

A100-430-00-43108
WJW

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

January 23, 2012

CITY OF MOORHEAD
PO BOX 779
MOORHEAD, MN 56561-0779

Invoice# 112092 JTS
 Our file# 110005 00005
 Billing through 01/21/2012

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

Balance forward as of invoice dated	12/21/11	\$9,046.10
Last payment received	12/28/2011	9,046.10
Accounts receivable balance carried forward		\$0.00

PROFESSIONAL SERVICES

12/21/2011	JDR	Interoffice conference with attorney John Shockley; review Court docket regarding assignment of judge; telephone conference with process server; draft memorandum to process server and correspondence to Sheriff's departments for service/commencement of action; organize file.	0.60 hrs
12/21/2011	JTS	Draft motion for right of entry.	2.00 hrs
12/27/2011	JTS	Review documents from court; conference with paralegal Josh D. Roaldson.	0.50 hrs
12/28/2011	JDR	Telephone conference with process server regarding status of completion of personal service; draft email to attorney John Shockley.	0.20 hrs
12/28/2011	JTS	Work on Motion.	2.00 hrs
12/30/2011	JTS	Work on Motion.	1.00 hrs
01/03/2012	JDR	Office conference with process servers; review and notarize multiple Affidavits of Process Server; interoffice conference with attorney John Shockley; draft memorandum to file.	0.60 hrs
01/05/2012	JTS	Receive e-mail correspondence from engineer regarding ROE issues.	0.60 hrs
01/10/2012	JTS	Review correspondence on matter.	0.20 hrs
01/17/2012	JTS	Attend Army Corps meeting.	1.00 hrs
01/20/2012	JTS	Review motion to grant petition; redraft affidavits as necessary and conference with Karen.	2.00 hrs
Total fees for this matter			\$2,191.50

ENTERED *lca* 1/23/12
 OBLIGATION # 186238

EXPENSES

12/21/2011	Paralegal Josh D. Roaldson - Copy Fees paid to the Clay County Court Administrator and Travel Fees	128.88
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PURSUANT TO SECTION 13-01-14, NDCC, A LATE PAYMENT CHARGE OF 1% PER MONTH IS

12/21/2011	Sheriff's Fee Paid to the Clark County Sheriffs Department	100.00
01/03/2012	Process Server Fee paid to You've Been Served	761.90
01/04/2012	Sheriff's Fee Paid to the Meade County Sheriff	41.00
01/13/2012	Refund Clark County Sheriff's Department	(24.00)
	Total expenses for this matter	<u>\$1,007.78</u>

Billing Summary

Total fees		\$2,191.50
Total expenses		\$1,007.78
Total of new charges for this invoice	A100-430-00-43105	<u>\$3,199.28</u>
Total balance now due		<u>\$3,199.28</u>

A100-430-00-43108
WJP



REMIT TO:

Attn: Accounts Receivable
 City of Moorhead
 P.O. Box 779
 Moorhead, MN 56561
 218-299-5320
 Fax: 218-299-5306

Date: May 7, 2012

Invoice

ATTN: KENT COSTIN FM JOINT DIVERSION AUTHORITY 200 3RD STREET NORTH FARGO ND 58103	Description of Service: RIGHT OF ENTRY LEGAL FEES
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DATE	DESCRIPTION	UNIT PRICE	TOTAL
12/20/11	DEC RIGHT OF ENTRY LEGAL FEES		9,046.10
SUBTOTAL			\$9,046.10
TAX			
TOTAL DUE			\$9,046.10

THANK YOU FROM THE CITY OF MOORHEAD

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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 21, 2011

CITY OF MOORHEAD
PO BOX 779
MOORHEAD, MN 56561-0779

Invoice# 111781 JTS
 Our file# 110005 00005
 Billing through 12/20/2011

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

Balance forward as of invoice dated	11/22/11	\$4,609.60
Last payment received	11/23/2011	4,609.60
Accounts receivable balance carried forward		\$0.00

PROFESSIONAL SERVICES

11/22/2011	JTS	Attend Army Corps of Engineers telephone meeting on ROE.	
		1.00 hrs	
11/23/2011	JTS	Draft access agreement with the landowners and the City of Moorhead.	
		1.50 hrs	
11/28/2011	JTS	Review legal description for land owners whose access is sought.	
		1.00 hrs	
11/28/2011	JTS	Respond to e-mails from the US Army Corps.	
		0.40 hrs	
11/28/2011	JTS	Draft motions for court action.	
		1.00 hrs	
11/29/2011	JTS	Multiple correspondence with corp and city staff, prepare court documents and review access agreement and forward to parties involved.	
		3.00 hrs	
11/29/2011	JTS	Telephone conference with Lee and revise lists.	
		1.00 hrs	
11/30/2011	JTS	Review and respond to several e-mails from the city engineer, from Moore Engineering, and review pleadings.	
		1.00 hrs	
12/01/2011	JTS	Attend meeting with Mike and Bob R. regarding right of way issues and the diversion authority.	
		1.70 hrs	
12/01/2011	JTS	Attend meeting on Right of Entry matters.	
		2.00 hrs	
12/05/2011	JDR	Receive and review Sheriff's Return form Clark County(NV); organize file.	
		0.20 hrs	
12/05/2011	JTS	Read and respond to e-mails from Corps.	
		0.60 hrs	
12/06/2011	JTS	Review letters on diversion issues.	
		0.50 hrs	
12/06/2011	JTS	Attend telephone conference meeting with USACE.	
		1.00 hrs	
12/06/2011	JTS	Continue working on court documents.	
		0.50 hrs	
12/06/2011	LDA	Review county records on Laredo re: Koester property.	

ENTERED *Feb 12/27/11*

OBLIGATION # 184738

PURSUANT TO SECTION 13-01-14, NDCC, A LATE PAYMENT CHARGE OF 1% PER MONTH IS

		0.70 hrs	
12/08/2011	JDR	Receive and review Certificate for Service of Process from Wilkin County(MN) Sheriff's office; interoffice conference with attorney John Shockley.	
		0.20 hrs	
12/09/2011	JDR	Interoffice conference with attorney John Shockley; review Motions and individual parcel folders regarding legal descriptions.	
		0.40 hrs	
12/12/2011	JDR	Telephone conference with attorney John Shockley regarding Wilkin County(MN) action.	
		0.10 hrs	
12/13/2011	JTS	Review pleadings and make changes as needed.	
		0.30 hrs	
12/20/2011	JDR	Interoffice conference with attorney John Shockley; travel to Clay County Court Administration to file and withdraw documents for service of process.	
		2.30 hrs	
12/20/2011	JTS	Conference with Bob Zimmerman; attend telephone conference with Corps.	
		1.30 hrs	
12/20/2011	JTS	Review and sign pleadings.	
		0.20 hrs	
12/20/2011	JTS	Review pleadings; revise and sign.	
		0.30 hrs	
		Total fees for this matter	\$4,650.50

EXPENSES

11/30/2011	Sheriff's Fee Paid to the Meade County Sheriff	41.00
12/08/2011	Process Service Fees paid to the Wilkin County Sheriff's Office for process service on Brad & Jacqueline Moen	77.00
12/19/2011	Refund Clark County Sheriff's Department process service fees	(43.00)
12/20/2011	Clay County Court Administrator geotechnical surveys fee	4,000.00
12/20/2011	Clay County Court Administrator - filing fee	320.00
	Total expenses for this matter	<u>\$4,395.60</u>

Billing Summary

Total fees	\$4,650.50
Total expenses	\$4,395.60
Total of new charges for this invoice	<u>\$9,046.10</u>
Total balance now due	<u>\$9,046.10</u>

~~A100-430-00-43105~~

A100-000-00-11370 wfw

Erik R. Johnson & Associates, Ltd
Attorneys at Law
 505 Broadway - Suite 206
 Fargo, ND 58102
 (701) 280-1901

City of Fargo -- Auditor's Office
 Attn: Kent Costin
 200 North 3rd Street
 Fargo, ND 58102

Invoice

Date	4/25/2012
Invoice #	

Description	Amount
Metro Flood Co-Bond Counsel services (ERJ):	1,309.00
3/28/2012 TCW Paul Tietz 0.5	
3/29/2012 TCW Paul re: Metro Flood 1.7	
4/13/2012 Prepare for conference with Paul Tietz re: Metro Flood financing 1.8	
4/13/2012 Review MacGillivray questions and research and develop answer 0.4	
4/13/2012 Send out replies to questions 0.3	
4/14/2012 Finalize bond counsel answers and remit by email; review extension memo for Springsted 0.5	
4/17/2012 research GO backup for water dist bonds & attend bond conf call 1.8	
Total hrs: 7 hrs x \$220 x 85%	
Follow up work on reimbursement issue-- 2008A Bond issue:	93.50
3/27/2012 2008A TCW with Jim Hinderaker; tcw Jim Hausauer; reimbursement/proceeds issue 0.5	
<i>Thank you for your business.</i>	
Total	\$1,402.50