



**DIVERSION AUTHORITY
Land Management Committee
City Commission Room
Fargo City Hall
Thursday, May 8, 2014
2:00 p.m.**

1. Agenda review
2. Approve April 10, 2014, minutes
3. CCJWRD Land Management Summary
4. Property & Farmland Management Update
5. Right of Entry Status & Cultural Resources Easement Acquisition Update
6. Other business
7. Next meeting Thursday, June 12, 2014

**DIVERSION AUTHORITY
Land Management Committee
City Commission Room
Fargo City Hall
Thursday, April 10, 2014
2:00 p.m.**

Committee Members Present: Fargo Mayor Dennis Walaker, Oxbow Mayor Jim Nyhof, Clay County Commission Representative Jon Evert, Cass County Joint Water Resource District Representative Rodger Olson, Buffalo-Red River Watershed District Representative Gerald Van Amburg, Cass County Administrator Keith Berndt, Moorhead City Administrator Michael Redlinger, Clay County Administrator Brian Berg, Fargo Director of Engineering Mark Bittner, Moorhead City Engineer Bob Zimmerman, Fargo City Engineer April Walker,

Others Present: Eric Dodds - AE2S, Lyndon Pease - Moore Engineering, US Army Corps of Engineers Project Managers Terry Williams and Brett Coleman, Mark Brodshaug - Cass County Joint Water Resource District.

The meeting was called to order by Chair Dennis Walaker.

Agenda Review

There were no additions or amendments to the agenda.

Approve March 13, 2014 Minutes

Jon Evert moved the minutes from the March 13, 2014 meeting be approved. Jim Nyhof seconded the motion. All the members voted aye and the motion was declared carried.

Cass County Joint Water Resource District (CCJWRD) Land Acquisition Report

Mark Brodshaug gave a review of completed acquisitions, acquisitions in progress, as well as appraisals that are underway. He said an appraisal has been done for the Oxbow Golf and Country Club with negotiations to begin soon, and the appraisals of residential property in Oxbow are underway. Notice of intent letters have been sent to property owners for the Fargo in-town levees and appraisals for those will also begin soon, he said. CH2M Hill and right-of-way agents are participating in meetings with property owners impacted by the in-town levees, he said, as well as agricultural property owners impacted by the Oxbow ring levee.

Eric Dodds said a residential appraisal sent to the Corps for their review of the format has been approved and six more appraisals will be advanced to them. The Corps has agreed to review appraisals with a quick turnaround, he said. Once an appraisal is approved and released, he said, that appraisal will serve as a basis to begin negotiations.

Mark Brodshaug said several agricultural properties are in the process of negotiations and that work will continue; however, due to budget issues there will be no new farmland purchases. He said the Finance Committee recently approved a task order for CH2M Hill for acquisition of a farmland site necessary for cultural mitigation in Reach 1.

Property and Farmland Management Update

Eric Dodds said Pifer's Land Management has been retained to help manage farmland owned by the Diversion Authority, currently about 1,000 acres. He said 200 acres will be closed on in April and an additional 500 acres is expected to be acquired by year end. Most of the land acquisitions have been on a voluntary basis with rent-back contracts, he said. Three lease agreements have been signed for cash rent this year, he said, with other lease agreements expected to be signed in the coming weeks. The Authority purchased several properties other than farmland, he said, and with the path of the diversion refined, some property that will not be needed for the project can be sold. He said the Hayden Heights lots are for sale, with purchase offers received on two of the lots, as well as purchase offers on two homes in Oxbow which were hardship acquisitions. The Finance Committee recommends moving forward with the sale of these properties, he stated.

Jim Nyhof moved that a recommendation be forwarded to the Diversion Authority that the sale of Lot 10, Block 1, Hayden Heights Subdivision; Lot 10, Block 2, Hayden Heights Subdivision; 105 Oxbow Drive in Oxbow; and 121 Oxbow Drive in Oxbow, be approved. Mark Bittner seconded the motion. All the members voted aye and the motion was declared carried.

Right of Entry Status & Cultural Resources Easement Acquisition Update

Lyndon Pease said a visual analysis will be conducted downtown from the public right-of-way for the in-town levees. He said additional raptor surveys and cultural resource surveys will be done this spring in Cass County, north of Highway 14 along the Wild Rice River near its confluence with the Red River. Some Phase 1 cultural work is scheduled to begin soon in the Oxbow-Hickson-Bakke ring levee, he said. He said work has been identified to begin later this year along the southern alignment which will include Phase 1 cultural resource surveys, geotechnical borings, land surveys and Hazardous, Toxic and Radioactive Waste (HTRW) surveys. Letters requesting access for that work will be sent out in the near future, he said, and includes landowners in both North Dakota and Minnesota.

Other Business

In response to a question from Mark Bittner about assigning lots in Oxbow, Jim Nyhof said the process may be easier than he was led to believe. He said a newly-appointed Planning and Zoning Commission has duties related to getting ordinances in place. He said by July Oxbow may be in a position to begin talking with residents about lot selection. He said he does not believe any of homeowners of the first buyouts are interested in remaining in Oxbow.

The next meeting will be Thursday, May 8, 2014 at 2:00 p.m.

Bob Zimmerman moved the meeting be adjourned. Rodger Olson seconded the motion. All the members voted aye and the motion was declared carried.

The meeting adjourned at 2:18 p.m.

May 6, 2014

Metro Flood Diversion Authority - Pifer's Land Management Update

Pifer's Land Management as of May 6, 2014, has sent out the following cash rent leases to tenants and cash rents payments for 2014 have been collected.

Prior Owners – Dennis and Vicki Rust

Tenants

- Brent Rust – NW ¼ Section 11-140-50 and S ½ Section 25-141-50
Raymond Township
3 year lease – **Rent Collected \$60,179.00**
- Brian Rust – NW ¼ Section 1-140-50
3 year lease – **Rent Collected \$17,234.00**

Prior Owner – Wayne Diekrager

Tenants

- Brent Rust – NE ¼ Section 11-140-50
Raymond Township
3 year lease – **Rent Collected \$23,757.00**

Prior Owner – James and Ann Ueland

Tenants

- James and Ann Ueland – SE ¼ Section 11-140-50
Raymond Township
3 year lease – **Rent Collected \$21,500.00**

Prior Owner – Diane Maier & Lucille Sorby

Tenants

- Mark Hyatt – SE ¼ S ½ NE ¼ lying S of Wild Rice River, building site & driveway, N ½ SW ¼, E ½ SE ¼ SW ¼ Section 2-137-49
Raymond Township
3 year lease – **Rent Collected \$35,051.80**

Rental agreements with Flex rent attachments have been agreed to by Keith Monson and the Metro Flood Diversion Authority and closing on his property is moving forward.

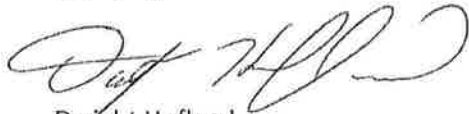
Financial recap based on the above rental amounts are as follows:

Rental Income	\$157,721.80
Management Fee	(12,617.74)
Withholding for RE Taxes	(19,936.41)
5% withholding for misc. operating	(7,255.21)
Net Rent	<u>\$117,912.44</u>

Pifer's Land Management has dispersed the above amount to the Metro Flood Diversion Authority on April 30th, 2014.

Spring weather continues to be cool and wet, farmers are prepared to hit the fields once conditions improve and are looking forward to spring planting.

Sincerely,



Dwight Hofland
Senior Land Manager
The Pifer Group, Inc.