

# Diversion Authority Property Management

---

December 15, 2015

In accordance with Decision Paper DP-00032, once a property is acquired (and the occupants have vacated), the property is managed by the Cass County Joint Water Resource District (CCJWRD), on behalf of the Diversion Authority (DA).

The Property Manager will coordinate as appropriate:

- Shut off water service
- Lawn Care Services (mowing, weed control, ...)
- Snow Removal Services (driveways, sidewalks, ...)
- Security Services (as needed)
- Make routine checks on the property weekly (checking that doors are locked, going through them to ensure there are no issues like, broken pipes, backed up sewers or sumps, ....)
- Coordinate requests (if there is no likelihood of the building being moved?) for groups such as:
  - Habitat for Humanity
  - Police Dog Training
  - SWAT
  - Fire Department Training
  - Etc.

**Exterior Keys:** At closing of the property acquisition, the Title Company secures the keys and transfers them to the Property Manager. To control access to the property, it is recommended to re-key the exterior locks to acquired properties. This is a recommended change from past property management. In the past, the exterior locks have remained keyed the same, and it has been challenging to have accountability for all keys (including copies). A few incidents with former homeowners and/or neighbors have gained access to the properties with copies (or unaccounted for) keys.

**Security:** A security service has been contracted for specific situations. Examples include: Large facilities (e.g., Park East; Howard Johnsons/Side Street); the multiple vacant houses in Oxbow (break-in's including buy-out homes & other Oxbow homes; with the timeframe being drawn out due to the delay related to the MN EIS).

**Utilities:** The current protocol is to shut off water to the house when possible (Oxbow doesn't have consistent ability to do so, so in those cases we must maintain heat in the structures to prevent freezing of the water lines where they enter the building).

**Note:** one home in Oxbow was heated by an oil furnace, the tank was taken out and now we will have to probably use heat tape to keep the incoming water connection from freezing.

**Repairs:** Repairs will sometimes need to be made to properties to keep them secure. The Howard Johnson had a ground floor window broken out allowing entrance into the vacant building. This repair was made. Second story windows were also broken out and air conditioner units were removed allowing the elements into the building. Those conditions continue to be monitored and quotes secured in case something needs to be done with those damages in advance of demolition (within the next couple of months).

**Miscellaneous:** Property Manager coordinates efforts and access for potential house purchase/move, demolition inspections, habitat for humanity, etc. Should a party be interested in moving a house, the party must retain a house mover and secure the proper permitting as required by the local government procedures and approvals. Once the building has been moved (or demolished) the site must be secured and may have to prepare the area according to the DA specifics and/or to comply with the local governing entity requirements..



*Management of Properties after Acquisition*

**DECISION PAPER NO.: DP-00032**

Date: 10/10/2013

**RECOMMENDATION FOR BOARD ACTION:**

Motion is made that the Board of Authority adopt the policies in this Decision Paper to manage properties acquired for the FM Diversion Project.

**SUMMARY OF DECISION TOPIC:**

Properties acquired to build and operate the Project require management, including options listed below. The appropriate option will be specific to each property, as determined by the Finance Committee, in consultation with the Land Management Committee. The Diversion Authority may use a combination of these options, or may develop a new property-specific option, if needed, to manage, sell and/or dispose of acquired properties.

Property Management –The Diversion Authority owned property will be managed appropriately for the type and use intended. The Diversion Authority or its designee will pay taxes and assessments; secure appropriate insurance; perform general maintenance; provide security, control access and use for recreational, agricultural, or commercial purposes; provide flood prevention; and control weeds and pests.

Sale or Disposal– The Diversion Authority properties not needed, in whole or in part, to construct or operate the Project may be sold or otherwise disposed of by appropriate means as allowed by law.

Rent/Lease – The Diversion Authority may lease properties in accordance with existing policy.

Relocate – The Diversion Authority may sell properties for relocation.

Demolish - The Diversion Authority may sell properties for salvage and demolition. Demolition materials will be disposed of and remediated as necessary by a qualified contractor. The Diversion Authority will reclaim or revegetate the site to a condition appropriate for future use intended by the Diversion Authority. In lieu of sale, the Diversion Authority may donate a property to a non-profit organization for salvage.

Flowage Easement – The Diversion Authority may place a flowage easement on property prior to sale.

**EVALUATION OF KEY FACTORS FOR DECISION MAKING:**

Basis for recommending approval of Decision Paper.

ADVANTAGES:

- a) Exercise fiduciary and other responsibilities arising from acquired properties.
- b) Address liability and risk associated with acquired properties.
- c) Properly manage physical assets to be a good neighbor.
- d) Properly manage physical assets to allow construction and operation of the Project.

DISADVANTAGES:

- a) Property management costs.

**Submitted by:**

  
\_\_\_\_\_  
Bruce J. Spiller, P.E.  
CH2M HILL  
Project Manager  
 Fargo-Moorhead Area Diversion Project

08 Oct 2013  
\_\_\_\_\_  
Date

\_\_\_\_\_  
Brian C. Berg, Clay County Administrator  
Concur: 08 Oct 2013 Non-Concur: \_\_\_\_\_

\_\_\_\_\_  
Michael J. Redlinger, Moorhead City Manager  
Concur: 08 Oct 2013 Non-Concur \_\_\_\_\_

\_\_\_\_\_  
Keith Berndt, Cass County Administrator  
Concur: \_\_\_\_\_ Non-Concur: \_\_\_\_\_

\_\_\_\_\_  
April Walker, Fargo City Engineer  
Concur: 09 Oct 2013 Non-Concur \_\_\_\_\_

\_\_\_\_\_  
Mark Bittner, Fargo Director of Engineering  
Concur: 08 Oct 2013 Non-Concur: \_\_\_\_\_

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

\_\_\_\_\_  
David Overbo, Clay County Engineer  
Concur: 08 Oct 2013 Non-Concur: \_\_\_\_\_

\_\_\_\_\_  
Robert Zimmerman, Moorhead City Engineer  
Concur: 08 Oct 2013 Non-Concur \_\_\_\_\_