

**METRO FLOOD DIVERSION AUTHORITY
MARCH 22, 2018—3:30 PM**

1. MEETING TO ORDER

A meeting of the Metro Flood Diversion Authority was held Thursday, March 22, 2018, at 3:30 PM in the Fargo City Commission Room with the following members present: Moorhead City Mayor Del Rae Williams; Moorhead City Council Member Chuck Hendrickson; Moorhead City Council Member Joel Paulsen; Clay County Commissioner Kevin Campbell; Clay County Commissioner Grant Weyland via conference call; Fargo City Mayor Tim Mahoney; Fargo City Commissioner Tony Grindberg; Fargo City Commissioner Dave Piepkorn; Cass County Commissioner Mary Scherling; Cass County Commissioner Arland Rasmussen; Cass County Joint Water Resource District Manager Roger Olson; and West Fargo City Commissioner Mike Thorstad. Cass County Commissioner Chad Peterson was absent. Also present was Mark Nisbet from the Chamber Business Leaders Task Force.

2. MINUTES APPROVED

MOTION, passed

Mr. Hendrickson moved and Mr. Paulsen seconded to approve the minutes from the meetings held February 22, 2018 and March 7, 2018, as presented. Motion carried.

3. AGENDA ORDER

MOTION, passed

Mr. Mahoney moved and Mr. Olson seconded to approve the order of the agenda. Motion carried.

4. MANAGEMENT UPDATE

John Glatzmaier from CH2M provided an update on activities over the last month which include submittal of Plan B to the MDNR and data sharing for the flowage easement valuation study. Priorities for next month include continued coordination of outreach efforts associated with Plan B, preparation for the State Water Commission meeting and preparation of cost estimates for the Plan B financial plan.

Mr. Glatzmaier provided brief a financial update on the overall program status and said \$423 million has been expended to date. He said \$8.2 million has been expended out of the FY2018 budget.

Mr. Glatzmaier said all construction worked associated with the diversion project is on hold as a result of the injunction. Mr. Piepkorn asked if the work on construction projects in Fargo will continue. Nathan Boerboom, Fargo City Division Engineer, said the non-diversion related projects will proceed, but the Main Avenue/2nd Street South project is part of the diversion project and is on hold.

5. ADMINISTRATIVE/LEGAL UPDATE

Executive Director search update

Michael Redlinger, Co-Executive Director and Assistant Fargo City Administrator, provided an update on the Executive Director search. The position has been advertised in 10 municipal league directories and some regional rural water associations have been contacted. He said Pam Derby from CPS Consulting said there has been a great deal of interest in the position. A first review of applicants will be done on April 6th by a subcommittee made up of Ms. Williams, Mr. Mahoney, Mrs. Scherling, Mr. Steen and Mr. Campbell.

Ashurst and Ernst & Young Work Orders Update

Attorney John Shockley updated the board regarding task orders with Ashurst, LLP and Ernst & Young Infrastructure Advisors, LLC to extend the period of performance through December 31, 2018. Ashurst has served as the national P3 legal counsel since 2016 and is compensated only for work that is completed. Ernst & Young has served as the P3 financial advisor since 2015 and is compensated only for work that is completed. The Co-Executive Directors approved the task orders, so no action is required by the board; however, Mr. Shockley wanted to present the information because of costs involved. Mr. Shockley said the Diversion Authority has contracts with both companies, and he has been given the discretion by the board to engage them for services that cannot be handled locally.

6. PUBLIC OUTREACH UPDATE*Committee report*

The Public Outreach Committee met on March 21st. Mr. Olson said the committee discussed the importance of informing residents affected by changes to the project under Plan B and considers this to be a top priority at this time.

Rocky Schneider from AE2S said a fact sheet has been prepared regarding Plan B, which has been distributed at public informational meetings with area entities over the last few weeks. He distributed a timeline of meetings with the different entities.

Business Leaders Task Force

Mr. Nisbet said the task force is deeply committed to seeing the project be completed. Business leaders appreciate the work done by the Governors' Task Force and hope the work to complete the permitting process will be done as quickly as possible by the Minnesota DNR.

7. LAND MANAGEMENT

The Land Management Committee met on March 21st. Mrs. Scherling said land acquisition activities are still on hold as a result of the injunction. The committee discussed timelines along with a series of actions needed over the next five years related to land purchases. The committee was presented with an updated property rights and mitigation plan, which is a working document that outlines how properties are acquired for the project. Also, the Cass County Joint Water Resource District is working with WBI, a pipeline company, to acquire land for easements which are in the diversion project footprint.

8. FINANCE UPDATE*Committee report*

The Finance Committee met on March 21st. Mr. Grindberg briefly discussed the financial report and said the net cash position is \$70 million.

Voucher approval

The bills for the month are with Dorsey & Whitney for legal services; City of Fargo for reimbursement of operation/maintenance costs associated with Lift Stations #18 and #23; Cass County Joint Water Resource District (CCJWRD) for costs associated with the Metro Flood Diversion, Diversion Project Assessment District, OHB levee, and in-town levees; Erik R. Johnson & Associates, Ltd. for legal services; Warner and Company for renewal of commercial general liability insurance; and Ohnstad Twichell, P.C. for legal services.

MOTION, passed

Mr. Grindberg moved and Mr. Hendrickson seconded to approve the vouchers received through March 16, 2018, in the amount of \$385,901.09. On roll call vote, the motion carried unanimously.

Recommended Contracting Actions

Mr. Grindberg said the Finance Committee tabled the item regarding the 2018 Houston-Moore Group labor rate schedule. The committee requested information on the rationale behind the 3½% rate increase before approving the schedule.

Mr. Glatzmaier discussed Change Order 21 with Industrial Builders, Inc. to allow for additional time to test the backup generator at the 2nd Street pump station. There is zero cost to extend the time period to June 1st for this work to be completed.

MOTION, passed

Mr. Mahoney moved and Mr. Grindberg seconded to approve Change Order 21 with Industrial Builders, Inc. On roll call vote, the motion carried unanimously.

9. OTHER BUSINESS

Mr. Mahoney, Mrs. Scherling and Mr. Paulsen discussed their recent trip to Washington, D.C. to meet with the Office of Management and Budget, U.S. Army Corps of Engineers, Congressional Delegation and Assistant Secretary of the Army for Civil Works.

10. NEXT MEETING DATE

The next meeting will be held on Thursday, April 26, 2018.

11. ADJOURNMENT

MOTION, passed

On motion by Mrs. Scherling, seconded by Mr. Hendrickson, and all voting in favor, the meeting was adjourned at 4:21 PM.