

Moorhead - Clay County Joint Powers Authority (MCCJPA)

Thursday, February 23, 2023, 1:00 p.m.

Clay County Courthouse, Third Floor Meeting Rooms

In Person Meeting with Microsoft Teams Option Available

MINUTES

1) CALL TO ORDER

The meeting was called to order by Chair Campbell at 1:02 p.m.

2) ROLL CALL

City of Moorhead:	Mayor Shelly Carlson
	Council Member Chuck Hendrickson
Clay County:	Commissioner Kevin Campbell
	Commissioner Jenny Mongeau
BRRWD:	Council Member Larry Seljevoll
	Member Gerald VanAmburg

Others Present or on Microsoft Teams:

Joel Paulson, Executive Director, Jodi Smith, Lands & Compliance Director, Madeline Gorghuber, Lands Specialist, Diversion Authority

Attorneys John Shockley, Chris McShane, and Kathryn McNamara, Ohnstad Twichell Law
Dean Vetter, AE2S

Scott Stenger and Dale Ahlsten, Prosource

Ken Helvey, SRF Consulting

Stephen Larson and Jacqueline Finck, Clay County staff

Katrina Olson, Jacobs

3) APPROVAL OF AGENDA

Commissioner Mongeau moved, and Council Member Hendrickson seconded, to approve the agenda with the Agenda Addition - Diversion Funding Bonding Requests. Motion carried.

4) APPROVAL OF MINUTES

Mayor Carlson moved, and Council Member Seljevoll seconded, to approve the minutes from January 27, 2023. Motion carried.

5) CITIZENS TO BE HEARD

There were no citizens to be heard.

6) PROJECT UPDATES

a. Property Acquisition Status Report

Ms. Smith referred to the Property Acquisition Status Report and maps showing acquired Properties. There has been a little bit of a change from the numbers that were reported last month in the construction footprint and upper mitigation area (UMA). There is a new slide

that has been added from the usual presentation that states how many county property owners we're working with and the number of parcels we're working with. In order to keep the numbers consistent, we pulled out the properties that are going through the last resort and eminent domain process and are no longer considering those to be complete so the numbers will look different. The construction footprint is 84.4% complete and 33% complete for the UMA which is up 0.8% (15 parcels) from last month. The property acquisition progress by location shows the Stormwater Diversion Channel is at 89.16%. If we counted the properties that are currently in eminent domain then that number would be at 100%, same goes for Oxbow-Hickson-Bakke.

The property acquisition progress for Minnesota has seen an increase in the Southern Embankment & Associated Infrastructure (29.8%) and the UMA (28.6%). The Dayton Dam Mitigation and the Environmental Monitoring Easements have stayed the same as last month.

Ms. Smith stated that the Landowner Overview is new information that AE2S has compiled that shows there are 302 owner groups within the Construction Footprint. Almost 84% of the landowners have settled and just about 85% of the 570 parcels have achieved settlement. We continue to work through the southern embankment & Associated Infrastructure with a majority of them being within SE-4 and just received finalized drawings for them this week. AE2S is continuing to work on completing the surveys so the information can get to the appraisers so negotiations with the land agents can continue. Within the UMA Footprint, 32% of the owner groups and 33% of the parcels have achieved settlements.

Key activities are to continue negotiating settlement agreements with existing eminent domain actions and the MFDA presented to the City of Wolverton on February 15, 2023.

Mr. Paulson stated that the City of Wolverton had a packed council chamber for their presentation regarding their levee system. The Buffalo Red River Watershed District (BRRWD), who is administrating the project, was also in attendance and presented their recommended levee alignment. In general, it was accepted by the community and the BRRWD will continue their work with the alignment. There was some discussion regarding the one-mile limit where some folks thought the levee should be extended. The City Council seemed to prefer the first alignment that was presented to them by the BRRWD. If all continues to go well, the start of construction could be as soon as next year.

Commissioner Mongeau asked if the plan was the one that would allow the city to grow on the south side. Mr. Paulson stated that BRRWD did look at a plan that contained 640 acres, however they couldn't go much further south so all the additional acreage would be to the north of Wolverton and along the river. There was discussion from the landowners that didn't want a levee on or near their property because the Diversion Authority would have to acquire ownership because they do the operations and keep it certified, so there would be some loss of land. Mr. Paulson suggested to the City of Wolverton's legal counsel that a provision is put into the MOU that would allow the Diversion Authority to complete another project that would allow further expansion. There were also residents that live in town that have experienced flooding and are excited about getting the levee in place.

The Diversion Authority presented an update video.

Council Member Hendrickson asked how they excavate frozen ground. Mr. Paulson stated

that it takes a while for the soil to freeze. The crew works fast so once they remove the frost, the material below it is around 40-50 degrees, so it's easy to excavate that material. When it gets to below zero temperatures the problem tends to be the diesel gelling up in the lines of the equipment.

7) LAND AGENT REPORTS

Mr. Stenger, Prosource, stated that they're continuing to work with landowners focusing on priority parcels. Continuing to work on the flowage easements and have some appraisals for the embankment area. Working on mitigation effort, cleaning up some relocation, and some land swaps.

Ms. Ahlsten, Prosource, stated the SE-4 appraisals are occurring in February, March, and April and hope to have them in the subsequent months so we can continue negotiations with landowners.

Mr. Helvey, SRF Consulting, stated that they're meeting with homeowners in the area and trying to work out some land swaps. He stated that he is also working with a landowner that owns an apple orchard and has some other issues with his property while we wait for his appraisal. So hopefully once the appraisals are complete, we can get some arrangements completed and finalized.

Mr. Vetter, AE2S, stated that the utility group needed access to complete surveys and both land agents have been helping greatly.

8) Property Management

a. 2023 Farmland Lease

Ms. Gorghuber presented and requested approval of the farmland lease for OINs 251N and 1638 with Aaron and Shane Brakke. She stated that she has reviewed the lease and so has Pifer's Land Management team.

Commissioner Mongeau stated that she reviewed Pifer's Land Management summary for 2022 and noticed that this tenant did not submit a year-end summary. She wondered if that factored into the land management negotiations or if it's required. Ms. Gorghuber stated that she didn't think that it is a requirement. Mr. Vetter stated that Pifer's probably requests that information to keep up to date on the property, but he doesn't think it's something that is required.

Commissioner Mongeau moved, and Member VanAmburg seconded, to approve the Farmland Lease with Aaron and Shane Brakke for OINs 251N & 1638. Motion carried.

b. Pifer's 2022 MCCJPA Year End Summary

Ms. Gorghuber presented Pifer's 2022 MCCJPA Year End Summary and stated that she also sent the full 2022 Year End Report with the Agenda Packet. The 2022 Year End Summary goes over the parcels and number of acres that were leased as well as the revenue for 2022. Ms. Gorghuber stated that Dwight Hofland, Senior Vice President of

Land Management for Pifer's Land Management, is available to talk if there are any additional questions regarding the year end summary report.

9) Agenda Addition – Diversion Funding Bonding Request

Commissioner Campbell discussed that this topic was brought to the County Board about state funding, and which projects the Clay County would be looking at to support for funding. The Diversion Funding Bonding Request document, along with a letter, was sent to local legislatures. Commissioner Campbell stated that the County Commissioners were able to talk with Representatives Deb Kiel and Jim Joy during the AMC Legislative Conference regarding House and Senate files that are important to Clay County. There was also discussion regarding the diversion funding bonding request and the \$36.2 million that is needed for rural Clay County projects. Representative Jim Joy was interested in supporting the funding bonding request. The City of Moorhead has requested \$24 million for the City of Moorhead projects. The \$24 million is in the Governor's bonding bill and has a Senate and House file that request it as well.

Commissioner Campbell asked what entity would be appropriate to request the state funding and felt that the MCCJPA would be the appropriate entity. Commissioners Campbell and Mongeau confirmed that Representative Jim Joy would need the information by March 6th, 2023, in order to present the request. Commissioner Campbell asked about crafting a letter that both supports the funding request from the City of Moorhead while also asking for additional funding for the rural Clay County projects.

Mayor Carlson also stated that she believes MCCJPA would be the appropriate entity to request funding for the rural Clay County project and that she is comfortable with submitting the request to Representative Joy. She also stated that the language for the request needs to be figured out and solidified with making the projects within the City of Moorhead a priority.

Commissioner Mongeau asked why the City of Moorhead projects are prioritized first. Commissioner Campbell stated that the Diversion Authority will fund and complete the rural Clay County projects whether state funding is granted or not, but the projects in the City of Moorhead will not be completed if they don't receive funding. Mr. Paulson confirmed what Commissioner Campbell stated.

Commissioner Mongeau also voiced her concerns regarding the communication with Clay County on the diversion funding bonding request. She also stated that she doesn't want it to seem like the City of Moorhead projects are more important than the rural Clay County projects. Commissioner Campbell clarified that the prioritization is not based on importance, but rather which projects should get funded first if state funding is granted.

Mayor Carlson stated that although the \$24 million is in the Governor's budget, and there is a House bill (HF 349) and Senate bill (SF 479) with the \$24 million, it's looking like after negotiations that the City of Moorhead may only receive \$11 million. If the City of Moorhead doesn't receive state funding, they don't have the opportunity to get reimbursed by the Diversion Authority.

Council Member Hendrickson asked if requesting the additional \$36.2 million will affect the amount that may be granted for the City of Moorhead. Commissioner Campbell stated that the request would have to be crafted in a way that wouldn't affect the funding request by the City of Moorhead.

Council Member Hendrickson asked if the requirement is just to request the funds. Mr. Shockley confirmed that the requirement is to request funding. Council Member Hendrickson stated that he supports MCCJPA requesting the additional funds needed for the rural Clay County projects.

Commissioner Mongeau stated that she agrees that the funding for the City of Moorhead Projects is equally important as the funding for the rural Clay County projects but is concerned that the additional funding request is short notice and not unified as a joint venture.

Council Member Seljevoll stated that there is an agreement amongst the Board that the MCCJPA is the right entity to be requesting the additional funds and that he approves of the additional request.

County Administrator Steve Larson and Member VanAmburg both voiced their concern regarding the potential confusion there may be from the two different funding requests. Member VanAmburg agrees that the request needs to be done.

Further discussion ensued regarding the prioritization of the City of Moorhead projects to be funded first, the preferred verbiage for the additional state funding request, and funding sources.

Mr. Shockley stated that he and Mr. Paulson have a pretty good idea of what the Board wants for verbiage in the request and can work on getting something written up.

Commissioner Mongeau stated that it sends a strong message that this is a regional need to legislation if there are multiple local legislators in support and championing funding requests.

There was discussion regarding the funding sources and who requests the funding for the BRRWD projects. Commissioner Mongeau asked who would own the BRRWD projects to which Mr. Shockley stated that the BRRWD would.

Further discussion ensued regarding the timing and public notice requirements of a Special Meeting to discuss and finalize the funding request.

Council member Seljevoll moved, and Council Member Hendrickson seconded, approving Mr. Shockley and Mr. Paulson to compile a funding request, while working with both the City of Moorhead and Clay County, containing language that maintains the City of Moorhead's funding request while also requesting the additional funding needed for the rural Clay County projects.
Motion Carried

The Board agreed to hold a Special Meeting at the Clay County Courthouse Boardroom on February 28th, 2023 at 11:45 a.m.

10) ADJOURN

The meeting adjourned at 2:31 p.m.

Stephen Larson, MCCJPA Secretary