

MOORHEAD - CLAY COUNTY JOINT POWERS AUTHORITY

1:00 PM, THURSDAY, JUNE 25, 2026

Meeting Rooms A/B - Third Floor - Courthouse

MINUTES

CALL TO ORDER

Chair Campbell called the meeting to order at 1:00 p.m.

ROLL CALL

City of Moorhead Council Members Chuck Hendrickson (via Virtual Technology) & Lisa Borgen, Clay County Commissioners Kevin Campbell & Jenny Mongeau, and Buffalo-Red River Watershed District Member Gerald Van Amburg.

Others Present or on Microsoft Teams: Diversion Authority - Madeline Daudt, Justin Fisher, & Jason Benson; Ohnstad Twitchell Law - Chris McShane, Lukas Andrud, Kathryn McNamara, & John Shockley; AE2S - Eric Dodds; ProSource - Dale Ahlsten; SRF Consulting - Katie Laidley & Ken Helvey; Clay County Staff - Stephen Larson & Sarah Hellem; and City of Moorhead - Bob Zimmerman.

APPROVAL OF AGENDA

Commissioner Mongeau moved, and Council Member Borgen seconded, to approve the agenda. Motion Carried.

APPROVAL OF MINUTES

Council Member Hendrickson moved, and Member Van Amburg seconded, to approve the minutes from May 28, 2026. Motion Carried

CITIZENS TO BE HEARD

There were no citizens to be heard.

PROJECT UPDATES

Property Acquisition Status Report

Justin Fisher, Diversion Authority, stated in the last month, we've successfully closed on 11 parcels/7 owners in the UMA. The key activities are to continue negotiating settlement agreements for existing Eminent Domain actions: to date we've completed three Eminent Domain trials in Cass County. No new trials in the last month. Completed site inspections and initial discovery hearing for the actions in Minnesota, scheduled Commissioner Hearings for Minnesota actions, negotiated many settlements since completing the first trial, and there are 14 pending settlement offers with property owners. Closings are pending for 3 parcels/2 owners in Minnesota, and 25 parcels/12 owners in North Dakota. 21,651 acres of flowage easements have been acquired, and 5,439 acres are outstanding. There has been continued development of the MFDA's post-operation clean-up and restoration programs and crop loss programs.

Mr. Fisher referred to the packet and discussed the map pertaining to the MCCJPA Acquisition Status and stated property rights have been attained on 184 parcels; 55

parcels are pending value; 2 parcels have a railroad agreement pending; and 8 parcels are in negotiation. The property acquisition progress was discussed with the construction footprint being 98.4% complete, with no change from the previous month. The upstream mitigation area (UMA) footprint is at 68.5% complete, with a 1.7% increase from last month. The Property Acquisition Progress by Location includes the Southern Embankment being 95.3% complete, with no change from last month, UMA being 68.5% complete, with a 1.7% increase from last month, and the Environmental Monitoring Easements being 79.8% complete, with a 0.5% increase from last month. The Drayton Dam, In-Town Levees, Stormwater Diversion Channel, and Oxbow Hickson-Bakke are 100% complete. The Property Acquisition Progress by MCCJPA is 75.9% complete, with a 1.1% increase from last month. The Southern Embankment & Associated Infrastructure is 80% complete, with no change from last month, the Upstream Mitigation Area is 71.9% complete, with no change from last month, the UMA – Wolverton is 35.7% complete with a 21.4% increase from last month, and the Environmental Monitoring Easements is 86.3% complete, with no change from last month. The Landowner Overview shows owner groups and parcels broken down for the construction and UMA footprint, with 98% of the owner groups complete for the Construction Footprint, and 70.5% complete for the UMA Footprint.

Commissioner Mongeau asked about the railroad agreement and if there have been any new discussions or are we still waiting on the railroad to respond. Mr. Fisher stated we're waiting on the railroads response for the most part, but we did get an update from the Buffalo-Red River Watershed District (BRRWD) on the Georgetown one, there is movement on that one.

The Land Agent Reports for the Minnesota side of the project include providing relocation advisory and claim preparation services to people that are moving, providing final walk-through assistance as needed, processing RIMP reimbursement requests, assisting with mediations and settlement negotiations, and conducting negotiations for the Wolverton flowage easements.

Commissioner Campbell asked about Mr. Ness and Mr. Askegaard. Mr. Fisher stated Ben Askegaard has received a formal offer that meets his expectations, and he plans to sign that agreement for the full amount that he was asking for. As far as Matt Ness, we're working through that, and our goal is to rectify that by next month.

Excess Lands Update

Mr. Fisher stated below is a list of excess lands that are moving through the policy.

The following excess land parcels are actively being routed through the Projects disposal policy.

OIN	State	Project Area	Policy Step
1890	ND	UMA	Member Entities
9576, 9577, 9578, 9579	ND	Oxbow	Adjacent Owners
1665, 1792, 1793, 1802	MN	UMA	Public Sale
1834	MN	UMA	Public Sale
7234A	ND	Horace Elevator	Public Sale
7249	ND	Horace Elevator	Public Sale

The following excess land parcels have interested buyers and are awaiting closing.

OIN	State	Project Area
9258	ND	UMA
831	ND	UMA
7234BCD	ND	Horace Railroad

In addition to the parcels noted in the two tables above, the project has completed the sale of 41 parcels, making up roughly 740 acres of excess land across the Diversion Channel, Southern Embankment, Red River Control Structure, Drain 27 Wetland Project, Horace Railroad, and the Upstream Mitigation Area. With these sales the Project has seen a return of roughly 4.6 million dollars in investments from acquisitions over the years.

Commissioner Mongeau discussed OIN's 1665, 1792, 1793, 1802 that are in Holy Cross Township and how the process for those parcels were going to be a challenge, and asked Mr. Fisher to give a brief overview regarding this. Mr. Fisher stated these are 4 parcels that we have acquired and mitigated for, for all the structures on the site. This was presented to the Lands Committee and the MCCJPA and requested that we combine those 4 parcels due to some constraints. There's only 2 access points for all 4 parcels which is a shortcoming for access if we were to parcel them out individually. In addition, OIN 1792 lies uniquely east of OIN 1793, and there is flowage ditch way both on the east and west side. Essentially by parceling that out it would cause that land to be landlocked. And so, being cognizant of that and understanding how we manage and dispose of our lands, felt that it was in our best position, with consultation from our lands team, to combine those 4 parcels in the excess lands policy. Once this became excess land, letters were sent out to the 4 prior owners, and we only received interest from one of those individuals and it was for OIN 1665. In doing so, the asking price that was set forward, based off of what we feel is just value of the land, is \$5,000 per acre. The individual was not interested in paying the full \$110,000 for the 22 acres of land. That being said, it went out to the adjacent landowners, per the next step of the policy, and there was no interest. Finally, over the last month it has gone out to the public land stage of the policy, which is when we can take on potential offers. These parcels have been out in public sale now for roughly 45 days and there has been an offer from the same individual as that was previously discussed, for roughly \$1,700 per acre. There's been some back and forth with the lands team and one of the concerns with this is that it doesn't meet anywhere near comparables. This landowner would like to see a potential change, and re-parcel these back out individually into the 4 parcels itself. This is a tough ask as it would have to go back to the lands committee for approval. This has been communicated with the individual as well, that that's the route it would need to take for that to happen.

Commissioner Campbell asked if these parcels have flowage easements. Mr. Fisher stated yes, they are all incumbered by flowage easements. Commissioner Campbell asked if the \$5,000 per acre was standard for all other acreage with flowage easements. Mr. Fisher stated yes that's a standard that we've used across the board, especially as we put this out. And our overall goal in this process is that we have done full buyouts on these properties per agreements with the landowners. There was an opportunity at one point in time to retain the property and just take the flowage easement and still keep the property. However, the full buyout scenario offering the first right back to the previous owners and it is actually at a fairly reasonable rate of that \$5,000 per acre versus what the market would drive. Commissioner Mongeau stated that was already something that

had been offered to that landowner during the process. Mr. Fisher stated yes, and that he believes that this has always been part of those negotiations. Eric Dodds, AE2S, stated the landowner who is interested in purchasing the one parcel at the discounted price had other property that they owned where they only sold a flowage easement, and this parcel in particular, they elected to sell it in fee, but all of these landowners had the opportunity to only sell the flowage easement if they wanted to preserve ownership of the other land. In this case they didn't and now there's some interest in buying it back. Council Member Borgen asked if the landowner was paid more than \$5,000 per acre when purchasing the parcel. Mr. Dodds stated we could investigate that, but to keep in mind that when the MCCJPA bought it, there was a house on it, and as a developed lot, it was likely more than \$5,000 per acre.

Commissioner Campbell asked if this is then still in negotiations and following the excess lands policy. Mr. Fisher stated yes we're following the policy. Now that it's public, if we were presented an offer that we felt comfortable presenting that to the land committee for approval, we would move that direction. Right now, with the value that was placed with that offer, we don't believe that we're in a position to recommend approval, especially given that it's been on the market for roughly 45 days. Our lower land sales that we've seen on the public marketplace that we've accepted have been because they've been on public domain for over 6 months or roughly that 6 months' timeframe. We do allow this to be on public domain and to take in reasonable offers but at the same time, we're in a comfortable position where we'd like to let it sit out there for a while to see if there's additional interest. Commissioner Campbell wanted to clarify that these 4 parcels are being listed as 1 combined parcel, and the individual who is interested, is only interested in one of those 4 parcels, OIN 1665. Mr. Fisher stated this individual understands the reason for the parcels to be combined and they were willing to entertain the purchase of all 22 acres. However, the valuation of where those numbers are coming from, we don't think they're appropriate at this point in time for us to consider for approval. Commissioner Campbell discussed looking at what the value of the land was when it was original purchase. Mr. Fisher stated he would certainly put this topic on the agenda for the lands committee.

Commissioner Campbell discussed OIN 7215 which is owned by the MCCJPA, and stated citizens have asked what the intended uses of that land will be. Mr. Fisher stated that parcel is one of the forest mitigation sites that we're taking on with the USACE with their contact, so we'll be keeping that site in perpetuity and we do get a tremendous amount of existing forest credit for that site and we also have additional things that will occur on the site as well. It will be more indicative of all grass and prairie wood native species. These sites also serve as bank stabilization but overall, in terms of ecological context it makes sense for us to use those as forest mitigation sites.

MN Litigation Action Update

Chris McShane, Ohnstad Twitchell, stated the City of Moorhead has passed the resolution regarding necessity for the acquisition for the flowage easement around Wolverton, that this Board requested the city take action on. The Last written offers are being sent out this week, and the City of Moorhead gave them three weeks to respond, from there, we'd move forward with the Eminent Domain action to acquire those flowage easements. With that, we'll give the 90-day notice for possession, set a hearing date, and by that point we'll make payment in the appraised amount and then move forward with

the Commissioner Hearing process.

Mr. McShane stated we're working closely with the BRRWD and their attorneys that are acquiring the flowage easements and property rights for the levee itself. We're not sure when the BRRWD plans to file those Eminent Domain actions, but we'll work closely with their attorneys to try and do that at roughly the same time. The expectation is that once we get to the stage of appointing Commissioners, we would appoint the same Commissioners for the flowage easements and the ring levee property because they'll be familiar with the land. And depending on what the Commissioners are okay with, we might ask them to combine the valuation hearings so BRRWD would present on the value of the ring levee property, and the City of Moorhead would present on the value of the flowage easement, in an effort to streamline the process. This process makes it easier for all parties involved.

Mr. McShane stated we do have a Commissioner Hearing set for valuation at the end of August. It's set for two days and we're trying to identify which properties are going to be subject on those two days. We'll be bringing in the Econometrics expert Timothy Hodge, PhD, who helped determine the how much the flowage easements were devaluing agricultural property, which was included in Phase 1 and Phase 1b of the study. This was then incorporated into all the flowage easement appraisals for agricultural property. So, he will be testifying in front of the Commissioners, and we'll only have him testify the one time, and then if the Commissioners want to look back on that, they can.

Mr. McShane stated, again, we don't have a property owner that will be the subject of this hearing. We've been trying to work with counsel for all the property owners and they have yet to give any indication as to which property owner to move forward with.

Resolution to Accept Funds Granted by State of MN

John Shockley, Ohnstad Twitchell, requested approval of Resolution 2026-02 to accept funds granted by the state of Minnesota and discussed how the MCCJPA desires to accept the funds from the State of Minnesota, enter into a cost share agreement with the State of Minnesota, and allocate the funds in accordance with the priorities adopted by the Authority and the MCCJPA.

Commissioner Mongeau discussed the federal funds that are being sought after and asked if that would be covered by this agreement. Bob Zimmerman, City of Moorhead, confirmed that the agreement would include that.

Council Member Borgen moved, and Member Van Amburg seconded, to approve Resolution 2026-02 authorizing MCCJPA to accept the Minnesota state funds and acknowledging the MFDA's matching contribution. Motion Carried.

RESOLUTION 2026-02 TO ACCEPT THE FUNDS GRANTED TO MCCJPA BY THE STATE OF MINNESOTA, ENTER INTO A COST SHARE AGREEMENT WITH THE STATE OF MINNESOTA, AND ALLOCATE THE FUNDS IN ACCORDANCE WITH THE PRIORITIES PREVIOUSLY ADOPTED BY THE METRO FLOOD DIVERSION AUTHORITY AND THE MCCJPA

WHEREAS, the Moorhead-Clay County Joint Powers Authority (the "MCCJPA") was created on July 1, 2019, through the execution of the Minnesota Land Acquisition Joint Powers Agreement by

and Between the City of Moorhead and Clay County, dated July 1, 2019 (the “MJPA”); and

WHEREAS, section 5.01(w) of the MJPA authorizes the MCCJPA: To enter into any cost share agreement with the State of Minnesota and/or the United States government or any of its agencies or instrumentalities for reimbursement of costs associated with the acquisition of Project Property and related expenses within the State of Minnesota. Further, this power includes the power to carry out all of the obligations under such cost share agreement; and

WHEREAS, on April 23, 2026, the Metro Flood Diversion Authority (the “Authority”) enacted a Resolution authorizing a 50/50 match for any funds received from the State of Minnesota after April 23, 2026, for the remaining Comprehensive Project flood mitigation projects on the Minnesota side of the river using the federal funds received due to the execution of Amendment No. 2 to the PPA; and

WHEREAS, on May 27, 2026, the State of Minnesota Legislature enacted Chapter 130 of Minnesota Session Laws, Article 1, Section 7, Subdivision 7, paragraph (c), which provides that: \$10,000,000 of this appropriation is for a grant to the Moorhead-Clay County Joint Powers Authority to design, construct, and equip flood mitigation infrastructure in the city of Moorhead. Any money not needed to complete flood mitigation infrastructure projects in the city of Moorhead may be expended on flood mitigation infrastructure projects in Clay County or the Buffalo Red River Watershed District required for the Fargo-Moorhead Area Diversion Project. (the “Minnesota Legislation”); and

WHEREAS, the MCCJPA desires to (i) accept the funds from the State of Minnesota, (ii) enter into a cost share agreement with the State of Minnesota, and (iii) allocate the funds in accordance with the priorities previously adopted by the Authority and the MCCJPA.

NOW, THEREFORE, BE IT RESOLVED by the governing body of the Moorhead-Clay County Joint Powers Authority:

1. **Cost Share Agreement.** The MCCJPA staff, attorneys, and consultants are hereby directed and authorized to work with the Authority to take all appropriate and necessary action to negotiate and finalize the terms and conditions of a cost share agreement with the State of Minnesota and to present such agreement to the MCCJPA Board for final approval.
2. **50/50 Match.** The MCCJPA staff, attorneys, and consultants are hereby directed and authorized to work with the Authority staff to coordinate the match of dollars from the Authority at 50/50 with the grant dollars received from the State of Minnesota.
3. **Allocation of Funds.** Minnesota funds and the matching Authority funds will be applied in accordance with the following priority order:
 - a. City of Moorhead seven (7) flood control lift station improvement projects.
 - b. BRRWD Wolverton Flood Control Project.
 - c. BRRWD Georgetown Flood Control Project.
 - d. Clay County 37-Foot Road Projects.
 - e. Clay County Holy Cross Access Road.
4. This Resolution shall continue in full force and effect until amended or rescinded by the MCCJPA Board.

Appointment of Representatives of MN Funding

Jason Benson, Diversion Authority, stated on May 27, 2026, the state of Minnesota enacted Chapter 130 of Minnesota Session Laws, Article 1, Section 7, Subdivision 7, paragraph (c), which appropriated \$10,000,000 to the Moorhead-Clay County Joint Powers Authority (MCCJPA) to design, construct, and equip flood mitigation infrastructure in the City of Moorhead. The appropriation included that any money not needed to

complete flood mitigation infrastructure projects in the City of Moorhead may be expended on flood mitigation infrastructure property in Clay County or the Buffalo Red River Watershed District required for the Fargo-Moorhead Area Diversion Project. The \$10,000,000 grant will be administered by the Minnesota Department of Natural Resources (MDNR). The MCCJPA's appointed representatives from the City of Moorhead and Clay County, MN will work directly with the MDNR to complete the MDNR funding applications and any other administrative requirements associated with requesting and receiving the grant funds.

Commissioner Mongeau asked if the Capital Investment funds were still coordinated with the MDNR. Mr. Benson stated that was correct.

Council Member Borgen moved, and Commissioner Mongeau seconded, to approve to Appoint Bob Zimmerman to represent the City of Moorhead, MN and Stephen Larson to represent Clay County, MN on behalf of the MCCJPA to coordinate the funding applications for the \$10,000,000 Minnesota Department of Natural Resources (MDNR) grant that was appropriated by the state of Minnesota on May 27, 2026. Motion Carried.

MDNR Funding Request

Mr. Benson stated the state of Minnesota appropriated \$9,000,000 to the Minnesota Department of Natural Resources during the 2026 legislative session to be utilized for flood mitigation projects. The MCCJPA will request funds from the MDNR for Fargo-Moorhead Area Diversion Project commitments within the state of Minnesota from the \$9,000,000 appropriated funds. The Metro Flood Diversion Authority has committed to match 50/50 any grant funds received by the state of Minnesota.

The current estimate for the seven (7) flood control lift station improvements within the City of Moorhead is \$18,500,000. The current estimates for the Wolverton Flood Protection Project and the Georgetown Flood Protection Project are \$18,320,000 and \$8,650,000 respectively. Any grant funding received from the MDNR through their Flood Hazard Mitigation Grant Assistance program will be matched by the Metro Flood Diversion Authority and will assist in paying for these committed and important flood control projects.

Commissioner Campbell stated this was discussed at the last FM Diversion Planning Committee meeting where he raised the question of if we were successful in receiving any of that \$9 million, if they would also qualify for the matching funds from the MFDA, and according to the Planning Committee, it would qualify. Therefore, if you want the MCCJPA to make a formal request for those funds, are there any ideas on how that should be done. Mr. Zimmerman stated it certainly wouldn't hurt to have the organizations officially request that. Initially Mr. Benson will have a conversation with the DNR staff on how they'll allocate that. Commissioner Campbell asked if there was a formal action that we needed to take to request those funds. Mr. Zimmerman stated formal action has already been taken by submission of the applications, which is good enough for Mr. Benson to fall back on. Commissioner Mongeau stated with this recommendation, it wouldn't hurt to also include and identify representatives from the City of Moorhead, the BRRWD, and the County as those liaisons for this.

Commissioner Mongeau moved, and Member Van Amburg seconded, to approve

MCCJPA to request \$9,000,000 in funding from the MDNR Flood Hazard Mitigation Grant Assistance Program that was allocated to the MDNR during the 2026 Legislative Session to fund flood mitigation projects that are committed to as part of the Fargo-Moorhead Area Diversion Project within the state of Minnesota. Motion Carried.

CONTRACTING ACTIONS

MCCJPA Contracting Actions

Mr. Fisher requested approval of the Crown Appraisals Task Order 6 Amendment 2 to add \$100,000 for additional Eminent Domain support services that are needed.

Commissioner Mongeau moved, and Council Member Borgen seconded, to approve the Crown Task Order 6 Amendment 2. Motion Carried.

REIMBURSEMENT REQUEST

OIN 250 Bye Reimbursement Request

Dale Ahlsten, ProSource, stated OIN 250 was acquired by the MCCJPA in July 2021 for the Red River Control Structure. The 30-acre former farm contained numerous buildings, equipment, and decades of accumulated items inherited and added by owner Kenneth Bye. As part of acquisition negotiations, Mr. Bye was approved for reimbursement for time and travel related to a self-move to clear the property. Due to extended historical review of the milking barn, he was encouraged to continue clearing, with assistance from his brother. His work was recognized as the most cost-effective method for site preparation. Mr. Bye completed clearing to the extent possible and expressed appreciation for the opportunity to do so. Contractors also acknowledged the value of his efforts. Therefore, the table below shows the request for reimbursement for those efforts.

#	OIN	Name	Program Area	Payment Type	Amount
1	250	Ken Bye	UMA	Relocation & Property Clearing Reimbursement	\$18,316.00
2	250	William Bye	UMA	Relocation & Property Clearing Reimbursement	\$ 971.00
Total					\$19,287.00

Commissioner Mongeau moved, and Council Member Borgen seconded, to approve the reimbursement request in the amount of \$19,287.00 for OIN 250. Motion Carried.

ADJOURN

The meeting was adjourned at 1:42 p.m.

Stephen Larson, MCCJPA Secretary