

Moorhead - Clay County Joint Powers Authority (MCCJPA)

Thursday, March 24, 2022, 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 1:00 p.m.

2) ROLL CALL

City of Moorhead: Mayor Shelley Carlson
Council Member Chuck Hendrickson (arrived at 1:10 p.m.)
Council Member Larry Seljevold
Clay County: Commissioner Kevin Campbell (Chair)
BRRWD: Member Gerald VanAmburg

Others Present or on Microsoft Teams:

Joel Paulson, FM Diversion
Jodi Smith, Lands and Compliance Director, Diversion Authority
Attorneys John Shockley, Chris McShane of Ohnstad Twichell Law
Eric Dodds, Jessica Warren, Dean Vetter, AE2S
Scott Stenger and Dale Ahlsten, Prosource
Lisa Kilde, HMG SRF
Stephen Larson, County Administrator, and Colleen Eck, Clay County staff
John Albrecht, Jacobs Engineering

3) APPROVAL OF AGENDA

Member VanAmburg moved, and Council Member Seljevold seconded, to approve the agenda. Motion carried.

4) APPROVAL OF MINUTES

Mayor Carlson moved, and Member VanAmburg seconded, to approve the minutes from February 24, 2022. Motion carried.

5) CITIZENS TO BE HEARD

There were no citizens to be heard.

6) PROJECT UPDATES

a. Property Acquisition Status Report

Mr. Dodds noted that the Property Acquisition Status Report is generated monthly for reference. In the upstream mitigation area, many parcels are now in the negotiation category. The fully acquired parcels and parcels in eminent domain status are also

indicated on the maps. There are parcels marked as impacted parcels which involve ongoing negotiations, and some are wooded lands along the river. Attorney McShane relayed that several of the impacted parcels are going to have flowage easements that will be combined with other financial actions. They have asked Crowne Appraisal to provide a full appraisal report rather than multiple reports.

b. Flowage Easement Public Meetings Recap

Ms. Jodi Smith provided a brief recap from the Flowage Easement Public Meetings in both ND and MN. They had approximately 100 people participating in the meetings. Power point presentation sheets were handed out at the meetings. The presentation along with all the questions and answers will be posted on their website. Some of the questions were on crop insurance. Mr. Dodds added that the focus on these last meetings has really changed from earlier years with less emphasis needed on advocating for the project. Commissioner Campbell noted that everyone was very respectful at the meetings.

7) APPRAISALS AND REPLACEMENT HOUSING DIFFERENTIAL PAYMENT (RHDP)

a. OIN 1305 Appraisal Review 18-23

Mr. John Albrecht referred to the appraisal on the rural residential Mortenson parcel (OIN 1305) that was done last year and recently updated. The Sales Comparison Value is \$190,000 and the required minimum compensation is \$250,000. The four comparable sales of buildable lots value from \$18,829 to \$30,082 per acre.

Member VanAmburg moved, and Council Member Seljevoid seconded, to approve the appraised value of \$250,000 for Michelle Mortenson (OIN 1305) as an offer of just compensation. Motion carried.

b. OIN 1305 RHDP 24-28

Ms. Kilde noted that the comparable they identified is listed at \$184,900, while the value of the adjusted acquisition price is \$170,000. This means they are entitled to a differential payment of \$14,900. That is a use it or lose it payment.

Council Member Hendrickson moved, and Council Member Seljevoid seconded, to approve the Replacement Housing Differential Payment (RHDP) of \$14,900 for OIN 1305. Motion carried.

8) ACQUISITIONS / NEGOTIATIONS

a. OIN 1793 Heartland Seed Negotiation Summary 29-32

Mr. Dodds stated they have been working on this unique property for quite some time and the owner has settled on an administrative settlement. This property would likely be eligible for a reimbursement loan, but the owner is just interested in an administrative settlement. The result of that is around \$1 million savings due to the fact that the owner does not want to start his business over again at his age.

Mr. Stenger stated the two distinct entities are Tom Livdahl and Heartland Seed. They have an agricultural seed business on the site. The first category is the land. The second category is the administrative settlement for the improvements and structures. They calculated replacing the functional equivalent of the business. The third category is the fixture and equipment. They got a recent quote for the large truck scale on the site. The total proposed settlement is the total of \$173,500 for the land; \$1,149,200 for the structures, site improvements, legal fees, and appraisal fees; \$294,800 for M&E fixture value. The owner will take a 20% reduction in the fixture value to salvage some of the equipment. Mr. Stenger highly recommended approval of this settlement.

City Council Seljevold moved, and Mayor Carlson seconded, to approve an administrative settlement of \$1,617,500, including a partial payment of \$400,000 upon execution of the purchase agreement with the balance of the administrative settlement to be paid at closing, which is targeted for October 1, 2022.

9) LAND AGENT REPORTS

Mr. Stenger thanked Mr. Dodds for presenting the recent public meetings. The meeting led to conversations with some of the landowners. Several are in negotiations and close to making deals. They have multiple landowners looking for excess land that MCCJPA wants to sell, especially the organic land.

Ms. Smith noted that she and Mr. Dodds have been working on a proposition for organic land and remnant land.

Ms. Kilde stated they will go forward and work with all the flowage easements along with the upstream mitigation structures that they are currently working with and continue conversations with those individuals.

10) PROPERTY MANAGEMENT

a. OIN 1251 Haying License Agreement 33-42

Mr. Vetter noted this is a Haying License Agreement that was drafted by Onstad-Twitchell. The agreement is with Pete Livdahl for mowing, haying, and weed spraying the 12.02-acre MCCJPA property listed as OIN 1251. The agreement expires October 31, 2022. Mr. Livdahl will keep the hay bales.

Council Member Seljevold moved, and Member VanAmburg seconded, to approve the Haying License Agreement for Livdahl (OIN 1251). Motion carried.

11) CONTRACTING ACTION

a. Work Package 50F Demo/Relocation Package – Schmidt and Sons OIN 8527

Mr. Vetter informed the board that there may be some movement and equipment on OIN 8527 property, but no action is needed on this item. Schmidt and Sons have been given the notice to proceed for demo/relocation on this site.

b. AECOM Historical Structure Surveys and Hazmat Sampling

Part of the requirement before demo/relocation of these homes is to have Historical Structure Surveys done. That work will be done this spring. There are also three houses owned by MCCJPA in Mn that were tested for asbestos. Those houses will be ready for demo/relocation.

12) ADJOURN

The meeting adjourned at 1:45 p.m.

Stephen Larson, MCCJPA Secretary