

Moorhead - Clay County Joint Powers Authority (MCCJPA)

Thursday, May 26, 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
Council Member Larry Seljevold
Clay County: Commissioner Kevin Campbell, Chair
Commissioner Jenny Mongeau (at 2701 13 Ave S, Fargo)

Others Present or on Microsoft Teams:

Jodi Smith, Lands and Compliance Director, Diversion Authority
Attorneys John Shockley and Chris McShane, Ohnstad Twichell Law
Robert Zimmerman, City of Moorhead Engineer
Eric Dodds, Jessica Warren, and Dean Vetter, AE2S
Scott Stenger and Dale Ahlsten, Prosource
Ken Helve, HMG SRF
Stephen Larson, County Administrator, and Colleen Eck, Clay County staff

3) APPROVAL OF AGENDA

Council Member Hendrickson moved, and Mayor Carlson seconded, to approve the agenda. Motion carried.

4) APPROVAL OF MINUTES

Council Member Seljevold moved, and Mayor Carlson seconded, to approve the minutes from April 28, 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 referred to the monthly Property Acquisition Status Report and accompanying maps. Twelve more parcels were acquired in the last month. Progress is being made with a few more of the property owners. The land agents are involved in ongoing negotiations

with more landowners in the Upstream Mitigation Area. They continue to answer landowners' questions in an effort to move toward signed flowage easements.

Commissioner Campbell asked about the letter that this board approved for the process for organic farmlands. Ms. Smith noted the Building Committee unanimously approved the letter at their recent meeting. They forwarded it to the Finance Committee where it was also unanimously approved. It will be presented to the full board following this meeting. Commissioner Campbell noted that the process of prioritization needs to be clear. They had agreed to a one-to-one acre land swap. He believes the land should be offered on a first come, first serve basis. The land agents deal with the organic farmland owners and should be getting the message out that there is scattered organic farmland available. Ms. Smith added that the steps for organic farmland are to identify the value; identify the organic farmland owners; and provide the opportunity for a land exchange. If there is no interest on any of the organic properties, they will hold onto them for possible farmstead relocates. A final step for any remaining land would be a public auction.

7) LAND AGENT REPORTS

Mr. Stenger with Prosource commented that "first come, first serve" answers his question about organic farmland. He is working with some landowners on items such as access and outbuildings. He did not believe any of the organic farmland will get to the auction stage. He added that Ray Kvalvog's two properties on the ND side were just approved with the same agreement that this board approved for his MN properties.

Ken Helve with SRF noted they continue to work with property owners on the flowage easements and continue to reach agreements that are being drafted and signed. The flowage easements on the properties with improvements are more complicated. A number of property owners have filed relocation appeals. Depositions will be next.

8) PROPERTY MANAGEMENT

a. OIN 1790, 1811 Farmland Lease Agreement

Mr. Dodds provided a summary of OIN 1790 and 1811 which are organic farmlands that the Board owns. The current lease agreement is being updated following a portion of land that was sold. The acreage was decreased from 360 acres to 270 acres. They subtracted an expense of \$11,628 for fertilizer application from the rental rate. The rental rate for organic farmland is pretty standard but is a little more than regular farmland. Lynn Brakke had an agreement with the MCCJPA to farm these parcels in 2021. Mr. Stenger confirmed that this land will definitely be farmed organically. Mr. Vetter noted if Mr. Brakke continues to lease it, he can add wording in the next lease agreement pertaining to organic farming.

Commissioner Mongeau commented on an issue she has with organic farmland being priced the same as conventional land but the rental rate for it being higher. Mr. Dodds noted the rental rate is consistent with the rent that Mr. Brakke paid before this board owned it. Pifers, the farmland management experts, negotiated with Mr. Brakke on it.

They were assured this is a fair rate. He added that some of the conventional farmland rates have been discounted for oddly shaped remanent land.

Council Member Seljevold moved, and Mayor Carlson seconded, to approve the farmland lease agreement with a rental rate of \$200/acre for OIN 1790 and 1811. Motion carried.

9) CONTRACTING ACTIONS

a. MCCJPA Crown Appraisals Task Order 4 - Amendment 0

Mr. Dodds noted that the two task orders today are for appraisals of Phase Three Flowage Easements. This is for properties that are non-tillable, have building sites, or riverfront, wood, and grassy areas in the Upstream Mitigation Area (UMA). They were not part of the Phase Two study. These task orders will complete the upstream appraisal work with a few exceptions near Wolverton. These properties are mostly small pieces of land. Crown Appraisals had previously done work on these parcels. It is advantageous to have one appraiser do all the work on a parcel. A cost per acre may not be appropriate because the same work has to be done on each parcel regardless of size. The summary report was pointed out in the meeting packets. The consulting services are \$125,000. The project dates are from May 27, 2022, to November 30, 2024. The fees and expenses for eminent domain proceedings were listed.

Commissioner Mongeau moved, and Council Member Seljevold seconded, to approve MCCJPA Crown Appraisals Task Order 4 Amendment 0 for \$125,000. Motion carried.

b. MCCJPA Compass Land Consultants Task Order 3 - Amendment 0

This task order is to appraise Phase Three Flowage Easements for non-tillable lands, building sites, and wood/wet/grass areas in the UMA. The parcels in Phase Three have been split into two packages based on property type and location to allow for expedient appraisal reports. This task order covers a portion of those appraisals needed. When they were seeking prices, Compass Land Consultants came in lowest. The Executive Director has reviewed and recommends approval of Task Order 3 Amendment 0 for \$29,000 with dates from May 27, 2022, to August 31, 2024.

Mayor Carlson moved, and Council Member Seljevold seconded, to approve MCCJPA Compass Land Consultants Task Order 3 Amendment 0 for \$29,000. Motion carried.

Mr. Vetter added that related to the Brakke farmland lease, the boundary between the two properties has been staked.

12) ADJOURN

With no further business, the meeting adjourned at 1:30 p.m.

Stephen Larson, MCCJPA Secretary