

Moorhead - Clay County Joint Powers Authority (MCCJPA)

Thursday, May 27, 2021, 1:00 p.m.

Virtual Meeting held through Microsoft Teams Meeting

MINUTES

1) **CALL TO ORDER**

The meeting was called to order by Commissioner Campbell at 1:00 p.m.

2) **ROLL CALL**

City of Moorhead: Mayor Shelly Carlson
Council Member Chuck Hendrickson
Council Member Larry Seljevold (June)

Clay County: Commissioner Kevin Campbell
Commissioner Jenny Mongeau

BRRWD Board: Member Gerald VanAmburg

Others Present:

Joel Paulson, Diversion Executive Director
Attorney John Shockley, Attorney Chris McShane, Katheryn DelZoppo, and Sharon Oliver,
Ohnstad Twichell Law Firm
Eric Dodds, Jessica Warren, and Dean Vetter, AE2S
Bob Zimmerman, Moorhead City Engineer
Ken Helde and Lisa Kilde, HMG SRF
Ted Preister, Red River Basin Commission
Dale Ahlsten, Prosource
Pat Roberts, ProSource
John Albrecht, Jacobs Engineering
Kylie Beard and Greg Thielman, Houston Engineering
Stephen Larson, County Administrator, and Colleen Eck, Clay County staff
Kenneth Bye, property owner

3) **APPROVAL OF AGENDA**

Member VanAmburg moved and Mayor Carlson seconded to approve the agenda. Motion carried.

4) **APPROVAL OF MINUTES**

Council Member Hendrickson moved and Mayor Carlson seconded to approve the minutes from April 22, 2021 with additional names under "Others Present": Scott Stenger and Dale Ahlsten. Motion carried.

5) **PROJECT UPDATES**

A. Property Acquisition Status Report

Mr. Dodds referred to the Property Acquisition Status Report that is generated monthly and details the status of the land acquisitions, easements, and rights-of-entry.

The legend shows the number of parcels acquired. Parcels are added each month. There are 90 parcels and 28 property owners in eminent domain. The slight increase is due to parcel splits. They are focusing on negotiations for the Drain 27 Wetlands Project, the Red River Control Structure, the Southern Embankment Reach 2A by Horace, and a scattering of parcels in the upstream area. A summary was shown of the Environmental Monitoring Easements acquired and outstanding. More easements have been signed since the map was produced 10 days ago. In the Upstream Mitigation Area in Minnesota the parcel counts exclude any properties in the City of Wolverton.

B. Project Compliance Audit

The Diversion Authority has been managing compliance checks/audits over the years for the contractors. The land agents have been advised that their audits will be forthcoming and most likely will just be desktop audits.

Design meetings continue with the USACE on the Drayton Dam Replacement Project. The City of Drayton has agreed to take on the role of acquiring land and to be the permit applicant. The Environmental Assessment Worksheet (EAW) was approved last month, and that comment period ends on Friday. Drayton likes the dam for fishing and other activities and are supportive of the project.

Dr. Dodds commented that the team has been working on information for flowage easement evaluations for the past month. He shared a new page that is now on the Diversion's website with details of the flowage easement evaluations. There is also a link on the page for a 30-minute video with more explanation about the valuation process for property owners. A map was pointed out of the upstream area showing the different mitigation zones. The appraisal team and land agents are sharing this information with the property owners. Mr. Paulson commented that he has also shared this new information with the MnDOT Upstream Coalition. They are reviewing it and will be providing their feedback. Overall, he has received positive comments on the new resources available for flowage easement questions.

Mr. Paulson also commented on being in the final stages of determining the make-up of the Dispute Resolution Board. This would be for any claimants who have issues that are not being taken care of through the traditional mitigation programs. Each County along the Red River that is impacted by the project will have one member on this Board along with a member from the Upstream Coalition. If there is a dispute, a three-member board will be chosen from the Dispute Resolution Board. In June or July, a Dispute Resolution will be brought forward to each of the counties for approval. Each County would be asked to provide a candidate with some sort of real estate or finance background. Depending on which County the dispute may be in, that member would chair a three-member group for disputes and the two other members would be chosen at random. The process will not take effect until the project is in operation.

6) PROPERTY ACQUISITION

A. Red River Control Structure Parcels (OINs 251, 24, and 9325)

Mr. Dodds confirmed that the last written offer letters were mailed out yesterday for these three parcels: OINs 251, 24, and 9325). There should be updates on them within the next week or so.

7) LAND AGENT REPORTS

Ms. Ahlsten from Prosource, reported they are working on obtaining Environmental Monitoring Easements. Nearly 60% of the easements needed have been signed. A handful have flatly declined. They will keep pushing to meet with some of the other property owners.

Mr. Helde from HMG SRF stated they have just a handful of Environmental Monitoring Easements on the MN side but have a few property owners who are pushing back because of the money. They are working with several rural single family residential property owners on appraisals. They are waiting to hear back on a couple of offers that they have made.

8) REPLACEMENT HOUSING DIFFERENTIAL PAYMENT (RHDP)

A. OIN 1670 RHDP

A brief cover memo was provided in the packets for displaced occupants who are typically eligible for Replacement Housing Differential Payments.

Mr. Helde noted that when a property has been acquired it may have some components to it that they cannot find with other properties. When that occurs, they do a carve-out by making an adjustment to the appraisal amount. They work with an appraiser on the determination. They valued the Ness' dwelling and identified a comparable property listed at \$349,900; however, it is a smaller site without outbuildings. The analysis of comparable properties was reviewed. Mr. Helde just spoke to the owner about the appraisal. The owner needs to document what is spent to get the differential payment which is in addition to the appraisal.

Motion made by Council Member Hendrickson and seconded by Member VanAmburg to approve a Replacement Housing Differential Payment up to \$95,900 for OIN 1670. Motion carried.

9) CONTRACTING ACTIONS

A. Task Order 3, Amendment 0, Crown Appraisals

Mr. Vetter, AE2S, noted that this new task order for \$22,000 is for appraisals on nine different parcels with organic farmland. One of the parcels is already owned by MCCJPA. The Diversion Authority has a commitment to offer an early buyout of any organic farmland that is impacted by the project. The appraisals would give them a basis for making offers to any owners who are wishing to sell.

Mr. Dodds added the 5% bonus to the appraisers if they meet the Diversion Authority's schedule has been effective.

Motion made by Member VanAmburg and seconded by Council Member Hendrickson to approve Task Order 3, Amendment 0 for Crown Appraisals for \$22,000. Motion carried.

B. Task Order 2, Amendment 1, Integra Realty

Mr. Vetter informed the Board that this task order amendment for Integra Realty is for \$49,000 and would add 11 appraisal reports to the existing task order. The list of parcels being added is on page 56 of the packets. This item has been approved through the internal process. It is a combination of structure sites in the upstream mitigation area. The appraisals are to propagate the start of the negotiations. These are the last of the rural building sites to be appraised on the MN side.

Motion made by Council Member Hendrickson and seconded by Mayor Carlson to approve Task Order 2, Amendment 1 for Integra Realty. Motion carried.

C. OIN 1847 Lease-back Agreement

The property owner of OIN 1847 requested extending their lease-back agreement to March 31, 2022, due to upcoming retirements. This property was already purchased by the Diversion Authority. The property is in the upstream area and the extension would not impact the project timeframe. The request is to modify the end date only.

Motion made by Mayor Carlson and seconded by Council Member Hendrickson to approve the OIN 1847 lease-back agreement. Motion carried.

10) ADJOURN

The meeting adjourned at 1:45 p.m.

Stephen Larson, MCCJPA Secretary