

**CASS COUNTY JOINT WATER RESOURCE DISTRICT
OCTOBER 28, 2009**

1. MEETING CALLED TO ORDER

A meeting of the Cass County Joint Water Resource District Board was held on October 28, 2009 at 1:00 PM in the Moore Engineering, Conference Room, West Fargo. Tom Fischer, Southeast Cass Water Resource District Manager called the meeting to order and called for introductions.

Cass County Joint Water Resource District (CCJWRD) members present were: Mark Brodshaug, Southeast Cass Water Resource District; Rodger Olson, Maple River Water Resource District; and Michael R. Buringrud, North Cass Water Resource District. Absent was Raymond Wolfer, Rush River Water Resource District.

Elected officials present were: Scott Wagner, Cass County Commissioner; Darrell Vanyo, Cass County Commissioner; Brad Wimmer, City of Fargo Commissioner and Kevin Campbell, Clay County Commissioner

Staff Members present were: Pat Zavoral, Fargo City Administrator; Mark Bittner, Fargo City Engineer; Bonnie Johnson, Cass County Administrator; Keith Berndt, Cass County Engineer and Nathan Boerboom, City of Fargo Civil Engineer II.

Congressional Delegation Staffers present were: Joan Carlson from Congressman Pomeroy's Office, Pam Gulleson from Senator Dorgan's Office, and Scott Stofferahn from Senator Conrad's Office.

Others present were: Jeffry Volk, Moore Engineering; Lee Beauvais, Moore Engineering; Lance Yohe, Administrator, Red River Basin Commission; Jake Gust, Southeast Cass Water Resource District; Kimberly Bomstad, Cass County Joint Water Resource District; Carol Harbeke-Lewis, Cass County Joint Water Resource District; Mark Thelen, Southeast Cass Water Resource District; Cindy Stoick, Cass County and Mike Nowatzki, The Forum.

2. REVIEW OF ALTERNATIVES STUDIED BY THE ARMY CORPS OF ENGINEERS, INCLUDING BENEFIT/COST INFORMATION

Mr. Fischer said the Army Corps of Engineers (COE) is continuing the process of studying diversion options on the North Dakota as well as Minnesota sides of the Red River, with cost estimates ranging from approximately \$1 billion to nearly \$1.4 billion. Moore Engineering presented a graph outlining flood stage levels for 50, 100 and 500 year floods. The graph included existing conditions as well as 25K, 35K and 45K capacity diversions. Mr. Wimmer requested the graph be simplified and paper copies made available allowing easy explanation of the project to citizens.

3. CASS COUNTY JOINT WATER RESOURCE DISTRICT (CCJWRD) ACTIONS

Mr. Fischer stated the CCJWRD, which consists of five voting members passed a resolution in support of a diversion on the North Dakota side of the Red River. A benefit cost (b/c) ratio of 1.00 is necessary to receive federal funding for the project. Five of the six options on the Minnesota side meet the COE criteria for federal funding, while reaching the required b/c ratio for two options on the North Dakota side is a possibility. The forced closing of the Interstate 29 trade corridor north of Fargo during the last two flood events will have an

impact on the b/c ratio for the diversion on the North Dakota side. Mr. Fischer is optimistic about one of the North Dakota options meeting the b/c ratio.

Mr. Volk said a decision needs to be made regarding which options to continue studying and it is important to consider the local preferred plan. By December 1st the COE needs a decision from the Fargo-Moorhead Metropolitan Feasibility Study Work Group whether to put the diversion on the North Dakota or the Minnesota side. Mr. Fischer said they need to be forward thinking regarding funding so funding sources can be put together. Mr. Campbell said after researching funding options for a diversion on the Minnesota side, he found bond money to be unavailable if the project goes outside the state line. At that point any funding would need to come from the Minnesota general fund.

Fargo City Commissioner Tim Mahoney arrived at the meeting.

Mr. Fischer stated the Fargo-Moorhead Feasibility Study Work Group will remain in place until the project is complete answering a question previously asked by Mr. Zavarol. Mr. Volk said a project sponsor needs to be named and a common board should be developed to ensure fairness to all entities involved. Mr. Brodshaug stated the CCJWRD is offering themselves as the project sponsor. The CCJWRD has the ability to create a tax assessment district for a flood control project, however; it must receive at least 50 percent approval from the voters. Should this pass and an assessment district put in place, properties would be assessed according to benefit received from the project. Mr. Volk said a water resource district can collect money to maintain a project even during the time it is being paid for.

Mr. Bittner asked if Minnesota entities would have similar options regarding collecting for the project. Mr. Campbell replied there may be some challenges, a watershed district could possibly be used, however; if not special legislation would be required.

Mr. Fischer stated putting the diversion on the North Dakota side would provide the best for everyone involved including, protection from overland flooding for people along the Maple and Sheyenne Rivers. Mr. Wagner supported the North Dakota diversion stating it provides the largest amount of protection. He said Cass County would have three options for generating revenue for their share in a project, including imposing a sales tax which would generate approximately \$11 million per year; raising the county mill levy above the current cap of 75 mills or developing a special assessment for this purpose. To impose a sales tax increase or mill levy above the 75 mill cap would require a vote of the people. He added, on a home valued at \$100,000 an increase of 10 mills would cost the homeowner an additional \$45 per year. Ten mills would generate \$4.5 million per year.

Mr. Zavarol said a 45 cubic foot diversion on the North Dakota side would need to meet the b/c ratio of 1.00, which it does not at this time, however; a 25 cubic foot would meet the b/c ratio of 1.00. Mr. Volk said studies are underway in an effort to arrive at an appropriate size, however; this information will not be available for the November 5th meeting. Mr. Mahoney asked if it would be acceptable to do a larger project than recommended by the COE if the participating entities are able to come up with additional funding needed for a larger project. The group will get clarification on funding options.

4. REVIEW OF LOCAL DECISIONS TO BE MADE

Mr. Fischer stated it is the decision of the local participating entities to determine what the needs and wishes are for this project. He reminded the group that this project is a need, not

an alternative, however; it is important to be sensitive to the needs of other areas of the state which have also struggled with natural disasters.

Ms. Gulleson said once the group has identified a plan, legislative staff will work to secure federal funding.

Mr. Gust said the construction of a diversion may cause further issues upstream and a reservoir or dam may be needed to protect residents and property to the north. The cost for some type of protection could be approximately \$75 to \$100 million. Mr. Wimmer questioned if there could be issues regarding flooding in southern Canada. Mr. Fischer said southern Canada has done a sizeable amount of ring diking for protection.

5. GOVERNANCE—HOW WILL LOCAL DECISIONS BE MADE?

Mr. Fischer said there will be matters to be worked through regarding the decision making process.

6. PUBLIC COMMUNICATION

Mr. Buringrud said it is important to get smaller communities and townships involved in the project. Mr. Yohe stated he has attended meetings in communities upstream and found considerable concern for future flooding. These communities feel it is pertinent to get some type of protection in place as they felt flooding upstream has increased in severity since the construction of the Grand Forks diversion.

7. CHALLENGES FACING NORTH DAKOTA DIVERSION

Mr. Volk cautioned against linking projects such as dams and reservoirs with diversions and levees, as linking such projects would make it difficult to get funding for a diversion project in place. Communication with neighboring cities is vital, as the project will have a different impact on each community. Ms. Gulleson said this is a process with many decision points before a final project decision is reached.

Mr. Fischer said the COE will hold an environmental impact meeting regarding the proposed diversion project at 9:00 AM on Thursday, October 29th in Centennial Hall.

Congressional delegates will work with the COE regarding Executive Order 11988.

8. ADJOURNMENT

The meeting was adjourned at 2:55 PM. A meeting of the Fargo-Moorhead Metropolitan Feasibility Study Work Group will be held on Thursday, November 5th at 3:30 PM at Fargo City Hall.