

**Minutes of Meeting
Souris River Joint Water Resource Board
Thursday, July 13, 2021**

A meeting of the board of directors of the Souris River Joint Water Resource Board was called to order by Chairman David Ashley at 4:00 p.m. on Thursday, July 13, 2021, at the Alerus Center in the City of Grand Forks, North Dakota. Joint Board members in attendance were Chairman David Ashley, Tom Klein, and Clif Issendorf. Dan Jonasson and Dan Steinberger joined via Microsoft Teams. Chairman David Ashley called the meeting to order and announced that a quorum was present. A roster of those who attended the meeting is attached as Attachment A.

The Joint Board discussed the proposed Agenda for the meeting. Ryan Ackerman added three Agenda Items, including Item 8A (CP Rail Memorandum of Understanding), Item 9B (Relocation Cost Share Agreement) and Other Business (DOD Grant).

Clif Issendorf made a motion to approve the agenda. Tom Klein seconded the motion. The motion passed without opposition.

The draft minutes from the June 3, 2021 regular meeting and June 18, 2021 special meeting were discussed.

Tom Klein made a motion to approve the Minutes from the June 3, 2021 regular Joint Board meeting and June 18, 2021 special meeting. Clif Issendorf seconded the motion. The motion passed without opposition.

The Joint Board discussed the Budget Report included in the July Board Packet. Ryan Ackerman explained the Balance Sheet and Budget Report included in the Board Packet.

Clif Issendorf moved to approve the payment of bills. Tom Klein seconded the motion. A roll call vote was cast. The motion passed without opposition.

The Joint Board discussed the bills set forth in the July Board Packet totaling \$6,087,923.01.

Tom Klein moved to approve the payment of bills. Clif Issendorf seconded the motion. A roll call vote was cast. The motion passed without opposition.

Ryan Ackerman presented on the Cost Share Biennium Reconciliation. As the 19-21 biennium unfolded, two significant changes were made to the work plan that included additional rural acquisitions. Within Minot, Phase MI-5 (Northeast Tieback Levee) was modified to eliminate two levee crossings of the BNSF Railroad. As a result, the overall project cost of this phase was reduced from an estimate \$129 million to \$75 million. Because the eastern end of this phase of the project extends past Minot's city limits, rural acquisition funding was utilized to acquire three industrial properties totaling \$2.1 million (\$1.6 million State funds). In addition, Talbott's Nursey was voluntarily offered for sale to the Souris River Joint Board by the financial institution that had foreclosed on the property. Following negotiation, the property was acquired for approximately \$0.4 million (\$0.3 million State funds). The acquisition of this property eliminates the need for a new levee to be constructed at this location, thereby eliminating approximately \$5 million in future project costs. In summary, the acquisitions associated with the Northeast Tieback

Levee in Minot were part of a redesign that saves the project approximately \$54 million, and the acquisition of Talbott's Nursery eliminates the need for a levee in the area, saving the project approximately \$4.4 million. These two actions save the project approximately \$58 million.

To date, the SRJB has sold 29 structures and has collected a gross revenue of \$232,957 associated with the resale of those structures. The funding is then reimbursed to the agencies who provided the funding at the original cost share amounts, with the expressed understanding that the funding will be retained for future disbursement back to the SRJB for eligible program activities. In the case of the StARR Program, the cost share was 60% State of North Dakota and 40% City of Minot. In the case of Rural Acquisitions, the cost share was 75% state of North Dakota and 25% City of Minot.

Cliff Isendorf moved to disburse \$68,260.15 to the State Water Commission for overpayment of 19-21 biennium funding related to rural acquisitions and direct the Administrator to secure cost share of the same amount from the 21-23 biennium funding allocation for the acquisitions related to the overpayment. Dan Steinberger seconded the motion. David Ashley commented that he personally did not feel the account was overdrawn. A roll call vote was cast. The motion passed without opposition.

Tom Klein moved to (1) disburse \$136,344.83 to the State Water Commission for resale of StARR structures; (2) disburse \$1,156.13 to the State Water Commission for resale of Rural structures; (3) disburse \$90,896.56 to the City of Minot for resale of StARR structures; and (4) disburse \$385.38 to the City of Minot for resale of Rural structures. Cliff Issendorf seconded the motion. A roll call vote was cast. The motion passed without opposition.

Jerry Bents from Houston Engineering provided the Joint Board with an update on Phase MI-1. This phase is 90-95% complete. A Project Status Report from Houston Engineering is contained in the July Board Packet. Jerry Bents showed a drone video flight to show progress on Phase MI-1.

Jerry Bents provided an update on Phase MI-4A design work. The Project Status Report from Houston includes information regarding Phase MI-4A is contained in the July Board Packet. Jerry Bents showed a drone video flight to show progress on Phase MI-4A.

Ryan Ackerman provided information on the CP Rail Memorandum of Understanding.

Dan Jonasson moved to approve the Memorandum of Understanding ("MOU") with Soo Line Railroad Company d/b/a Canadian Pacific ("CP") and authorize the chairman to sign the necessary contracts on behalf of the Souris River Joint Board. Cliff Issendorf seconded the motion. Dan Steinberger questioned maintenance in the "future" (i.e. will it be for 50 years, 100 years, etc.). Ryan Ackerman explained typically these life cycle cost analyses look at design life of structure. Cliff Issendorf questioned whether maintenance will be paid for that long. Ryan Ackerman explained the SRJB will pay the increased maintenance cost that is attributable to the flood control project. David Ashley and Jerry Bents commented this is good progress and consistent with other projects. A roll call vote was cast. The motion passed without opposition.

Jerry Bents provided an update on Phase MI-5 design work. Design is 100% complete and USACE is reviewing and expected to be complete in October. The Project Status Report from Houston that includes information regarding Phase MI-5 is contained in the July Board Packet.

Ryan Ackerman discussed structure relocation within Phase MI-5. Dan Jonasson added that there have always been plans to build storage and initial estimate was around \$600,000. This building has twice as much room for half that cost. Cliff Issendorf questioned adding more access being added. Dan Jonasson said looking at adding overhead doors. The recommended action was to authorize the relocation of structures to property owned by the City of Minot for public purposes including flood control.

Cliff Issendorf moved to authorize the relocation of structures to property owned by the City of Minot for public purposes including flood control. Dan Jonasson seconded the motion. A roll call vote was cast. The motion passed without opposition.

The SRJB discussed a Relocation Cost Share Agreement. A Table within the July Board Packet contained utility relocation costs of Souris River Telephone (SRT), Montana-Dakota Utilities (MDU), Midco, Xcel Energy, and BNSF. Relocation costs total \$1,039,200.00. The total SRJB Cost is estimated at \$563,600.00.

Tom Klein moved to authorize the initial additional authorization based on the estimated cost of relocation of utilities and actual payment down the road. Dan Steinberger seconded the motion. A roll call vote was cast. The motion passed without opposition.

Jason Westbrook with Barr Engineering provided an update to the Joint Board regarding construction of Phases MI-2/3. A Project Status Report is contained in the July Board Packet. Ribbon cutting on June 26, 2021 was a success.

Jason Westbrook also provided an update to the Joint Board regarding construction of Phase BU-1, including a drone video flight to show progress of Phase BU-1. A Project Status Report is contained in the July Board Packet.

Jason Westbrook provided an update to the Joint Board regarding construction of Phase WC-1. A Project Status Report is contained in the July Board Packet. A drone video flight showed progress of this phase.

The Board discussed authorization to utilize quick take eminent domain on the Wayne Moe property. Acquisitions associated with Phase WC-1 of the Tierrecita Vallejo Levee reach have been ongoing and negotiations have stalled. The acquisition team has been working with the property owner to find amicable solutions. However, the acquisition team feels it is necessary to engage Ward County to begin the legal process of quick take eminent domain. Action was recommended to request that Ward County approve the use of quick take and that SRJB authorize a deposit of funds with the county pending approval of the Ward County Commission.

Dan Jonasson moved to authorize the Souris River Joint Board acquisitions team to formally request Ward County approve the use of the quick take eminent domain process for the property right necessary on the land owned by Wayne Moe AND authorize a deposit of funds with the county clerk and proceed with quick take eminent domain, pending approval by the Ward County Commission. Dan Steinberger seconded the motion. Cliff Issendorf questioned necessity of seeking Commission approval and Jack Dwyer explained that is a required last step to take possession of the property. Tom Klein questioned whether SRJB has quick take authority for water projects. Jack Dwyer explained Water Resource Districts do have this statutory right when state or federal funds are being used and when an easement right is being acquired. A roll call vote was cast. The motion passed without opposition.

Ryan Ackerman provided the Joint Board with an update regarding the StARR Program. Ryan Ackermann indicated the StARR Program is winding down.

Troy Borchard from HDR Engineering provided an update regarding Rural Bridges. A Project Status Report from HDR Engineering is contained in the July Board Packet. Ryan Ackerman commented about a proposal which had been presented to the City of Velva where they would pay for incremental cost increase associated with making the bridge wider to accommodate a shared used project, but Velva has since declined that.

Ryan Ackerman presented information on the DOD Grant. This is a funding opportunity and City of Minot is the eligible applicant. Senator Hoeven indicated it could potentially be used for flood control. Applied for \$9,840.892 million in funding of \$23,618,141 project cost. Flood wall from 5th Street Northeast to 12th or 13th Street Northeast.

The Joint Board took note of future meetings and events as set forth in the July Board Packet.

There being no further business to discuss, Tom Klein made a motion to adjourn. Clif Issendorf seconded the motion. The meeting was adjourned.

Next regular meeting is scheduled for August 5, 2021 at 4:00 p.m. at the Community Room at the Minot Auditorium.



Jack Dwyer
Legal Counsel