

Minutes of Meeting

Souris River Joint Water Resource Board

Thursday, July 13, 2017

A regular meeting of the board of directors of the Souris River Joint Water Resource Board was called to order by Chairman David Ashley on Thursday, July 13, 2017, in the Forum Room of the Holiday Inn in Minot, North Dakota. Joint Board members attending the meeting were Dave Ashley, Clif Issendorf, Roger Sauer, Tom Klein and Dan Jonasson.

The Joint Board discussed the proposed Agenda for the meeting. The Joint Board added CPN Agreement Discussion as Agenda Item No. 13.a, and the Joint Board added StARR Committee Discussion as Agenda Item No. 13.b under "Other Business." Clif Issendorf made a motion to accept the Agenda, as amended. Dan Jonasson seconded the motion. The motion was approved without opposition.

The draft Minutes of the June 8, 2017, meeting were discussed. Dan Jonasson made a motion to approve the Minutes of the June 8, 2017, meeting as presented, and Roger Sauer seconded the motion. The motion was approved without opposition.

The Joint Board discussed Agenda Item No. 4 regarding bills. The following bills were discussed:

- Barr Engineering	Environmental & Design	\$18,426.90
	MI-2A Construction Perkett	\$101,749.75
	MI-2B Construction SVGC	\$1,102.50
	StARR Program	\$28,387.50
	BU-1 Burlington	\$544,340.42
	Outlaw Creek	\$8,064.00
	USACE Feasibility Study	\$15,927.00
- Houston Engineering	Environmental & Design	\$212,922.08
	SWIF – Outfall Pipes	\$262.50
	MI-5 4 th Ave. Tieback	\$316,987.58
- Ackerman-Estvold	Administration	\$15,972.61
	USACE Feasibility Study-WIK	\$13,077.50
- HDR Engineering	BU-1MI-5 Ind Ext Review	\$28,392.92
- Scherbenske Inc.	MI-2A Construction Perkett	\$319,208.44
- Dwyer Law Office	Legal	\$10,661.00
- MDU	StARR Program Acq. Utilities	\$28.13
- Verendrye	StARR Program Acq. Utilities	\$154.02
- TOTAL		\$1,635,664.85

Dan Jonasson made a motion to approve the bills in the amount of \$1,635,664.85, as presented. Tom Klein seconded the motion.

Jerry Bents provided an update to the Joint Board on Phases MI-1 and MI-5. Jerry Bents directed the Joint Board's attention to the Project Status Report included in the Board Packet at page 226 through page 230.

Jason Westbrook provided an update to the Joint Board on Phase MI-2/3 and BU-1 and Outlaw Creek. Jason Westbrook directed the Joint Board's attention to the Project Status Report included in the Board Packet at page 231 through 234. Dan Jonasson requested that Ryan Ackerman provide an explanation regarding the status of the EIS, 404, and 408 permitting requirements. Ryan Ackerman indicated that the project was scheduled for a bid opening in September of 2017, which would allow construction to occur in 2017, however the MREFPP will need to obtain final EIS record of decision prior to the construction contract being awarded. Ryan Ackerman indicated that the MREFPP will likely obtain final EIS record of decision on August 14, 2017. In addition, final 404 and 408 permitting, FEMA updated map revisions (LOMR), and ND SWC permitting for construction will all need to be finalized prior to the construction contract being awarded.

Ryan Ackerman provided the Joint Board with an proposed Borrow Agreement, by which the SRJB can obtain suitable fill material for the MREFPP. Ryan Ackerman indicated that the previous Borrow Agreement site obtained by the Joint Board was compromised as the Fish and Wildlife Service determined that the previous Borrow Agreement site was likely suitable habitat for the endangered Dakota Skipper butterfly. Ryan Ackerman indicated that the new Borrow Agreement site would render similar costs to the Joint Board in terms of excavation, but Ryan Ackerman indicated that the royalty charged by the landowner was less, and could lead to an estimated \$100,000.00 in cost savings over the first Borrow Agreement site. Dan Jonasson made a motion to approve the proposed Borrow Agreement, and Roger Sauer seconded the motion. The motion passed without opposition.

Emily Huettl provided the Joint Board with an update regarding the StARR Program. Emily Huettl indicated that the Joint Board has acquired 27 structures to date, and that the Joint Board has entered into an additional 40 agreements with other StARR Participants, which have not yet closed. Emily Huettl indicated that one structure relocation was currently underway in McHenry County, and that \$8 million of the initial \$12 million dollar budget has been spent. Emily Huettl indicated that her staff had attempted to contact the owners of the KOA campground property to determine the owners' interest in participating in the StARR Program.

A discussion ensued regarding future funding of the StARR Program. Ryan Ackerman reported to the Joint Board that the original budget was \$24 million, and that after the StARR Program has obligated \$12 million in StARR acquisitions, demolitions, and relocations, the Joint Board will approach the State Water Commission for additional funding. Ryan Ackerman indicated that the additional funding is potentially available. Clif Issendorf requested that Emily Huettl inform landowners that the StARR Program is viable only to the extent that it has additional funding, and that if landowners fail to act, they could potentially lose out on the opportunity to participate in the StARR Program. The Joint Board instructed the public to report any instances of blight to the appropriate county office, as the StARR Program is a voluntary program.

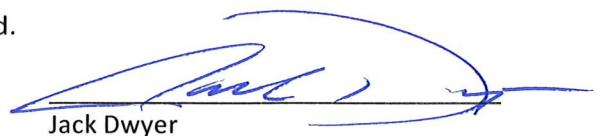
Emily Huettl asked the Joint Board to consider approving and authorizing the Chairman to sign the Advertisement for Bids included in the Board Packet on Page 245 for the demolition of 22 flood damaged structures on 7 different properties. Dan Jonasson inquired whether the Joint Board would receive more competitive bids if the contractors had additional time to demolish the different structures. Emily Huettl indicated that the contractors can bid on the several properties separately. Roger Sauer made a motion to approve and authorize the Chairman to sign the Advertisement for Bids, as presented. Dan Jonasson seconded the motion. The motion passed without opposition.

Ryan Ackerman provided the Joint Board with an update regarding the USACE Feasibility Study. Ryan Ackerman indicated that not much had changed since the previous update, and directed the Joint Board's attention to the memorandum included in the Board Packet at page 247.

The Joint Board addressed a Cost Participation and Maintenance Agreement, attached as Attachment A. Ryan Ackerman explained to the Joint Board that the Agreement provides that the ND DOT pays for the highway elements, and that the Joint Board provides payment for the upgrades necessary for flood control, of the project described in the Agreement. Dan Jonasson commented that the Agreement also gives the Joint Board access to ND DOT right of way. Clif Issendorf moved to approve the Cost Participation and Maintenance Agreement, and Dan Jonasson seconded the motion. The motion was approved without opposition.

The Joint Board then discussed the StARR Appeals Committee. Clif Issendorf made a motion to include all Joint Board Members on the StARR Appeals Committee. Tom Klein seconded the motion. Clif Issendorf indicated that the Joint Board has not had enough information to make informed decisions. He also indicated that most appeals are taking place in Ward and McHenry County, and the two StARR Appeals Committee members who serve on the Joint Board are from Renville and Bottineau. Roger Sauer suggested that, as an alternative, none of the Joint Board members serve on the StARR Appeals Committee, and that it would be problematic to find time to get all of the Joint Board members together. Dan Jonasson suggested that the Joint Board would need to comply with open meetings and records statutes if all members of the Joint Board served on the StARR Appeals Committee. Ryan Ackerman indicated that, moving forward, the Joint Board will be provided with all of the information the StARR Appeals Committee is provided. Dave Ashley suggested that the Joint Board continue to rely on the StARR Appeals Committee, which is made up of three knowledgeable professionals in the real estate industry and two Joint Board members who have an understanding of the rationale behind the StARR Policy. Dave Ashley expressed concern regarding the possibility of inconsistent application of the StARR Policy if the StARR Appeals Committee was changed at this time. A vote was cast on the motion. Clif Issendorf voted yes. Dan Jonasson voted no. Tom Klein voted yes. Roger Sauer voted no. Dave Ashley voted no. The motion failed.

There being no further business, the meeting was adjourned.


Jack Dwyer