



**Diversion Authority Finance Committee – Virtual Meeting  
Meeting Minutes  
4:00 P.M. - Wednesday, March 25, 2020  
Diversion Authority Office, Civic Center  
Fargo, North Dakota**

Permanent, Reliable Flood Protection

**1. MEETING TO ORDER**

The Diversion Authority Finance Committee held a virtual meeting Wednesday, March 25, 2020, at 4:00 PM in the Diversion Authority Office. The following committee members were present: Fargo City Commissioner Tony Gehrig; Fargo City Commissioner Tony Grindberg; Moorhead City Councilman Chuck Hendrickson; Fargo City Mayor Tim Mahoney; Moorhead Finance Director Karla McCall; Cass County Auditor Michael Montplaisir; Cass County Commissioner Chad Peterson; Fargo City Assistant Administrator Michael Redlinger; and Cass County Commissioner Rick Steen were present via telephone or videoconference. Fargo Finance Director Kent Costin; Cass County Joint Water Resource District Chairman Dan Jacobson; and Clay County Auditor/Treasurer Lori Johnson were absent.

Diversion Authority Executive Director Joel Paulsen was also present.

**2. APPROVAL OF MINUTES FROM PREVIOUS MEETING**

***MOTION, passed***

**Mr. Peterson moved and Ms. McCall seconded to approve the minutes from the February 26, 2020, meeting as presented. Motion carried.**

**3. APPROVAL OF BILLS**

***MOTION, passed***

**Mr. Montplaisir moved and Mr. Peterson seconded to approve the bills in the amount of \$7,862,639.30, and to forward them to the Metro Flood Diversion Authority.**

**On roll call vote, the motion carried unanimously.**

Mr. Hendrickson and Mr. Steen joined the meeting.

**4. FINANCIAL REPORT**

Mr. Montplaisir reviewed the financial report for February. The total disbursed for the project to date is \$533,706,555. The net position is \$96.5 million.

***MOTION, passed***

**Mr. Hendrickson moved and Mr. Montplaisir seconded to receive and file the Financial Report for February as presented. On roll call vote, the motion carried unanimously.**

## 5. **CONTRACTING ACTIONS**

Diversion Authority Executive Director Joel Paulsen thanked the committee for meeting virtually. While somewhat cumbersome, it will allow the diversion project to continue moving forward at this time.

Mr. Paulsen reviewed the following contracting actions:

- Braun Intertec Corporation (Master Services Agreement)—geotechnical consulting services through December 31, 2022;
- Houston-Moore Group, LLC (Master Services Agreement)—professional services, subject to the oversight of the Executive Director and Diversion Authority through December 31, 2025; this agreement includes a 10% reduction in hourly rates, which will apply to all new task orders going forward;
- Terracon Consultants (Master Services Agreement)—geotechnical consulting services through December 31, 2022;
- Ernst & Young Infrastructure Advisors, LLC (Statement of Work 5, Amendment 1)—amendment to continue financial advisory services, including RFP support, review and summary of P3 financial proposals, and a financial model update through June 1, 2021, in a total contract value of \$2.7 million;
- Executive Management Systems, Inc. (Contract for Professional Services)—executive coaching, including assistance with improving communication with the Diversion Board, role clarity, and assistance with hiring, in the amount of \$26,500;
- Industrial Builders (Recommendation of Construction Award for Work Package 50B Property Structure Mitigation Bid Package)—recommend award of WP50B to Industrial Builders in the amount of \$259,918.

Mr. Paulsen said two bids were received for Work Package 50B (WP-50B). The bids both exceeded the Engineer's Estimate but were within 5% of each other. The low bid appears to be a full and valid bid.

Mr. Paulsen reviewed additional contracting actions that do not require board approval, including amendments to Jacobs Task Orders 4, 5, and 6, which include cost reductions of \$2 million for the removal of AE2S mark-ups and \$3 million for the removal of unspent 2019 funds.

***MOTION, passed***

**Dr. Mahoney moved and Mr. Steen seconded to approve Statement of Work 5, Amendment 1 with Ernst & Young Infrastructure Advisors, LLC, as presented, and to forward the recommendation to the Metro Flood Diversion Authority. On roll call vote, the motion carried unanimously.**

***MOTION, passed***

**Dr. Mahoney moved and Mr. Steen seconded to approve the Contract for Professional Services with Executive Management**

**Systems, Inc. and to award Work Package 50B for Property Structure Mitigation to Industrial Builders, Inc., as presented, and to forward the recommendations to the Metro Flood Diversion Authority. On roll call vote, the motion carried unanimously.**

***MOTION, passed***

**Mr. Montplaisir moved and Mr. Steen seconded to approve Master Services Agreements with Braun Intertec Corporation, Houston-Moore Group, LLC, and Terracon Consultants, Inc. as presented, and to forward the recommendations to the Metro Flood Diversion Authority. On roll call vote, the motion carried unanimously.**

Dr. Mahoney said information is typically included on the total budget increase or reduction when Master Services Agreements (MSAs) are approved. Mr. Paulsen said there are no significant savings associated with the Braun Intertec or Terracon MSAs. The former agreements simply expired and needed to be renewed. A 10% cost savings is associated with the new Houston-Moore Group MSA, but the total savings have not yet been compiled. They can be provided at a later time.

**6. NEXT MEETING**

The next meeting is scheduled for April 22<sup>nd</sup> at 4:00 PM.

**7. ADJOURNMENT**

***MOTION, passed***

**On motion by Mr. Gehrig, seconded by Mr. Hendrickson and all in favor, the meeting was adjourned at 4:32 PM.**

Minutes prepared by Brielle Edwards, HR Assistant