METRO FLOOD DIVERSION AUTHORITY
Thursday, December 15, 2016
3:30 PM
Fargo City Commission Room
Fargo City Hall
200 3rd Street North

1.	Call to order		
2.	Approve minutes from previous meeting	Item 2.	Action
3.	Approve order of agenda		Action
4.	Management		Information
	a. PMC report		
	b. Corps of Engineers report		
5.	Administrative/Legal		Information/action
	a. Resolution Authorizing Release of RFP	Item 5a.	
	b. Financing Whitepaper	Item 5b.	
	c. MOU with West Fargo		
6.	Public Outreach		Information
	a. Committee report		
	b. Business Leaders Task Force update		
7.	Land Management		Information
	a. Committee report		
8.	Finance		Information/action
	a. Committee report	Item 8a.	
	b. Recommended contracting actions	Item 8b.	
	c. Ernst & Young Infrastructure Advisors	Item 8c.	
	d. Voucher approval	Item 8d.	
9.	Acknowledgement of board service		
10.	Other Business		
11.	Next Meeting – January 12, 2017		
12.	Adjournment		

cc: Local Media

METRO FLOOD DIVERSION AUTHORITY
DECEMBER 1, 2016—3:30 PM

1. MEETING TO ORDER

A meeting of the Metro Flood Diversion Authority was held Thursday, December 1, 2016, at 3:30 PM in the Fargo City Commission Room with the following members present: Cass County Commission representative Darrell Vanyo; Cass County Commissioner Mary Scherling; Cass County Commissioner Chad Peterson; Fargo City Mayor Tim Mahoney; Moorhead City Mayor Del Rae Williams; Moorhead City Council Member Nancy Otto; Moorhead City Council Member Chuck Hendrickson; Clay County Commissioner Kevin Campbell; Cass County Joint Water Resource District Manager Roger Olson; and West Fargo City Commissioner Mike Thorstad. Fargo City Commissioner Dave Piepkorn; Fargo City Commissioner Tony Grindberg; and Clay County Commissioner Grant Weyland were absent. Tom Dawson, Chairman, Business Leaders Task Force was also present.

2. MINUTES APPROVED

MOTION, passed

Mr. Mahoney moved and Ms. Otto seconded to approve the minutes from the November 10, 2016, meeting as presented. Motion carried.

3. AGENDA ORDER

MOTION, passed

Mr. Campbell moved and Mr. Peterson seconded to approve the order of the agenda with the addition of an update from a meeting with the Minnesota Department of Natural Resources (MN DNR) and discussion on hiring a permanent Executive Director. Motion carried.

4. MN DNR MEETING

Del Rae Williams, Tim Mahoney, and Darrell Vanyo met earlier today with MN DNR Commissioner Tom Landwehr and MN DNR Assistant Commissioner Barb Naramore. Ms. Williams discussed a few of the recommendations that came from the meeting, which include: creation of a technical working group with engineers from Minnesota and North Dakota; an agreement on admissibility which would allow open, honest and transparent discussion; and creation of a policy group. Mr. Vanyo said a number of items were discussed, and he thought it was a positive meeting.

5. MANAGEMENT UPDATE

Program management consultant (PMC) report

Randy Richardson from CH2M provided an update on activities over the last month including receipt of the 404 permit from the Corps of Engineers; continued development of the Request for Proposals (RFP) for the P3 contract; development of the FY 2017 budget; Phase 1 land acquisitions; advertisement of the Oxbow home demolition package; and continued outreach with the MN DNR. He said priority areas for the next month are to prepare for 2017 legislative activities and issuance of the P3 RFP documents.

Ty Smith from CH2M provided an update on in-town levee work and demolition of two homes outside of Oxbow, which were opportunistic purchases.

6. ADMINISTRATIVE/LEGAL UPDATE

Attorney John Shockley provided an overview of P3 activities in 2017, including timelines for the Request for Proposals (RFP), one-on-one informal meetings with short-listed proposers, financial proposals, selection of a preferred proposer, and closing dates on the P3 contract.

Mr. Shockley said the Department of the Army 404 permit was received for the non-federal sponsor portion of the diversion project. The permit authorizes construction of the diversion channel and attendant features in accordance with the Project Partnership Agreement (PPA). All work completed under the permit will occur in Cass County, North Dakota.

MOTION, passed

Mr. Campbell moved and Mrs. Scherling seconded to approve the Department of the Army Permit No. NOW-2013-1723-BIS and authorize the Chair and Deputy Executive Directors of the Diversion Authority Board to execute the permit on behalf of the Metro Flood Diversion Authority. Discussion: Mr. Vanyo said the MN DNR has been informed that the Diversion Board would be considering this permit today. Ms. Williams asked what would happen if the board did not approve the permit. Mr. Shockley said this permit is an important decision in the P3 process and therefore would impact the process. On roll call vote, the motion carried unanimously.

7. FINANCE UPDATE

FY 2017 Budget

Michael Montplaisir, County Auditor, said the Finance Committee met on November 29th and approved the FY 2017 budget in the amount of $241,311,231. Robert Cowden from CH2M provided a short presentation on the FY 2017 budget, which is divided into the following categories:

- Diversion Channel and Associated Infrastructure ($16.6 million)
- Southern Embankment and Associated Infrastructure ($0.1 million)
- Other Mitigation Projects ($24.2 million)
- In-Town Flood Protection ($46.2 million)
- Enabling Works ($9.8 million)
- Land Acquisition and Mitigation ($107.4 million)
- Engineering and Design Fees ($10.7 million)
- Program Management ($17.2 million)
- Contingency ($0.8 million)
- Debt Service ($8.1 million)
- Maintenance ($0.1 million)

After the diversion board approves the budget, it will be forwarded to the member entities for their information.

MOTION, passed

Mr. Olson moved and Ms. Otto seconded to approve FY 2017 budget as presented. On roll call vote, the motion carried unanimously.

Construction Change Orders

- ICS, Inc. Change Order 8 (4th Street Pump Station)—reprogram display to match 2nd Street North pump station display for operational consistency, and add generator building fuel storage area drainage solution in the amount of $2,386.00.

MOTION, passed

Mr. Mahoney moved and Ms. Otto seconded to approve the appropriation of funds for the outlined Change Order. On roll call vote, the motion carried unanimously.

Voucher approval

The bills for the month are with Dorsey & Whitney LLP and Erik R. Johnson & Associates, Ltd. for legal services.

MOTION, passed

Mr. Mahoney moved and Ms. Otto seconded to approve the vouchers in the amount of $76,467.19 for bills received through November 23, 2016. On roll call vote, the motion carried unanimously.

8. OTHER BUSINESS – EXECUTIVE DIRECTOR POSITION

Mr. Vanyo has been attending a number of meetings over the last couple weeks, which he discovered requires a significant time commitment. The project is entering a phase where work and decisions are happening at a rapid pace, and he believes the time has come to hire a permanent Executive Director. He asked Mr. Shockley to briefly outline the duties of the Executive Director position, which is outlined in the Joint Powers Agreement (JPA).

Mr. Shockley said the position would oversee contract implementation for the project. He said there will be about six years that will involve contract negotiations. The person would need to have the technical skills required to execute the P3 agreement. He said the process to hire an Executive Director could begin in the first quarter of 2017 with the goal to hire someone by mid-year. The first step is to create and finalize a job description, which the board will need to approve.

Mr. Campbell fully supports moving forward with the process to hire an Executive Director. He thanked the current staff for their work; however, he believes as the project moves forward and the amount of work increases, it will create even more of a burden on staff and take them away from their regular job duties. Mrs. Scherling agrees and believes it is important to move forward to hire an Executive Director.

MOTION, passed

Mr. Mahoney moved and Mr. Peterson seconded to move forward with the process to hire an Executive Director and develop the job description for the position. Discussion: Mr. Shockley said he will have an initial draft of the job description for discussion at the December 15th meeting. Motion carried.

9. NEXT MEETING DATE

The next meeting will be held on Thursday, December 15, 2016.

10. ADJOURNMENT

MOTION, passed

On motion by Mr. Mahoney, seconded by Mr. Campbell, and all voting in favor, the meeting was adjourned at 4:20 PM.

Minutes prepared by Heather Worden, Cass County Administrative Assistant

Request for Proposals (RFP) – Executive Summary

I. Introduction

Provided below is an Executive Summary of the Request for Proposals ("RFP") to be issued to procure a public-private partnership ("P3") for the Diversion Channel and Associated Infrastructure Work Package ("DCAI") of the Fargo-Moorhead Metropolitan Area Flood Risk Management Project (the "Comprehensive Project"). Collectively, the RFP exceeds three hundred fifty (350) pages, and as a result, the Executive Summary is being provided in the interests of time and efficiency. If any individual Diversion Authority Board member wishes to review the RFP in its entirety, a copy may be obtained from General Counsel.

II. Request for Proposals

The RFP is comprised of three related documents – (1) Instructions to Proposers, (2) Technical Requirements, and (3) Project Agreement. When considered together, these three (3) documents are analogous to a single set of contracting documents in a regular procurement that include instructions to bidders, contract terms, and technical specifications for the project. Each of these documents may eventually vary slightly due to comments received from Proposers during the informal one-on-one meetings.

(1) Instructions to Proposers

The Instructions to Proposers ("ITP") provides an outline of the RFP process and evaluation to Proposers. The first section of the ITP includes an introduction and a general discussion of the Comprehensive Project; the shared approach to delivering the Comprehensive Project; how communications with the Authority will occur; and the limitations on Proposers' conduct during the RFP phase, including addressing conflicts of interest and that the Authority must approve of changes to a Proposer's organization or key personnel. The ITP further limits any Authority liability for information provided to Proposers, such as geotechnical information.

Next, the ITP provides a summary of the RFP process, including describing issuance of documents to Proposers; the submission of questions and comments by Proposers; one-on-one meetings with Proposers; and the submission of Innovative Technical Concepts ("ITCs") and Interim Technical Submittals ("ITS") by Proposers. The ITP further includes a discussion of the Authority's review of all of the above-listed items and the general requirements for the Proposers' Technical and Financial Proposals. All four (4) Proposers are required to submit $1,000,000 worth of proposal security as a commitment to enter the Project Agreement, if selected. The Sucessful Proposer will be required to submit additional, and more substantial, security to ensure its commitment to reach financial close.

The ITP then includes a discussion of how the Authority will evaluate the Technical and Financial Proposals and how a Successful Proposer will be selected. The ITP reserves the Authority's ability to reject a Proposal at any time and/or cancel the RFP. An additional in-depth discussion of the Financial Proposal is provided and includes information regarding interest rate fluctuations and credit spread risk sharing, to provide the best benefit for the Authority. The final sections discuss the finalization of the Project Agreement and commercial and financial close, protest procedures, and the Authority's reserved rights and disclaimers.

(2) Technical Requirements

The second major document of the RFP will be the Technical Requirements ("TRs"). The TRs discuss major DCAI project elements and provide associated design and construction requirements. The TRs additionally identify when interim and substantial completion occurs and how operation and maintenance of the DCAI project elements will occur. Lastly, the TRs discuss the handback requirements and the standards the project elements must meet prior to the Developer returning control of the DCAI to the Authority.

(3) Project Agreement

The Project Agreement's purpose is to provide contract terms between the Developer and the Authority for the delivery of the DCAI. The Project Agreement begins with a general discussion of the conditions precedent to commercial and financial close, representations and warranties, and how the Authority will review submissions.

The next portion of the Project Agreement covers the acquisition of right-of-way by the Authority and provides a discussion of securing governmental approvals, coordinating with utilities, and mitigating hazardous materials, which are largely the Developer's responsibility. The Project Agreement then proceeds with describing the terms of the design, construction, operation, and maintenance of the DCAI.

Next, the Project Agreement includes terms for subcontractors and key personnel of the Developer and provides that the Developer and all of its subcontractors must comply with applicable law in carrying out work regarding the DCAI. The Project Agreement further provides terms for payment from the Authority to the Developer for delivering the DCAI, noncompliance by the Developer and timelines for rectification of the noncompliance, and the impact of noncompliance on payments to the Developer. Each noncompliance event is assigned a certain number of points, which in turn, reduce the amount of compensation the Authority pays to the Developer. Additionally, the Project Agreement covers the impact of delays in the Developer's work and of supervening events.

Finally, the Project Agreement includes indemnities from the Developer, including indemnification of the Authority, and required insurance coverage for the work, how a change in financials of the Developer will be handled, when and how termination of the Project Agreement and work on the DCAI will occur, and other miscellaneous provisions generally included in contract documents.

III. Conclusion

The purpose of this Executive Summary is to provide a synopsis of the three (3) major components of the RFP. Those major components include the ITP, the TRs, and the Project Agreement. Collectively, these documents are much like those included during a regular procurement and will regulate the entirety of the relationship between the Proposers, the Developer, and the Authority, from first proposal submissions to operating and maintaining the DCAI during the lifespan of the Project Agreement.

Waiver of Protest and Design Proposal Preparation Reimbursement Agreement - Executive Summary

- At the meeting held on November 29, 2016, the Finance Committee recommended approval of this addition.

- P3 Industry Practice. Each of the four (4) short-listed teams will expend millions of dollars preparing a bid for the DCAI (Diversion Channel and Associated Infrastructure). CH2M estimates that each of the short-listed teams will expend approximately $10 million in preparing a bid. Reimbursement for design preparation is a standard practice in the P3 industry. See the Attached Exhibit 1 (examples of other P3 projects).

- Purpose of the Waiver is two-fold:
  (a) To secure a waiver of protest and legal challenge to the bid process by unsuccessful bidders. The total value of the project and the amount expended upon preparing the bid are significant, thus, it is critical to secure a waiver of the unsuccessful bidders' right to appeal the decision of the Diversion Authority.
  (b) To obtain the right to use intellectual property rights from unsuccessful proposers. For example: recreation plans and designs for the aqueducts created by unsuccessful bidders can be used by the successful proposer to reduce design and project costs.

- Payment is only made for ***actual*** costs incurred.
  (a) Developer can only receive a maximum amount of $1,000,000 or fifty percent (50%) of its actual design costs incurred, whichever amount is less.
  (b) Developer must submit a bid and evidence of costs incurred prior to receiving payment under the agreement.

- In the event the Diversion Authority cancels the P3 procurement, through no fault of the short-listed teams, each team would be entitled to a one-time payment of $500,000 or an amount equal to each team's actual costs, whichever amount is less.

- Payment is only made after the bids are submitted, unless the Diversion Authority cancels the procurement.

- Payments of these amounts are already included within the budget.

- Lack of Waiver of Protest and Design Proposal Preparation Reimbursement Agreement will present the following risks to the Diversion Authority:
  (a) Real risk of bid challenge - given the size, complexity, and cost involved in preparing a bid. The costs of a legal suit are unknown and could easily exceed the cost of the waiver.
  (b) Industry practice - lack of a waiver means potential of losing short-listed bidders, which can result in less competition and increased project costs.

EXHIBIT 1

Payments for Work Product – Selected P3 Precedents

Project	State	Type of Procurement	CapEx	Payment for Work Product
I-66	VA	Highway DBFOM – demand risk	$2.1bn	$1.0m
Purple Line	MD	Transit DBFOM – Availability-based	$2.5bn	$2.0m Up to $2.0m in the event of certain failures to meet financial close; up to $2.0m in the event of cancellation prior to Proposal Due Date
I-70	CO	Highway DBFOM – Availability-based	$1.1bn	$2.0m $1.0m if project cancelled before the submittal deadline
Portsmouth Bypass	OH	Highway DBFOM – availability-based	$554m	The lesser of: • $1.0m • Proposer's eligible costs of preparing the Technical and Financial Proposals
I-4 Ultimate	FL	Highway DBFOM – availability-based	$2.3bn	$2.0m If project cancelled prior to proposal submission, amount is $1m to $2m on a graduated payment scale for actual development costs. If project cancelled after selection or Florida DOT fails to execute the agreement, amount to selected proposer is $2.5m
Pennsylvania Bridges	PA	Bridge DBFOM – availability-based	$1.0bn	$1.0m
I-69 Section 5	IN	Highway DBFOM – availability-based	$370m	$1.0m If project cancelled prior to proposal submission, then amount paid is up to $500,000 for actual, reasonable and documented development costs.
Goethals Bridge	NY/NJ	Bridge DBFOM – availability-based	$1.2bn	$1.0m

Project	State	Type of Procurement	CapEx	Payment for Work Product
I-595	FL	Highway DBFOM – availability-based	$1.8bn	$2.0m If project cancelled prior to proposal submission, then amount paid is up to $2 million for actual development costs
Port of Miami Tunnel	FL	Tunnel DBFOM – availability-based	$800m	$2.0m If project cancelled prior to proposal submission, then amount paid is $500,000 to $2 million on a graduated payment scale for actual development costs

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION ESTABLISHING PROCEDURES AND PROTOCOLS FOR THE REQUEST FOR PROPOSALS PHASE OF THE P3 PROCUREMENT AND APPROVING, ISSUING, AND AUTHORIZING DISSEMINATION OF THE REQUEST FOR PROPOSALS TO DESIGN, BUILD, FINANCE, OPERATE, AND MAINTAIN THE DIVERSION CHANNEL AND ASSOCIATED INFRASTRUCTURE WORK PACKAGE OF THE FARGO-MOORHEAD METROPOLITAN AREA FLOOD RISK MANAGEMENT PROJECT

WHEREAS, the City of Moorhead, a political subdivision of the State of Minnesota; the City of Fargo, a political subdivision of the State of North Dakota; Clay County, a political subdivision of the State of Minnesota; Cass County, a political subdivision of the State of North Dakota; and Cass County Joint Water Resource District, a political subdivision of the State of North Dakota entered into a Joint Powers Agreement for the creation and ongoing operation of the Metro Flood Diversion Authority; and

WHEREAS, the Joint Powers Agreement provides for the cooperative administration of a project, specifically the Fargo-Moorhead Metropolitan Area Flood Risk Management Project (the "Comprehensive Project"); and

WHEREAS, pursuant to Section 7.01 of the Joint Powers Agreement, the Metro Flood Diversion Authority is empowered to provide for the procurement of a Public-Private Partnership ("P3") for Project Elements located within North Dakota; and

WHEREAS, construction of the Comprehensive Project was authorized by the United States Congress as part of the Water Resources Reform and Development Act of 2014, Public Law 113-121; and

WHEREAS, the Non-Federal Sponsors of the Comprehensive Project, which are the Metro Flood Diversion Authority, the City of Fargo, and the City of Moorhead, have entered into a Project Partnership Agreement ("PPA"), dated July 11, 2016, with the United States Army Corps of Engineers ("USACE") for the Comprehensive Project; and

WHEREAS, the PPA sets forth a split delivery model for the Comprehensive Project, establishing the respective responsibilities of both the Non-Federal Sponsors and USACE; and

WHEREAS, pursuant to the PPA, the USACE will be responsible for completing the diversion inlet structure; the approximately six (6) mile connecting channel; the control structures on the Red River of the North and the Wild Rice River; the southern embankment; the overflow embankment; construction of road and railroad raises associated with the staging area; and all mitigation features that are not the responsibility of the Non-Federal Sponsors ("Federal Work"); and

WHEREAS, the Metro Flood Diversion Authority is the entity responsible for the Non-Federal Sponsors' obligations under the PPA; and

WHEREAS, pursuant to the PPA, part of the Metro Flood Diversion Authority's responsibility will be to design, construct, manage, operate, and maintain thirty (30) miles of channel and associated features; the channel outlet; two (2) aqueducts; two (2) hydraulic structures; eleven (11) drain inlets; various levees; four (4) railroad bridges; four (4) interstate bridges; eleven (11) county road bridges or crossings, as well as associated environmental mitigation and recreational features (the "Diversion Channel and Associated Infrastructure" or the "DCAI"); and

WHEREAS, Congress has passed, and the President has signed, a 2016 appropriations bill that includes USACE funding for construction of the Comprehensive Project; and

WHEREAS, to facilitate the design, construction, management, and financing of the DCAI, the Metro Flood Diversion Authority approved on September 2, 2015, a Notice of Intent to develop a P3 pursuant to North Dakota Century Code Chapter 48-02.1; and

WHEREAS, North Dakota Century Code Chapter 48-02.1 gives the Metro Flood Diversion Authority broad discretion to enter into a P3; and

WHEREAS, on July 14, 2016, the Metro Flood Diversion Authority issued a Request for Qualifications ("RFQ") seeking statements of qualifications ("SOQs") from those interested in designing, constructing, managing, and financing the DCAI; and

WHEREAS, an evaluation team ("Evaluation Team") evaluated and scored the SOQs in accordance with developed evaluation criteria; and

WHEREAS, the Evaluation Team recommended, and the Metro Flood Diversion Authority short-listed four (4) proposers ("Proposers") to participate in the Request for Proposals ("RFP") phase of the P3 procurement; and

WHEREAS, the four (4) short-listed Proposers are Lake Agassiz Partners (Walsh/Meridiam), Red River Valley Partners (Fluor/Plenary), Red River Valley Alliance (Acciona/InfraRed), and Red River Partners (Graham/Parsons); and

WHEREAS, the RFP phase will include a two-step process – first, the issuance of a draft RFP and second, after receiving feedback, the issuance of a final RFP; and

WHEREAS, during the RFP phase, the Proposers will submit proposals ("Proposals") that will be evaluated and scored by the Evaluation Team in accordance with developed evaluation criteria ("Evaluation Criteria"); and

WHEREAS, once the Evaluation Team has completed reviewing and scoring the Proposals, it will recommended one proposer to the Metro Flood Diversion Authority to review; and

WHEREAS, the Metro Flood Diversion Authority will review the recommended proposer, make findings and conclusions, and select the proposer ("Successful Proposer") to negotiate and execute the Project Agreement with the Metro Flood Diversion Authority.

NOW THEREFORE, BE IT RESOLVED, the Metro Flood Diversion Authority adopts the procedures and protocols outlined in Exhibit A attached hereto to utilize in the RFP phase of the P3 procurement for the DCAI; further, the Metro Flood Diversion Authority approves, issues, and authorizes the dissemination of the Request for Proposals to Design, Build, Finance, Operate, and Maintain the Diversion Channel and Associated Infrastructure Work Package of the Fargo-Moorhead Metropolitan Area Flood Risk Management Project as presented.

Adopted: December 15, 2016.

METRO FLOOD DIVERSION AUTHORITY

_____
Darrell Vanyo, Chair
Diversion Authority Board

ATTEST:

_____
Michael J. Redlinger, Co-Deputy Executive Director

The motion for adoption of the foregoing resolution was duly seconded by Member _____, and upon roll call vote, the following voted in favor thereof: _____. The following were absent and not voting: _____. The following voted against the same: _____. A majority of the Members having voted aye, the resolution was declared duly passed and adopted.

CONCURRENCE

Pursuant to and in accordance with North Dakota Century Code § 61-16.1-24, the Cass County Joint Water Resource District hereby approves and adopts the procedures and protocols outlined in Exhibit A, attached hereto, to utilize in the RFP phase of the procurement of a P3 for the DCAI, and the Cass County Joint Water Resource District hereby approves, issues and authorizes the dissemination of the Request for Proposals to Design, Build, Finance, Operate and Maintain the Diversion Channel and Associated Infrastructure Work Package of the Fargo-Moorhead Metropolitan Area Flood Risk Management Project as presented.

Dated: December _____, 2016

APPROVED:

_____
Mark Brodshaug, Chairman

ATTEST:

_____
Carol Harbeke Lewis, Secretary-Treasurer

EXHIBIT A

PROCEDURES AND PROTOCOLS FOR THE REQUEST FOR PROPOSALS PHASE OF THE P3 PROCUREMENT

by

Metro Flood Diversion Authority

Dated as of December 15, 2016

Relating to:

Public-Private Partnership for Development and Construction of the Diversion Channel and Associated Infrastructure of the Fargo-Moorhead Metropolitan Area Flood Risk Management Project

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This instrument was drafted by:
Ohnstad Twichell, P.C.
John T. Shockley
P.O. Box 458
West Fargo, North Dakota 58078

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ARTICLE I.
DEFINITIONS AND INTERPRETATION

Section 1.01 DEFINITIONS. All capitalized terms used and not otherwise defined herein shall have the meanings given to them in this Procedure and as defined in this Section unless a different meaning clearly applies from the context.

"Aconex Electronic Document Management System" means the electronic document management system utilized by the Metro Flood Diversion Authority for the P3 Procurement.

"Authority Members" means the City of Moorhead, Minnesota; the City of Fargo, North Dakota; Clay County, Minnesota; Cass County, North Dakota; and the CCJWRD.

"CCJWRD" means the Cass County Joint Water Resource District, a political subdivision of the State of North Dakota, its successors, and assigns.

"Comprehensive Project" means the Fargo-Moorhead Metropolitan Area Flood Risk Management Project.

"Diversion Authority Board" means the Governing Body of the Metro Flood Diversion Authority.

"Diversion Channel and Associated Infrastructure Work Package" or **"DCAI"** means the approximately 30 mile, 20,000 cubic feet per second (cfs) channel and associated features to be constructed as part of the Comprehensive Project.

"Drafters" means those individuals who will be responsible for drafting and revising the RFP and responding to and meeting with Proposers, as outlined in this Procedure, and it includes General Counsel, CH2M, Ernst and Young, Ashurst, and other Metro Flood Diversion Authority technical advisors.

"Evaluation Criteria" means the criteria that will be used by the Evaluation Team to evaluate and rank the Proposals.

"Evaluation Team" means the team that evaluates and scores the Proposals using the Evaluation Criteria.

"Executive Director" means the Chief Administrative Officer of the Metro Flood Diversion Authority as set forth in Article XIV of the Joint Powers Agreement, including any Co-Deputy Executive Directors.

"Final Draft RFP" means the final draft of the draft RFP that will be considered by the Metro Flood Diversion Authority for adoption and dissemination.

"Final RFP" means the final RFP that will be considered by the Metro Flood Diversion Authority for adoption and dissemination.

"Governing Body" means the body that performs the legislative and governmental functions of a political subdivision, including but not limited to, a board, council, or commission. For example, the Cass County Commission, the Clay County Commission, the Moorhead City Council, and the Fargo City Commission are the Governing Bodies of each of said entities, as the board of the CCJWRD is the Governing Body for that entity.

"Interim Proposal Submissions" means draft Proposals and other documents submitted prior to the submission of the Proposals that will be considered to provide feedback to Proposers in the preparation and drafting of their Proposals.

"Joint Powers Agreement" means the agreement dated June 1, 2016, that was entered by and between the City of Moorhead, Minnesota; the City of Fargo, North Dakota; Clay County, Minnesota; Cass County, North Dakota; and the CCJWRD, in order to cooperate in the construction phase of the Comprehensive Project.

"Metro Flood Diversion Authority" means the permanent joint powers entity formed through the Joint Powers Agreement by the Authority Members to provide the Fargo-Moorhead Metropolitan Area with permanent and comprehensive flood protection.

"Preliminary Drafts" means those records or papers that are created and used by Drafters in the process of creating the Final Draft RFP.

"Procedure" means this Procedure and Protocols for the Request for Proposals Phase of the P3 Procurement.

"Proposal" means the work package submitted to the Metro Flood Diversion Authority by a Proposer in response to the Final RFP.

"Proposal Submission Location" means the location where Proposals will be submitted.

"Proposer" means any consortium, company, team, or joint venture that was selected during the Request for Qualifications to submit a Proposal in response to the RFP and includes the four (4) short-listed teams of Lake Agassiz Partners (Walsh/Meridiam), Red River Valley Partners (Fluor/Plenary), Red River Valley Alliance (Acciona/InfraRed), and Red River Partners (Graham/Parsons).

"P3" means a public-private partnership as outlined by North Dakota Century Code Chapter 48-02.1.

"P3 Procurement" means the P3 solicitation process, including the RFQ and the RFP, undertaken by the Authority.

"Project Agreement" means the contract to design, build, finance, operate, and maintain the DCAI that the Metro Flood Diversion Authority will enter with the Successful Proposer.

"RFQ" or **"Request for Qualifications"** means the solicitation that was issued by the Metro Flood Diversion Authority on July 14, 2016, as a part of the P3 Procurement.

"RFP" or **"Request for Proposals"** means the solicitation, including both the Final Draft RFP and the Final RFP, which will be issued by the Metro Flood Diversion Authority to Proposers that will outline the Proposal requirements.

"Resolution" means the resolution adopted by the Metro Flood Diversion Authority authorizing issuance of the Final Draft RFP.

"Successful Proposer" means the Proposer selected by the Metro Flood Diversion Authority to negotiate and enter the Project Agreement.

"Support Team" means a team consisting of one (1) technical staff person from each Authority Member and one (1) financial staff person from an Authority Member.

Section 1.02 TERMS GENERALLY. The definition of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine, and neuter forms. The words "include," "includes," and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument, or other document herein shall be construed as referring to such agreement, instrument, and other document as from time to time amended, supplemented, or modified (subject to any restrictions on such amendments, supplements, or modifications set forth herein), (b) any reference herein to any person shall be construed to include any person's permitted successors and assigns, (c) the words "herein," "hereof," and "hereunder," and words of similar import, shall be construed to refer to this Procedure in its entirety and not to any particular provision hereof, and (d) all references herein to Articles, Sections, Exhibits, and Schedules shall be construed to refer to articles and sections of, and exhibits and schedules to, this Procedure.

ARTICLE II.
PRELIMINARY DRAFTS AND FINAL DRAFT RFP

Section 2.01 PREPARATION. The Drafters of the RFP will consist of a diversified group of individuals representing the Metro Flood Diversion Authority who possess financial, legal, project management, risk management, and engineering backgrounds. During the drafting phase of the Preliminary Drafts and the Final Draft RFP, Drafters may solicit, in their sole discretion, information and assistance from other disciplines and outside consultants and advisors. The Drafters have full discretion to include, in addition to the specific provisions provided in this Procedure, other provisions they believe are appropriate to include in the Preliminary Drafts and the Final Draft RFP.

ARTICLE III.
ADOPTION OF FINAL DRAFT RFP

Section 3.01 REVIEW AND RESOLUTION. The Metro Flood Diversion Authority will review the Executive Summary of the Final Draft RFP following receipt and will determine

whether to adopt the Resolution. Voting by the Diversion Authority Board on the Resolution will occur in accordance with Article V of the Joint Powers Agreement.

Section 3.02 CCJWRD ADOPTION. The Metro Flood Diversion Authority's adoption of the Resolution is contingent upon a resolution by the CCJWRD authorizing issuance of the Final Draft RFP. Accordingly, the Metro Flood Diversion Authority will not adopt the Resolution until after the CCJWRD has adopted a separate resolution authorizing issuance of the Final Draft RFP.

ARTICLE IV.
DISSEMINATION OF THE FINAL DRAFT RFP

Section 4.01 DISSEMINATION. Following adoption of the Resolution, the Metro Flood Diversion Authority will issue the Final Draft RFP to Proposers through the Aconex Electronic Document Management System.

ARTICLE V.
FINAL RFP

Section 5.01 FINALIZING THE FINAL DRAFT RFP. Following the dissemination of the Final Draft RFP, the Drafters will work to finalize the Final Draft RFP into the Final RFP. Finalization will occur through a series of revisions or amendments based upon feedback received from the Proposers. During the finalization process, Drafters may also solicit, in their sole discretion, information and assistance from other disciplines and outside consultants and advisors. The Drafters have full discretion to include, in addition to the specific provisions provided in this Procedure, other provisions they believe are appropriate to include in the Final RFP.

Section 5.02 ONE-ON-ONE MEETINGS. Feedback to revise the Final Draft RFP will be received through one-on-one meetings with the Proposers. The Drafters and the Support Team will participate in one-on-one meetings with the Proposers, and the Drafters and the Support Team may schedule as many one-on-one meetings with the Proposers as they deem necessary.

Section 5.03 QUESTIONS, COMMENTS, CLARIFICATIONS, ETC. Feedback to revise the Final Draft RFP will further be received through fielding questions, comments, and clarifications posed by Proposers. The Drafters and the Support Team will be responsible for fielding such questions, comments, and clarifications and providing feedback, as necessary, to the Proposers. The Drafters and the Support Team may receive questions, comments, and clarifications from the Proposers in their sole discretion.

Section 5.04 INTERIM PROPOSAL SUBMISSIONS. In finalizing the Final Draft RFP into the Final RFP, the Drafters and the Support Team will also be responsible for reviewing any Interim Proposal Submissions and providing feedback to the Proposers. If the Drafters believe any schedule or parameters for Interim Proposal Submissions included in the Final Draft RFP need amendment, the Drafters may amend such schedule or parameters.

Section 5.05 FINAL RFP. Once the Drafters have finalized the Final RFP, they must clearly mark the Final RFP as final and will transmit the Final RFP to the General Counsel to the Metro Flood Diversion Authority for dissemination and review by the Diversion Authority Board.

ARTICLE VI.
ADOPTION OF FINAL RFP

Section 6.01 REVIEW AND RESOLUTION. The Metro Flood Diversion Authority will review the Final RFP following receipt and will determine whether to adopt a resolution. Voting by the Diversion Authority Board on the resolution will occur in accordance with Article V of the Joint Powers Agreement.

Section 6.02 CCJWRD ADOPTION. The Metro Flood Diversion Authority's adoption of a resolution is contingent upon a resolution by the CCJWRD authorizing issuance of the Final RFP. Accordingly, the Metro Flood Diversion Authority will not adopt a resolution until after the CCJWRD has adopted a separate resolution authorizing issuance of the Final RFP.

ARTICLE VII.
DISSEMINATION OF THE FINAL RFP

Section 7.01 DISSEMINATION. Following adoption of a resolution, the Metro Flood Diversion Authority will issue the Final RFP to Proposers through the Aconex Electronic Document Management System.

ARTICLE VIII.
EVALUATION TEAM

Section 8.01 DUTIES AND RESPONSIBILITIES. The Evaluation Team will be responsible for assisting in the development of Evaluation Criteria; reviewing, evaluating, and scoring both Technical and Financial Proposals in accordance with Evaluation Criteria; and preparing and recommending a Successful Proposer to the Metro Flood Diversion Authority.

Section 8.02 COMPOSITION. The Evaluation Team will consist of a diversified group of individuals possessing financial, technical, and engineering backgrounds. Members of the Evaluation Team may include professionals from the Authority Members' engineering, financial, administrative, and program management teams. Each Authority Member will select one (1) technical staff member or consultant to join the Evaluation Team. Members of the Authority Members' Governing Bodies will not participate as part of the Evaluation Team. The Evaluation Team may request advice from the Metro Flood Diversion Authority's technical, financial, legal, engineering, and project management consultants and/or advisors.

Section 8.03 COMMUNICATION WITH METRO FLOOD DIVERSION AUTHORITY. Once all Technical Proposals have been submitted and the Evaluation Team begins evaluating the Technical Proposals, the Evaluation Team shall not discuss either the Technical or Financial Proposals or the evaluation process with the Metro Flood Diversion Authority, the Diversion

Authority Board members, members of the Governing Bodies of the Authority Members, staff members of Authority Members, or public officials of Authority Members.

Section 8.04 NO CONTACT WITH PROPOSERS BY GOVERNING BODY MEMBERS. Members of the Governing Bodies of the Authority Members and of the Diversion Authority Board shall have no contact with any Proposer.

ARTICLE IX.
PROPOSALS

Section 9.01 PROPOSAL SUBMISSION LOCATION. The Drafters, in their sole discretion, will select the Proposal Submission Location and determine the hours of submission.

Section 9.02 SUBMISSIONS. The Drafters, in their sole discretion, will determine the format for Proposals, organization of Proposals, assemblage of Proposals, and how submission of the Proposals will occur.

Section 9.03 DEADLINE FOR SUBMISSIONS. The Drafters will set the deadline for submission of Proposals.

Section 9.04 LATE SUBMISSIONS. Any Proposals that are made after the deadline for submissions will be considered late. The Evaluation Team may consider any late Proposals or may reject any late Proposals without consideration or evaluation in its sole discretion.

ARTICLE X.
EVALUATION CRITERIA

Section 10.01 DRAFTING. The Drafters, in cooperation with the Evaluation Team, will be responsible for drafting Evaluation Criteria. During drafting, the Drafters, in cooperation with the Evaluation Team, in their sole discretion, may seek information and assistance from outside technical, financial, legal, engineering, and project management consultants or advisors.

Section 10.02 EVALUATION CRITERIA CONSIDERATIONS. The Drafters, in cooperation with the Evaluation Team, in their sole discretion, will develop specific criteria to assess each Proposer's management, technical, and financial qualifications and capabilities and any other criteria that the Drafters in cooperation with the Evaluation Team, deem applicable. The Drafters, in cooperation with the Evaluation Team, will assign a maximum number of points that a Proposer can obtain for management, technical, and financial qualifications and capabilities and for any other considerations deemed applicable by the Drafters in cooperation with the Evaluation Team.

ARTICLE XI.
EVALUATION OF PROPOSALS

Section 11.01 OUTSIDE CONSULTANTS AND ADVISORS. The Evaluation Team may solicit, in its sole discretion, information and assistance from outside consultants and advisors during the evaluation process.

Section 11.02 SUBMISSIONS. The Evaluation Team may, in its sole discretion, terminate evaluation of Proposals received at any time, reject any and all Proposals received at any time, disqualify Proposers, waive deficiencies in a Proposal, accept and review a non-conforming Proposal, permit clarifications and additional information to be submitted with respect to a Proposal, require confirmation of information submitted in a Proposal, or reserve any other rights that it deems appropriate.

Section 11.03 SCORING BASED ON EVALUATION CRITERIA. The Proposers will be ranked based upon the scores received during the evaluation pursuant to the Evaluation Criteria, with the highest-ranking Proposer receiving the most points.

Section 11.04 EVALUATION TEAM CONTACT. At any time during the Proposal evaluation process, the Evaluation Team or its outside consultants or advisors may, within the Evaluation Team's sole discretion, (a) submit written questions or requests for clarifications to the Proposer regarding its Proposal or related matters, (b) contact references included in the Proposal, or (c) visit facilities and clients associated with any Proposer that are included in the Proposal.

ARTICLE XII.
SUCCESSFUL PROPOSER

Section 12.01 SUCCESSFUL PROPOSER. Once the Evaluation Team has compiled the scores for all Proposers, the Evaluation Team will narrow the list of Proposers to the Successful Proposer who received the highest score during the evaluation by the Evaluation Team.

Section 12.02 TRANSMISSION TO METRO FLOOD DIVERSION AUTHORITY. The Evaluation Team will transmit the results of its evaluation and the identity of the Successful Proposer to the Executive Director for consideration and transmission to the Metro Flood Diversion Authority, its members, and the Diversion Authority Board members.

Section 12.03 CCJWRD REVIEW AND APPROVAL. The CCJWRD must concur with the selection of the Successful Proposer prior to the Metro Flood Diversion Authority's selection of the Successful Proposer.

Section 12.04 METRO FLOOD DIVERSION AUTHORITY REVIEW AND APPROVAL. The Metro Flood Diversion Authority, upon receiving the recommendation of the Successful Proposer, will review the evaluation, make findings and conclusions, and adopt the recommendation of the Successful Proposer. The Metro Flood Diversion Authority has the final authority to determine, in its best interests, which Proposer will be the Successful Proposer.

Section 12.05 PROPOSAL PREPARATION REIMBURSEMENT. The Drafters are authorized, under terms they deem appropriate, to make a proposal preparation reimbursement to those Proposers who are not selected as the Successful Proposer. If a Proposer agrees to accept a proposal preparation reimbursement, however, the Proposer may not protest the Metro Flood Diversion Authority's selection of the Successful Proposer or the RFP process.

ARTICLE XIII.
PROTEST PROCEDURES

Section 13.01 PROTEST. Any Proposer not accepting a Waiver of Protest and Proposal Preparation Reimbursement Agreement may protest the Metro Flood Diversion Authority's selection of the Successful Proposer or the RFP process by submitting through certified mail or hand delivery such protest setting forth the basis thereof in writing.

Section 13.02 TIMING. In order to receive consideration, protests must be submitted to the Executive Director no later than five (5) calendar days after the Metro Flood Diversion Authority announces the Successful Proposer. The written protest must be received by the Executive Director no later than 5:00 p.m. Central Time on the fifth (5th) calendar day. In the event the fifth (5th) day falls on a weekend or an official holiday, the five-day period expires at 5:00 p.m. Central Time on the next regular business day.

Section 13.03 CONTENTS. A protest should contain, at a minimum, the following:

(a) The name and address of the protester, including telephone and facsimile numbers and an email address;
(b) A statement concerning the protester's interest in the RFP process;
(c) An executive summary of the basis of the protest, not to exceed two (2) pages;
(d) A detailed statement of the basis for the protest, including any supporting documents and information; and
(e) The relief requested and the reason therefor.

Section 13.04 REVIEW. The Executive Director will review the protest and supporting documents and issue a written decision within five (5) business days of receipt of the protest. The Executive Director, in its sole discretion, however, may take any action or make any request deemed necessary in order to investigate the protest, including extending the time to issue a decision in order to obtain all evidence and other pertinent information. Once the Executive Director makes a written recommendation, it will provide a copy of such to the protester.

Section 13.05 DIVERSION AUTHORITY BOARD DECISION. Upon receipt of the recommendation(s) of the Executive Director, the Diversion Authority Board may request additional information and/or evidence regarding the matter. The Diversion Authority Board will make findings, conclusions, and a decision regarding the protest. The Diversion Authority Board has the final authority to determine whether to accept or reject the protest. Once the Diversion Authority Board makes its decision, it will provide a copy of such decision to the protester.

Section 13.06 APPEAL. Appeals of decisions may be taken in accordance with North Dakota Century Code Chapter 28-34.

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Near Final Version

Metro Flood Diversion Authority

Fargo-Moorhead Metropolitan Area Flood Risk Management Project

Appropriations and Financing Whitepaper

Dated as of December 15, 2016

This document was drafted by:
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Exhibit A A-1

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1. Introduction

a. Project

The Metro Flood Diversion Authority (the "Authority") is issuing a Request for Proposals (the "RFP") to seek competitive proposals ("Proposals") for a public-private partnership for the design, construction, financing, operation and maintenance of the Diversion Channel and Associated Infrastructure Work Package (the "DCAI" or the "Project") of the Fargo-Moorhead Metropolitan Area Flood Risk Management Project (the "Comprehensive Project"). The purpose of this Appropriations and Financing Whitepaper (this "Whitepaper") is to assist Proposers in understanding the features of the Authority's funding arrangements for the Comprehensive Project and the underlying framework that supports such funding. Capitalized terms not otherwise defined herein shall have the meaning set forth in the Joint Powers Agreement.

The Member Entities of the Authority consist of the City of Fargo, North Dakota ("City of Fargo"); the City of Moorhead, Minnesota ("City of Moorhead"); Cass County, North Dakota ("Cass County"); Clay County, Minnesota ("Clay County"); and the Cass County Joint Water Resource District in North Dakota (the "CCJWRD"). The Member Entities have agreed pursuant to the Joint Powers Agreement dated June 1, 2016 (the "JPA") (the agreement that created the Authority), to cooperate in financing the Comprehensive Project and in the issuance of any Debt Obligations necessary for the Comprehensive Project. The Authority will be the entity entering into the Project Agreement for construction of the DCAI with the Selected Proposer (the "P3 Developer"), with concurrence from the CCJWRD. Pursuant to Article IX of the JPA, the Authority has multiple sources of Pledged Revenues[1] to provide funding for the Comprehensive Project. The Authority has the power to use the Pledged Revenues to make debt service payments on Debt Obligations, Milestone Payments, Availability Payments, and P3 Payments.[2] The Authority will use Pledged Revenues consisting of Cass County sales and use taxes and City of Fargo sales and use taxes, backstopped by special assessments imposed and collected by the CCJWRD, to fund payments due under the Project Agreement.[3]

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[1] The Pledged Revenues include, but are not limited to:
(a) Cass County sales and use tax (as defined in Section 6 of this Whitepaper);
(b) City of Fargo sales and use tax (as defined in Section 6 of this Whitepaper);
(c) Special assessment levies collected by CCJWRD (as defined in Section 8 of this Whitepaper);
(d) State of Minnesota appropriations (as defined in Section 5 of this Whitepaper); and
(e) State of North Dakota appropriations (as defined in Section 4 of this Whitepaper).

[2] As defined in the JPA, "Debt Obligation" means any loan, note, bond, or other security instrument issued by one or more of the Member Entities to provide either temporary or permanent financing of the Project; "Milestone Payments" means payments to the P3 Developer for achievement of agreed upon construction or progress milestones, in accordance with the Project Agreement; "Availability Payments" shall mean the periodic performance payments to the P3 Developer for the term of the Project Agreement for the design, construction, financing, operation, and maintenance of the Project in accordance with the agreed technical requirements; and, "P3 Payments" means all payments made to a P3 Developer pursuant to and arising out of the Project Agreement, which include, but are not limited to, termination payments, special allowances, compensation payments for supervening events, and interest on late payments. P3 Payments do not include Milestone or Availability Payments.

[3] Payments due under the Project Agreement may include, *inter alia,* Milestone Payments, Availability Payments, and P3 Payments.

The Comprehensive Project consists of an embankment, with upstream water staging and a downstream Diversion Channel. The Comprehensive Project is being delivered using a "Split Delivery Model," with the Authority responsible for delivering the Project and the United States Army Corps of Engineers ("USACE") responsible for delivering the Southern Embankment and Associated Infrastructure Work Package ("SEAI") and Mitigation and Associated Infrastructure ("MAI"), either directly or as work-in-kind by the Authority.

The Diversion Channel alignment begins at the intersection of Cass County roads CR 16 and CR 17 and extends west and north around several North Dakota cities, including the City of Horace, the City of Fargo, the City of West Fargo and the City of Harwood. The Diversion Channel discharges into the Red River of the North (the "Red River") north of the confluence of the Red River and the Sheyenne River near the City of Georgetown, Minnesota. The Diversion Channel crosses the Sheyenne River, the Maple River, the Lower Rush River and the Rush River, interstates I-94 and I-29, numerous county and township roads, the BNSF Railway ("BNSF") in three locations, and the Red River Valley and Western Railroad Company in one location along its 30-mile path.

The general scope of work for the Project includes the 30-mile Diversion Channel, the Diversion Channel outlet, the Inflow Design Flood Line of Protection ("IDF Line of Protection"), two pairs of interstate bridges, eleven county road bridges or crossings, four railroad bridges, two aqueducts, eleven drain inlets, and two drop structures that direct the flow of the Lower Rush River and the Rush River into the Diversion Channel, as well as recreation features and mitigation of environmental impacts. The depth and width of the Diversion Channel will depend on the P3 Developer's Final Design.

b. Split Delivery Model and Role of USACE

USACE has led the Comprehensive Project since the initial stages of its development. Starting in 2008, USACE began meeting with local stakeholders regarding the need for a major flood risk management project. In September 2011, USACE completed an in-depth feasibility study, which included consultation with various federal, state and local agencies. At that point, the City of Fargo and the City of Moorhead (together, the "Non-Federal Sponsors") and USACE entered into a Design Agreement, which set forth the parties' commitments with respect to initial engineering and design of the Comprehensive Project.[4] On December 19, 2011, USACE submitted a report to the US Congress (the "Chief of Engineers Report") in which it officially recommended authorization of the Comprehensive Project (which authorization would later be granted by the US Congress through Section 7002(2) of the Water Resources Reform and Development Act of 2014 (Public Law 113-121) ("WRRDA")).

On July 11, 2016, the Non-Federal Sponsors and USACE entered into the Project Partnership Agreement ("PPA"), which sets forth the rights and responsibilities of the Non-Federal Sponsors

[4] Originally, the Design Agreement was entered into between the USACE, the City of Fargo, and the City of Moorhead. In 2013, the Authority was added as a party to the Design Agreement. See Design Agreement between the Department of the Army and the City of Fargo, North Dakota and the City of Moorhead, Minnesota for Design for the Fargo-Moorhead Metropolitan Area Flood Risk Management Project dated September 12, 2011. See Amendment Number 1 to the Design Agreement between the Department of the Army and the City of Fargo, North Dakota and the City of Moorhead, Minnesota for Design for the Fargo-Moorhead Metropolitan Area Flood Risk Management Project dated December 19, 2013.

and USACE for implementation of the Comprehensive Project. A copy of the PPA is available on the Project Website. Under the PPA, the Non-Federal Sponsors and USACE agreed to deliver the Comprehensive Project using a "Split Delivery Model," with USACE responsible for the design and construction of the SEAI and MAI, and the Non-Federal Sponsors responsible for the design and construction of the Project, as well as the operation and maintenance of the Comprehensive Project. Under the terms of the PPA, USACE has committed to provide **$450 million** in federal funds,[5] subject to appropriations, for construction of the Comprehensive Project, with the Non-Federal Sponsors responsible for all Comprehensive Project costs in excess of such amount. The Authority intends that the federal funds will be used to fund the SEAI and other non-P3 costs, and will not be used as a source of funds for the DCAI.

2. Executive Summary

a. Introduction

The funding for the Comprehensive Project is comprised of multiple sources. The SEAI will be funded primarily using the **$450 million** in federal funds. The DCAI will be funded primarily using Cass County and City of Fargo sales and use tax revenues, backstopped by special assessments levied by the CCJWRD. The DCAI will also be funded with appropriations from the State of North Dakota. Right-of-way acquisitions for both the SEAI and DCAI will be funded through appropriations from the State of North Dakota and Cass County and City of Fargo sales and use tax revenues.

The sources available to fund Project Agreement payments consisting of Milestone, Availability, and P3 Payments are Cass County and City of Fargo sales and use tax revenues, and appropriations from the State of North Dakota (and special assessments levied by CCJWRD). This Whitepaper will address State of North Dakota and State of Minnesota budgeting and appropriations process, the authority, levy and use of sales and use taxes by Cass County and the City of Fargo, and the levy, appropriation, and collection of the special assessments by CCJWRD (the "Pledged Revenues"). Finally, this Whitepaper will address the use of the Pledged Revenues to make payments due under the Project Agreement.

b. Proposers Due Diligence

Proposers should undertake their own analysis and due diligence regarding each of the following points. Proposers should also familiarize themselves with the terms and conditions of the JPA, which is available on the Authority's website: *www.fmdiversion.com*. Proposers are encouraged to provide input regarding Project Agreement terms and conditions which they envision as necessary from a credit perspective.[6]

[5] The $450 million in federal funds is established as October 2015 dollars, with annual adjustments for inflation of any remaining balances that are not expended by the USACE. See Article I, Section J of the PPA. As a result, the $450 million will be adjusted for inflation based upon the date of expenditure.

[6] Proposers are directed to the draft Project Agreement (Part J- Termination and Step-In, Termination for Authority Default) to provide input regarding contractual terms and conditions related to clause "(f) JPA-Related Event."

3. Source of Funds for Direct Costs, Debt Obligations, and Milestone, Availability, and P3 Payments

As provided in the JPA the Authority's direct costs, Debt Obligations, Milestone Payments, Availability Payments, and P3 Payments for the DCAI[7] will be funded through a variety of previously established revenue sources, including:

- Appropriations from the State of North Dakota;
- City of Fargo sales and use taxes;
- Cass County sales and use taxes; and
- Special assessments levied and apportioned upon real property[8] within FM Flood Risk Management District No. 1.[9]

The Availability Payment will have two components consisting of a capital portion and an operations and maintenance portion. The sources of funds for the capital portion of the Availability Payment are Cass County and City of Fargo sales and use tax revenues, and revenue generated from special assessments levied by CCJWRD on property within FM Flood Risk Management District No. 1.[10] The sources of funds for the operations and maintenance portion of the Availability Payment are excess Cass County and City of Fargo sales and use tax revenues, a maintenance levy for the Comprehensive Project by CCJWRD, and storm water maintenance fees.[11]

4. North Dakota Budgetary Process

North Dakota's fiscal year commences July 1st and ends on June 30th of the following calendar year. North Dakota operates under a biennial budget for two consecutive fiscal years, beginning on July 1st of every odd-numbered year and ending on June 30th of the next odd-numbered year (e.g. July 1, 2013 – June 30, 2015). Under North Dakota's Constitution, North Dakota Legislative appropriation acts are limited to a two-year period (a biennium) unless specifically provided otherwise.[12] The appropriations legislation regarding the Comprehensive Project (i.e. SB2020, as defined below) specifically authorizes the carryover of funds across biennia for the Comprehensive Project as more fully set forth in Section 4 of this Whitepaper.

The budgeting process commences in March of every even-numbered year prior to the legislative session, which is held every odd-numbered year, with the governor's budget guidelines and state agencies and institutions preparing biennial budget requests. These budget requests are submitted

[7] Funds from the State of Minnesota will only be utilized for Comprehensive Project elements located within the State of Minnesota. As a result, no State of Minnesota funds will be used for the DCAI.
[8] For purposes of special assessments, the term "real property" includes lots and parcels of land.
[9] The geographical boundaries of FM Flood Risk Management District No. 1 include all lands located within the geographical boundaries of the Comprehensive Project in North Dakota, and include, *inter alia*, the City of Fargo, West Fargo, Horace, Harwood, Reile's Acres, and Frontier.
[10] Cass County sales and use tax is defined in Section 6 of this Whitepaper; City of Fargo sales and use tax is defined in Section 6 of this Whitepaper; Special assessment revenues collected by CCJWRD are defined in Section 8 of this Whitepaper.
[11] See Section 12 of this Whitepaper.
[12] See generally N.D. Ag. Op. 96-L-21 (1996).

to the North Dakota Office of Management and Budget (the "NDOMB") beginning in July. The NDOMB holds selected executive budget hearings to allow agencies an opportunity to explain and justify their budget requests for inclusion in the governor's budget recommendations to the legislative assembly. Revenue forecast information and a revenue advisory committee are also utilized by the NDOMB.

The legislative assembly receives the governor's executive budget recommendations during its organizational session in the December preceding the legislative session. The legislative management's budget section meets following the organizational session to receive more detailed information regarding the executive budget recommendations. Prior to the convening of the legislative session, the legislative fiscal staff prepares a comprehensive analysis of the executive budget recommendations. This analysis is presented to the appropriations committees (for their respective chamber) and is made available to all members of the legislative assembly for the members' use in developing the legislative budget.

The NDOMB introduces bills to provide for the revenue and appropriations levels recommended in the governor's budget. Individual legislators may also introduce bills affecting state revenues or appropriations for an agency. As it develops the legislative budget, the legislative assembly considers the governor's recommendations and information received through public hearings held in each chamber on each appropriation and revenue bill. Each bill having an appropriation of $5,000 or more or a bill with a fiscal note indicating a fiscal impact of $50,000 or more on an agency's appropriations is by rule required to be referred to the appropriations committees.

The majority of the North Dakota Legislative Assembly's work is conducted through the use of several standing committees. Legislators who serve on the appropriations committees have no other standing committee assignments, as those committees meet every day of the week.[13] The North Dakota Senate Appropriations Committee ("Senate Appropriations Committee") consists of thirteen (13) members and forms ad hoc subcommittees to consider specific issues or funding levels for select agencies. The North Dakota House Appropriations Committee ("House Appropriations Committee") consists of twenty-three (23) members and is organized into three formal divisions – education and environment, human resources, and government operations. These divisions hold budget hearings on assigned agencies, develop budget recommendations, and report their recommendations to the full appropriations committee. After public hearings, the appropriations committees submit their recommendations to their respective chambers.[14]

The reports from the appropriations committees include: (1) a recommendation to pass the bill; (2) a recommendation to not pass the bill; (3) a recommendation to amend and pass; (4) a recommendation to amend and do not pass; or (5) make no recommendation. All bills regardless of committee recommendation will be placed on the respective chamber's calendar for final passage. If the committee recommends an amendment, the amendment is placed on the chamber's calendar before the bill is placed on the chamber's calendar. A bill is then given a second reading on the Senate or House floor depending on which chamber the bill was introduced. After the debate, the bill is passed or defeated in the respective chamber; if it is passed, it is delivered to the other chamber for consideration. If the second chamber passes the

[13] *Legislative Branch Function and Process*. North Dakota Legislative Branch. Retrieved from www.legis.nd.gov/research-center/library/legislative-branch-function-and-process. Date accessed 12/5/2016.
[14] Id.

bill without any changes, the bill is enrolled, signed by the presiding officers, and sent to the governor. If changes are made to the bill by the second chamber to consider the bill, a conference committee, comprised of members from both chambers, is appointed by the presiding officers. The conference committee then makes recommendations to both chambers, which must pass the bill in the same form.

Once passed by an affirmative vote of a majority of members in both chambers of the legislative assembly, each bill is delivered to the governor for signature. The governor may use line-item veto authority to veto specific items in a bill.[15] Historically, the North Dakota governor's use of the line item veto has been dependent upon the political and policy preferences of the governor. Former Governor Dalrymple (2010 to December 15, 2016),[16] was very conservative in using his line item veto Authority only one (1) to five (5) times in each of the past five (5) legislative sessions.[17] It is unknown how often incoming Governor Burgum, a resident of Cass County and successful real estate developer of property within Cass County and technology sector entrepreneur, will utilize his line item veto authority. Unless otherwise indicated, an appropriation bill or a tax measure bill becomes effective July 1st following the legislative session, and other bills become effective on August 1st.[18] The legislative assembly approves approximately seventy-five (75) appropriation bills each session. The North Dakota Legislature has always successfully approved a budget prior to July 1st; it has never failed to approve a budget.

If the North Dakota State Legislature was unable to approve a budget by July 1st, the State of North Dakota could only expend funds for previously authorized debt service and to provide funds for the purposes of repelling invasion, suppressing insurrection, defending the state in a time of war, and to provide for the public defense in case of threatened hostilities.[19]

Appropriations for the Comprehensive Project will be included in the budget for the North Dakota State Water Commission (the "SWC"), which is actively involved in water development projects throughout North Dakota through the implementation of a cost-share program. Member entities of the Authority have entered into a cost-share agreement with the SWC for the Comprehensive Project. For the 2015-2017 biennium, the legislative assembly appropriated approximately **$1.125 billion** to the SWC. Funding requests for the SWC are developed by the SWC and its chairperson (the North Dakota governor) and submitted to the governor's office for inclusion within the governor's budget. Funds are appropriated by the legislature to the SWC for both specifically identified projects and as general appropriations. General appropriations may be allocated to various SWC projects, but specific appropriations must be utilized for identified projects. In order for a North Dakota political subdivision to receive funding from SWC, it must enter into a Cost Share Agreement with the SWC. The City of Fargo entered into a Cost Share Agreement with the State of North Dakota, by and through the SWC, dated July 28, 2011, and August 22, 2011, to provide funding for the Comprehensive Project. Subsequently, the Authority

[15] The governor may exercise the line-item veto only when (i) the material vetoed is severable from the material approved, the material approved continues to be a workable bill, and (ii) the fundamental purpose of the legislation is not changed by the deletion. 93 Op. N.D. Att'y Gen. F-05.
[16] See N.D. Const. Article V, Section 5.
[17] Information provided by the North Dakota Legislative Council.
[18] See generally N.D. Const. Article IV, Section 13.
[19] See generally N.D. Const. Article X, Section 13.

entered into a Cost Share Agreement[20] with the State of North Dakota, by and through the SWC, dated July 8, 2016, and July 14, 2016, to provide funding for the Comprehensive Project, and, although CCJWRD is not a signatory to this agreement, its approval is required.

5. North Dakota 2015 Senate Bill No. 2020

During the 2015 legislative assembly, Senate Bill Number 2020 ("SB2020") outlined the appropriations for the SWC for the upcoming biennium, and included the intent of the legislative assembly regarding future water projects. First, SB2020 appropriated **$69 million** for the DCAI and determined any funds not spent by June 30, 2017, were not subject to North Dakota Century Code ("N.D.C.C.") § 54-44.1-11, which precludes the ability of carrying appropriations to a subsequent biennium; therefore, such funds must be carried forward to subsequent bienniums. These funds may be used only for land purchase, construction, and professional fees associated with construction of the Comprehensive Project, which includes the DCAI. The standing North Dakota Legislature has always given deference to legislation that expresses the intent of a prior North Dakota legislature to undertake spending. These funds were specifically earmarked for Fargo interior flood control projects until Federal appropriation was provided for Comprehensive Project construction, at which time the funds could be utilized for the Comprehensive Project. The Comprehensive Project first received appropriations from the USACE in its Fiscal Year 2016 Work Plan.

Second, SB2020 appropriated an additional **$60 million** for flood protection projects within the city limits of the City of Fargo, for the period beginning with the effective date of SB2020 and ending June 30, 2017. Of this **$60 million**, **$30 million** is not subject to N.D.C.C. § 54-44.1-11 and may be continued into the next or subsequent bienniums. The **$60 million** is intended to be spent on components of the Comprehensive Project that will be constructed within the City of Fargo and that are not part of the DCAI.

Last, SB2020 included the legislative assembly's intent for the Comprehensive Project moving forward – providing one-half of the local cost-share of the Comprehensive Project, not to exceed **$570 million**. The legislative assembly expressed its intent that **$120 million** of the **$570 million** is to be used for Fargo interior control projects; that **$450 million** of the **$570 million** is to be used for flood control projects; and, that **$266 million** is to be made available in equal installments over the next four bienniums, beginning July 1, 2017.[21] The legislative assembly further provided that funding for the Comprehensive Project would end June 30, 2021, if no Federal appropriation for construction for the Project had been made by June 30, 2021. As

[20] Pursuant to the terms and conditions of the Cost Share Agreement, the State of North Dakota will reimburse the Authority 50% of its eligible expenses in an amount up to the maximum amount appropriated by the State of North Dakota. Further, the Authority may only be reimbursed for up to 10% of its administrative costs from the state appropriations. See Agreement for Cost-Share Reimbursement, Fargo Flood Control Project 2015-2017 between the State of North Dakota and Metro Flood Diversion Authority dated July 14, 2016. For Comprehensive Project costs that are not eligible for reimbursement pursuant to the Cost Share Agreement, the Authority will use revenues from sales and use taxes collected by Cass County and the City of Fargo, together with any funds from the levy of special assessments by CCJWRD.

[21] On December 7, 2016, North Dakota Governor Dalrymple released his proposed 2017 biennium budget, which includes $66.5 million for the Comprehensive Project. (See Press Release, State of North Dakota, Office of the Governor, Dalrymple Delivers 2017-2019 Budget Address (December 7, 2016) *available at* https://www.governor.nd.gov/media-center/news/dalrymple-delivers-2017-2019-budget-address.)

previously provided, however, Federal appropriation for construction for the Comprehensive Project occurred in the USACE's Fiscal Year 2016 Work Plan. When a legislative assembly has previously expressed its intent for future appropriations, the appropriations have generally occurred, contingent upon available funds. North Dakota's share of local costs for the Comprehensive Project will be utilized for the Authority's direct costs and Milestone Payments.

6. Minnesota Budgetary Process

It is anticipated that any funds obtained from the state of Minnesota would **not be used** for the DCAI and instead would be used for (a) Comprehensive Project related features located in Minnesota; (b) environmental mitigation projects located in Minnesota; or (c) land acquisition located within Minnesota. The Authority recognizes that Minnesota Department of Natural Resources ("MDNR") permitting for features of the Comprehensive Project located in Minnesota must still be resolved in order to obtain the funds for the Comprehensive Project from the State of Minnesota.

Minnesota's fiscal year begins on July 1st of odd-numbered years and ends on June 30th of the following year. A fiscal year is designated by the year in which it ends; thus, fiscal year 2016 began on July 1, 2015, and ended on June 30, 2016. The state budget operates on a two-year cycle.

The process of creating a new state budget begins in the even-numbered years prior to the beginning of a new biennium. The commissioner of Minnesota Management & Budget prepares and distributes budget instructions and forms to all state agencies. Each agency's proposed budget must show actual expenditures and receipts for the two (2) most recent fiscal years, estimated expenditures and receipts for the current fiscal year, and estimates for each fiscal year of the next biennium. This information must be filed with the commissioner by October 15th. By November 30th the commissioner must send final budget information to legislative ways and means and finance committees. This information is used as the basis for the governor's proposed biennial budget.

Minnesota law requires the governor to submit a three-part budget to the legislature. Part one is the budget message, part two is a detailed operating budget, and part three is a capital expenditure budget. Parts one and two are presented to the legislature in January or February of odd-numbered years and part three is presented to the legislature in January of even-numbered years.

The release of the governor's budget sets the legislative component in motion. Budget proposals are introduced to the legislature and make their way through the legislative process in a number of individual appropriations bills. Once they are approved and passed by the legislature, each bill is sent to the governor who can accept and sign the bill, veto the entire bill, or veto individual line items of the bill. The final budget passed by the legislature does not appear in a single law but is made up of a number of separate appropriations laws.

The state budget can also be modified, under certain circumstances, by the governor through the power of unallotment, which entails reducing spending to avoid an anticipated budget deficit. In order for unallotment to occur, the Minnesota Commissioner of Finance must first determine that probable receipts for the general fund will be less than anticipated and that the amount available

for the remainder of the biennium will be less than needed. Once this determination is made, the commissioner must thereafter consult with the Legislative Advisory Commission (the "LAC"). Minnesota law requires only consultation with the LAC and does not give the LAC authority on the proposed unallotment. The commissioner then consults with the governor and seeks approval of the proposed reduction. Since the enactment of statutes authorizing unallotment in 1939, governors have utilized unallotment in 1980 (**$195 million**), 1981, 1986 (**$109 million**), 2003 (**$281 million**), 2008 (**$269 million**), and 2009 (**$2.68 billion**).

Under the terms of the JPA, the Minnesota member entities of the Authority will use their best efforts to actively request appropriations, grants, or cost-share allocations from the State of Minnesota. The State of Minnesota has yet to appropriate any funds for the Comprehensive Project. The JPA anticipates the City of Moorhead requesting an amount of appropriations not to exceed **$100 million**,[22] with Clay County supporting that effort. Minnesota's share of local costs (if any) for the Comprehensive Project will be utilized for the Authority's direct costs and would not be used for the DCAI.

7. Sales and Use Taxes

a. Introduction

Pursuant to and in accordance with the North Dakota Century Code, North Dakota Counties and Cities which have previously adopted a home rule charter may impose, levy and collect sales and use tax upon all retail sales occurring within the boundaries of the respective County or City. The power and authority to adopt, impose, levy and collect a sales and use tax is within the sole authority of a County or City which has adopted a home rule charter. The State of North Dakota is not required to consent to a County or City imposing a Countywide or Citywide sales and use tax. The State of North Dakota currently imposes a five percent (5%) sales and use tax that is in addition to any locally approved County or City sales and use tax. North Dakota Counties and Cities which impose and levy a sales and use tax must enter into an agreement with the State of North Dakota, whereby the North Dakota Office of State Tax Commissioner collects locally imposed sales and use taxes and remits the revenue each and every month to the local jurisdiction, after deducting an administrative fee based upon the number of sales tax permits in the jurisdiction imposing the sales and use tax.[23]

Cass County and the City of Fargo have each previously adopted a home rule charter. Both Cass County and the City of Fargo have each previously imposed, levied and also collected sales taxes for multiple projects, including the Fargo-Moorhead Metropolitan Area Flood Risk Management Project. Any sales and use tax imposed by Cass County is levied upon all retail sales occurring within the geographical areas of Cass County, including areas outside the area benefitted by the Comprehensive Project. Any sales and use tax imposed by Cass County is also levied upon all retail sales occurring within the geographical area of the City of Fargo. Any sales and use tax

[22] The Financial Plan assumes a contribution from the State of Minnesota in the amount of $43 million for the Comprehensive Project subject to appropriations by the State of Minnesota legislature.

[23] As an example, the North Dakota Office of State Tax Commissioner currently imposes a fee of $13,650.00 per month to collect Cass County's sales and use tax and to remit it to Cass County on a monthly basis and a monthly fee that is the lesser of $35 per permit, or 3% of the sales taxes collected to collect the City of Fargo's sales and use tax.

imposed by the City of Fargo is levied upon all retail sales occurring within the geographical area of the City of Fargo. Cass County and the City of Fargo have both legally dedicated and will both legally dedicate sales and use tax revenues as security for and payment of debt service for sales and use tax revenue bonds issued by the City of Fargo and Cass County and as a source of payment for Milestone, Availability, and P3 Payments.

Pursuant to the JPA, both Cass County and the City of Fargo have agreed to coordinate their efforts to extend their respective sales taxes so that at any time during which debt issued for the Comprehensive Project, the Milestone Payments, Availability Payments, and/or P3 Payments remain outstanding, a combined sales and use tax equal to or greater than one percent (1%) would be imposed by either or both Cass County and the City of Fargo.

b. Cass County, North Dakota

Pursuant to Ordinance No. 2010-2, Cass County imposed a one-half of one percent (0.5%) sales and use tax upon the gross receipts of retailers from all sales at retail, including leasing or rental of tangible personal property, within the corporate limits of Cass County ("County 2010-2 Sales Tax"). The proceeds of the County 2010-2 Sales Tax are dedicated for payment of expenses incurred for the planning, engineering, land purchase, construction, and maintenance of a Red River diversion channel and other flood control measures or the payment of special assessments, or debt incurred for a Red River diversion and other flood control measures as authorized by the Board of Cass County Commissioners. Cass County has determined that it will legally pledge not less than ninety-one percent (91%) of the County 2010-2 Sales Tax[24] to sales and use tax revenue bonds issued by Cass County (the "County Sales Tax Bonds") and will dedicate (but not legally pledge) sales and use tax revenues not required for annual debt service or to replenish reasonably required debt service reserve funds on the County Sales Tax Bonds to the payment of debt service[25] for improvement bonds issued by CCJWRD, and Milestone, Availability, and P3 Payments for the Comprehensive Project.[26] For the past five years, sales and use tax revenues in Cass County have been:

2011:	$ 7,612,423
2012:	$14,494,309
2013:	$14,964,867
2014:	$15,986,941
2015:	$16,929,904

[24] Cass County has dedicated not less than 91% of the County 2010-2 Sales to the repayment of temporary and long term debt to provide funds for the planning, design, and construction of the Comprehensive Project and related elements. See Cass County Resolution No. 2014-12 (enacted 7-21-2014); see also Section 9.02(b) of the JPA.

[25] This includes annual debt service on improvement bonds issued for the Comprehensive Project and the warrant issued by CCJWRD.

[26] The County Sales Tax Bonds will be issued pursuant to an open indenture.

For planning purposes, the County is assuming the following sales and use tax projections over the next fifteen (15) years:[27]

2016:	$16,302,231
2017:	$16,791,298
2018:	$17,295,037
2019:	$17,813,888
2020:	$18,348,305
2021:	$18,898,754
2022:	$19,465,717
2023:	$20,049,688
2024:	$20,651,179
2025:	$21,270,714
2026:	$21,908,836
2027:	$22,566,101
2028:	$23,243,084
2029:	$23,940,376
2030:	$24,658,587

The County 2010-2 Sales Tax was anticipated to expire on March 31, 2031. The Cass County Commission, however, desired to extend the expiration date for the County 2010-2 Sales Tax until 2084, and voted unanimously to place such extension upon the November 8, 2016, ballot. (The County 2010-2 Sales Tax was previously approved by sixty-four percent (64%) of the voters.) On November 8, 2016, the extension of the County 2010-2 Sales Tax was approved by sixty-three percent (63%) of the voters (in both elections, a simple majority of voters was needed in order to pass). Pursuant to the ballot question presented to the voters, sales and use tax revenue generated by the County 2010-2 Sales Tax may be used for Debt Obligations, Milestone Payments, Availability Payments, and any other costs or charges associated with the DCAI and Comprehensive Project.

c. City of Fargo, North Dakota

The City of Fargo has adopted a sales and use tax ("City Flood Control Tax") by enacting Article 3-21 of the City of Fargo Municipal Code. The City Flood Control Tax imposes a one-half of one percent (0.5%) sales and use tax upon the gross receipts of retailers from all retail sales, including the leasing or renting of tangible personal property, within the corporate limits of the City of Fargo. The proceeds of the City Flood Control Tax are dedicated for acquiring property; making, installing, designing, financing, and constructing improvements; engaging in projects that are necessary for the goal of achieving risk reduction and the ability to defend the community against a five hundred (500) year flood event; and servicing bonds or other debt instruments. The City of Fargo has determined that it will dedicate one-hundred percent (100%) of its City Flood Control Tax[28] to sales and use tax revenue bonds issued by City of Fargo (the "City Sales Tax Bonds") and will dedicate (but not legally pledge) sales and use tax revenues not

[27] These projections equal 100% of the County 2010-2 Sales Tax projected to be collected over the next 15 years.

[28] The City of Fargo has dedicated 100% of the City Flood Control Tax to the repayment of temporary and long term debt to provide funds for the planning, design and construction of the Comprehensive Project and related elements. See Resolution Authorizing the Execution and Delivery of an Intergovernmental Agreement with Cass County (enacted on 7-21-2014); see also Section 9.02(a) of the JPA.

required for annual debt service or to replenish reasonably required debt service reserve funds on the City Sales Tax Bonds to the payment of debt service and Milestone, Availability, and P3 Payments for the Comprehensive Project.

In 2012, the City of Fargo adopted a second sales and use tax ("City Infrastructure Tax") by enacting Article 3-22 of the City of Fargo Municipal Code. The City Infrastructure Tax imposes a one-half of one percent (0.5%) sales and use tax upon the gross receipts of retailers from all retail sales, including the leasing or renting of tangible personal property, within the corporate limits of the City of Fargo. The proceeds of the City Infrastructure Tax are dedicated for such infrastructure capital improvements as the governing body of the City of Fargo selects, including streets and traffic management; water supply and treatment needs including construction or expansion of water treatment facilities; water distribution system needs; sewerage treatment and collection system needs, including construction or expansion of sewage treatment facilities; and flood protection or flood risk mitigation projects, and related improvements and activities. The City of Fargo has determined that it will legally dedicate (but not legally pledge) one-hundred percent (100%) of its City Infrastructure Tax not being utilized for present infrastructure projects[29] toward payment of Debt Obligations and Milestone, Availability, and P3 Payments for the Comprehensive Project.

The City Flood Control Tax and the City Infrastructure Tax was anticipated to expire on December 31, 2029, and December 31, 2032, respectively. The City of Fargo City Commission, however, desired to extend the expiration dates for the City Flood Control Tax and the City Infrastructure Tax until 2084, and as a result, voted to place such extensions upon the November 8, 2016, ballot. The City Flood Control Tax was previously approved by ninety and seven/tenths percent (90.7%) of the vote, and the City Infrastructure Tax was previously approved by sixty and three/tenths percent (60.3%) of the vote. On November 8, 2016, the extension of the City Flood Control Tax and the City Infrastructure Tax was approved by sixty-six percent (66%) of the voters (a super majority, i.e. sixty percent (60%), was needed to pass). Pursuant to the ballot question presented to the voters, sales and use tax revenue generated by the City Flood Control Tax and the City Infrastructure Tax may only be used for Debt Obligations, Milestone Payments, Availability Payments, and any and all other costs or charges associated with the Comprehensive Project.

The City of Fargo has additionally imposed a sales and use tax ("City Capital Improvements Tax") by enacting Article 3-20 of the City of Fargo Municipal Code. The City Capital Improvements Tax imposes a one percent (1%) sales and use tax upon the gross receipts of retailers from all retail sales, including the leasing or renting of tangible personal property, within the corporate limits of the City of Fargo. The proceeds of the City Capital Improvements

[29] The City of Fargo previously issued two bond issues to fund In-Town Flood Control Projects in 2013 and 2014 that were payable from a sales tax that was dedicated to various infrastructure (the In-Town Flood Control Projects are part of the Comprehensive Project). The aggregate amount of debt issued was $83.9 million. Individual bond issues were marketed under the State of North Dakota's Capital Financing Program. Series 2013A was issued in the par amount of $51.375 million and Series 2014B was issued in the par amount of $32.512 million. As of December 1, 2016, a total of $75.889 million remains outstanding, which will be fully amortized by 2033. Once these two issues are fully paid and/or defeased, 100% of the City Infrastructure Tax will be available to be utilized for Debt Obligations, Milestone and Availability Payments, and P3 Payments for the Project. The sales tax authorization contained in Section 3(U) of Fargo's Home Rule Charter (HRC) will be used to pay these obligations in the future. The City of Fargo City Commission amended Section 3(U) of the HRC during the voter approved extension of this sales tax authorization to 2084.

Tax are also dedicated for such infrastructure capital improvements as the governing body of the City of Fargo selects, including streets and traffic management; water supply and treatment needs including construction or expansion of water treatment facilities; water distribution system needs; sewage treatment and collection system needs, including construction or expansion of sewage treatment facilities; and flood protection or flood risk mitigation projects. The City of Fargo will dedicate[30] one quarter of the one percent (0.25%) City Capital Improvement Tax toward payment of Debt Obligations[31] and Milestone, Availability, and P3 Payments for the Comprehensive Project until 2028.

For the past five years, sales and use tax revenues in the City of Fargo for the City Flood Control Tax and the City Infrastructure have been:

Please note: These figures represent the net sales tax receipts for the City of Fargo, not the total amounts dedicated to the Comprehensive Project:

Historical Distribution of Sales Taxes

Year	Infrastructure	Flood Control	Public Utility	Total
2011	$ 15,515,131	$13,365,237	$20,963,395	$49,843,763
2012	15,046,337	11,368,486	15,047,541	41,462,364
2013	10,806,389	20,202,834	13,102,714	44,111,937
2014	11,528,271	23,651,663	13,313,638	48,493,572
2015	13,018,973	26,037,946	13,018,972	52,075,891

For planning purposes, the City is assuming the following sales and use tax projections over the next sixty-nine (69) years for the Comprehensive Project:

Please note: These figures reflect only the portion of sales tax amounts that will be dedicated to the Comprehensive Project:

Year	City Capital Improvement Tax (.25%)	City Flood Control Tax (.5%)	City Infrastructure Tax (.5%)	Total
2016		$13,041,000		$13,041,000
2017	$6,716,115	13,432,230	$13,432,230	33,580,575
2018	6,917,598	13,835,197	13,835,197	34,587,992
2019	7,125,126	14,250,253	14,250,253	35,625,632
2020	7,338,880	14,677,760	14,677,760	36,694,401
2021	7,559,047	15,118,093	15,118,093	37,795,233
2022	7,785,818	15,571,636	15,571,636	38,929,090

[30] The dedication of the 0.25% of the City Capital Improvement Tax **does not** require prior voter approval or approval from the State of North Dakota. Rather, the dedication of the 0.25% of the City Capital Improvement Tax is accomplished by action of the Fargo City Commission (the governing body of the City of Fargo).

[31] This includes annual debt service on improvement bonds issued for the Project and the warrant issued by CCJWRD.

2023	8,019,393	16,038,785	16,038,785	40,096,963
2024	8,259,974	16,519,949	16,519,949	41,299,872
2025	8,507,774	17,015,547	17,015,547	42,538,868
2026	8,763,007	17,526,014	17,526,014	43,815,034
2027	9,025,897	18,051,794	18,051,794	45,129,485
2028	9,296,674	18,593,348	18,593,348	46,483,369
2029		19,151,148	19,151,148	38,302,296
2030		19,725,683	19,725,683	39,451,365
2031		20,317,453	20,317,453	40,634,906
2032		20,926,977	20,926,977	41,853,953
2033		21,554,786	21,554,786	43,109,572
2034		22,201,430	22,201,430	44,402,859
2035		22,867,472	22,867,472	45,734,945
2036		23,553,497	23,553,497	47,106,993
2037		24,260,102	24,260,102	48,520,203
2038		24,987,905	24,987,905	49,975,809
2039		25,737,542	25,737,542	51,475,083
2040		26,509,668	26,509,668	53,019,336
2041		27,304,958	27,304,958	54,609,916
2042		28,124,107	28,124,107	56,248,213
2043		28,967,830	28,967,830	57,935,660
2044		29,836,865	29,836,865	59,673,730
2045		30,731,971	30,731,971	61,463,942
2046		31,653,930	31,653,930	63,307,860
2047		32,603,548	32,603,548	65,207,096
2048		33,581,654	33,581,654	67,163,308
2049		34,589,104	34,589,104	69,178,208
2050		35,626,777	35,626,777	71,253,554
2051		36,695,580	36,695,580	73,391,161
2052		37,796,448	37,796,448	75,592,895
2053		38,930,341	38,930,341	77,860,682
2054		40,098,251	40,098,251	80,196,503
2055		41,301,199	41,301,199	82,602,398
2056		42,540,235	42,540,235	85,080,470
2057		43,816,442	43,816,442	87,632,884
2058		45,130,935	45,130,935	90,261,870
2059		46,484,863	46,484,863	92,969,726
2060		47,879,409	47,879,409	95,758,818
2061		49,315,791	49,315,791	98,631,583
2062		50,795,265	50,795,265	101,590,530
2063		52,319,123	52,319,123	104,638,246
2064		53,888,697	53,888,697	107,777,394
2065		55,505,358	55,505,358	111,010,715
2066		57,170,518	57,170,518	114,341,037
2067		58,885,634	58,885,634	117,771,268
2068		60,652,203	60,652,203	121,304,406
2069		62,471,769	62,471,769	124,943,538
2070		64,345,922	64,345,922	128,691,844
2071		66,276,300	66,276,300	132,552,600

2072	68,264,589	68,264,589	136,529,178
2073	70,312,526	70,312,526	140,625,053
2074	72,421,902	72,421,902	144,843,804
2075	74,594,559	74,594,559	149,189,119
2076	76,832,396	76,832,396	153,664,792
2077	79,137,368	79,137,368	158,274,736
2078	81,511,489	81,511,489	163,022,978
2079	83,956,834	83,956,834	167,913,667
2080	86,475,539	86,475,539	172,951,077
2081	89,069,805	89,069,805	178,139,610
2082	91,741,899	91,741,899	183,483,798
2083	94,494,156	94,494,156	188,988,312
2084	97,328,981	97,328,981	194,657,961

d. Revenue Fund and Pledged Revenues

Under the terms of the JPA, Cass County and the City of Fargo both agreed to levy and collect the County 2010-2 Sales Tax, the City Flood Control Tax, the City Infrastructure Tax, and any Additional Sales and Use Tax necessary for the payment of all Debt Obligations, Milestone Payments, Availability Payments, and P3 Payments for the Comprehensive Project. These funds, once collected, will be deposited by Cass County and the City of Fargo into the Revenue Fund created by the JPA.[32] The above-described sales and use taxes will be the primary sources of revenue for payment of short-term and long-term financing for the Comprehensive Project, including Availability Payments and P3 Payments, commitments that will also be secured by special assessments from FM Flood Risk Management District No. 1. The special assessment security is also backstopped by the requirement that Cass County impose a deficiency levy, if needed and only in the event of insufficient available revenue, unlimited as to amount upon all taxable property within Cass County,[33] as more fully discussed below, which will be levied and deposited into the Revenue Fund if necessary. Together, these Pledged Revenues will be used to fund the Milestone Payments, Availability Payments, and P3 Payments.

8. Sales Tax Revenue Bonds

a. Introduction

At the appropriate time, Cass County and the City of Fargo will each issue permanent sales tax revenue bonds for a portion of the capital costs of the Comprehensive Project that are not paid from appropriations received from the States of North Dakota and Minnesota. The Comprehensive Project includes the SEAI,[34] which will be constructed and funded by USACE. Pursuant to the Project Partnership Agreement executed by and between the Authority, the City

[32] Pursuant to Section 10.04 of the JPA, the Fiscal Agent for the Authority will be responsible for administration of the Revenue Fund. As defined in the JPA, Fiscal Agent means a third party private financial entity or the Bank of North Dakota or a Member Entity appointed by the Diversion Authority Board pursuant to Sections 5.09 and 10.03 of this Agreement to act as Fiscal Agent. Currently, the City of Fargo is serving as the Fiscal Agent pursuant to Section 10.02 of the JPA.

[33] For current information regarding the valuation of property within Cass County, please see Exhibit B.

[34] As set forth in Section 1 of this Whitepaper, USACE is responsible for delivering the SEAI.

of Fargo, the City of Moorhead and the USACE on behalf of the Department of the Army, USACE will provide **$450 million** of federal funding for the SEAI and the MAI. The estimated construction costs associated with the SEAI are anticipated to be less than **$450 million**. Pursuant to the PPA, USACE is authorized to use funds in excess of construction costs for other Comprehensive Project costs, such as land acquisition and administration.

The capital costs of the Project will be financed by (i) the issuance of sales and use tax revenue bonds by Cass County and the City of Fargo, (ii) the issuance of refunding improvement bonds (discussed below) issued by the CCJWRD and, (iii) private financing provided by the P3 Developer. (Please note that the costs of right-of-way acquisition for the Project ***will not be*** financed by private financing provided by the P3 Developer.) The permanent sales tax revenue bonds will be issued pursuant to an open indenture that will allow Cass County and the City of Fargo to utilize sales and use tax revenue to first pay the annual debt service on the permanent sales and use tax bonds, then replenish any required reserve requirements (if necessary), and finally to be available to pay the debt service on any refunding improvement bonds issued by the CCJWRD and any warrants[35] [36] issued by CCJWRD to secure its obligations under Section 9.02(e) of the JPA. See Overview of Financing Graphic attached to this Whitepaper as Exhibit A.

As a result of its entry into the Project Agreement, the Authority anticipates putting in place FM Flood Risk Management District No. 1 prior to substantial completion of the DCAI. The P3 Developer's private financing will be secured by Availability Payments as set forth in the Project Agreement. Ultimately, the CCJWRD will issue and the Authority will hold in trust an improvement warrant[37] equal to the principal amount of P3 Developer's private financing so as to establish the legal right of the Authority to collect sales and tax revenues payments and remit Availability Payments to the P3 Developer.

b. Use of Sales Tax Revenue Bonds

Initially, to cover costs and expenses of the Comprehensive Project, including, but not limited to, land, easements, buildings, structures, machinery and equipment, and the cost of all architectural, engineering, legal and other professional services and other costs reasonable, necessary and incidental, Cass County and the City of Fargo have collectively issued **$200 million** worth of temporary sales tax notes held by Wells Fargo Bank, National Association. These temporary sales tax notes have a first lien on ninety-one percent (91%) of the County 2010-2 Sales Tax revenue and one hundred percent (100%) of the City Flood Control Tax revenue. Cass County's and the City of Fargo's current temporary sales tax notes mature in 2017 and 2018. CCJWRD

[35] Warrants are an enforceable obligation of North Dakota Water Resource Districts, which may be used as security for or as a payment on a contract. A warrant provides the holder of the warrant with the right to redeem the warrant (in accordance with its terms and conditions) for revenue generated by special assessments and/or other revenues (here sales and use tax revenues received from Cass County and the City of Fargo) collected by a Water Resource District from an Assessment District. See generally N.D.C.C. § 16-16.1-34.

[36] During the construction period, the obligation of the P3 Developer under the Project Agreement will be secured by a temporary improvement warrant held by the Authority. The terms and conditions of the temporary warrant will allow the holder of the warrant (the Authority) to sell and/or exchange the warrant for proceeds derived from the issuance of temporary refunding improvement bonds in order to pay the P3 Developer any amounts due in the unlikely event of an Authority default or compensation event.

[37] See Section 10 of this Whitepaper for more information regarding improvement warrants.

will likely issue a temporary refunding improvement bond[38] to pay-off the previously issued **$200 million** of temporary sales tax notes and to provide additional temporary funds for the Comprehensive Project, including the payment of Milestone Payments. The action of CCJWRD will allow Cass County and the City of Fargo to have additional capacity to issue additional temporary sales tax revenue bonds and/or notes during the construction period of the DCAI in order to finance Milestone Payments. These temporary sales tax bonds will have a first lien on ninety-one percent (91%) of the County 2010-2 Sales Tax and one hundred percent (100%) of the City Flood Control Tax. Upon substantial completion of the DCAI the temporary sales tax bond and/or notes will be refunded/prepaid using permanent sales tax revenue bonds (the County Sales Tax Bonds and the City Sales Tax Bonds); Cass County and the City of Fargo anticipate debt service on the permanent sales tax bonds will occur until 2084. Permanent sales tax bonds will continue to have a first lien on the County 2010-2 Sales Tax and the City Flood Control Tax. (The specific terms and conditions of the permanent sales tax bonds, including required reserve amounts, maturities, interest rate and call dates will be determined at the time of issuance of these bonds).

9. Special Assessments

a. Introduction

A further revenue source available for Debt Obligations and Milestone Payments, Availability Payments, and P3 Payments is special assessments. A special assessment is a fee for benefits from a project, levied upon real property located within an assessment district (here, the FM Flood Risk Management District No. 1).[39] The total amount of all special assessments levied within an assessment district may include, *inter alia*, an amount equal to the principal amount of the debt issued for the project, project costs, and contract amounts including the amount of the private financing provided by the P3 Developer,[40] up to one hundred twenty percent (120%) of the CCJWRD's Engineer's Report.[41] The sum of the principal amount[42] of these costs and applicable interest[43] is then amortized as a special assessment against benefitted property and jurisdictions within the assessment district over a period not to exceed thirty years after the date of substantial completion.[44] The specific amount of the special assessment levied against a parcel of property depends upon the benefits received from the project, with benefits considering such

[38] The sizing of this bond issue is still under development; however, it is anticipated that the par amount of the temporary refunding improvement bond will exceed $200 million.

[39] FM Flood Risk Management District No. 1 benefits eighty-six thousand eight hundred sixty-three (86,863) acres, which includes forty-nine thousand two hundred eight (49,208) protected properties and twenty (20) jurisdictions. The area benefitted by the FM Flood Risk Management District No. 1 is subject to the levy of special assessments by CCJWRD Technical Memorandum: FM Area Diversion Project, Diversion Project Assessment Committee, Assessment District Methodology and Development FM Flood Risk Management District No. 1, Pages 6,7,16 (June 10, 2015). Authored by AE2S, Inc.

[40] See generally N.D.C.C. § 61-16.1-15.

[41] Fargo-Moorhead Area Diversion Project Assessment District Amended Engineer's Report Cass County Joint Water Resource District, dated March 26, 2015, Eric Dodds, North Dakota Professional Engineer #5337.

[42] The amount of private financing provided by the P3 Developer.

[43] The interest rate on warrants held in trust for the Availability Payments cannot exceed 12%.

[44] The interest rate is to be determined and would be a discounted rate at which the capital portion of Availability Payment over term discounts to substantial completion matches the outstanding developer financing.

items as property value, degree of improvement of the property, productivity, and the water management policy.[45]

Benefits may be either direct or indirect. Direct benefits pertain to any lot, piece, or parcel receiving benefits from a project, while indirect benefits are assigned to any county, township, or city, in its corporate capacity, benefitting from the project. Indirect benefits take into consideration infrastructure, community and lifestyle, business and economy, as well as multiple salient benefits of providing a flood-free community.

For flood control projects, direct benefits may be determined utilizing a Geographical Information System (GIS)-based assessment model. This model allows for assessments to be made based upon a parcel's benefit from the project according to value and gross acreage. A key component of this model is its ability to spatially relate and analyze parcel location, benefit, value, and acreage, as well as attach site-specific data and attributes. The spatial and tabular relation of parcel characteristics helps to minimize bias in determining project boundaries and provides an objective and scientific approach for determining direct assessments.

To determine a parcel's benefit, the GIS-based assessment model first considers the probability of flooding before and after the project to assign a Benefit Weighted Factor ("BWF") to areas within the entire project boundary. Parcels within a similar region are then grouped into a Benefit Region ("BR") and the entire BR is assessed a BWF as a whole. Using the BR approach, direct benefits are then applied to each parcel within a BR using the BWF of the BR as a whole in which the parcel is located, along with the value and area of the specific parcel. Considerations for direct benefits to specific parcels are also made for land elevations, FEMA floodplain maps, and local technical expertise.

Indirect benefits may be determined by utilizing a population approach. Population is split amongst all counties, cities, and townships receiving benefits from the project and then considerations are made for that portion of the population within each political entity protected by the project.

A third type of property that is considered in the establishment of a special assessment district is acquired/impacted lands. Owners of this type of property, including temporary and permanent construction easements and right-of-way to construct project features, are not benefitted by the project and their property is not ultimately assessed for the project, but they are afforded the right to vote for or against the project.

b. North Dakota Water Resource Districts

In North Dakota, water resources districts, including the CCJWRD, have the ability to create assessment districts and impose special assessments to finance water projects. The process for creating an assessment district begins with a water resource district reviewing a proposed project and adopting a resolution of necessity.

Thereafter, the water resource district appoints an engineer to prepare profiles, plans, and specifications of the proposed project and to estimate the total cost thereof. Actual assessments

[45] See generally N.D.C.C. § 61-16.1-21.

may be made up to one hundred twenty percent (120%) of this estimated total cost. Once a total cost is estimated, the water resource district will determine the probable share of the total cost that will be levied as an assessment against each of the affected landowners in the proposed project improvement district.

The water resource district next informs affected landowners of the proposed special assessments and holds a public hearing on the proposed project. Affected landowners then have thirty (30) days following the public hearing to cast a vote for the project. If fifty percent (50%) or more of the total votes filed are against the proposed project, then the vote constitutes a bar against proceeding further with the project. If the number of votes filed against the project is less than fifty percent (50%), then the water resource district can issue an order establishing the project. Affected landowners may appeal this order.

Once a project is established, an assessment list is circulated and the water resource district holds a second public hearing to receive any objections to particular assessments. The water resource district, thereafter, has the power to make any necessary alterations to the assessment list before certifying and levying the special assessments by adopting a resolution.

c. FM Flood Risk Management District No. 1

In 2015, the CCJWRD followed this statutory procedure to create FM Flood Risk Management District No. 1, an improvement district intended to finance a portion of the local cost-share of the Comprehensive Project. More than fifty percent (50%) of the ballots returned were in favor of the Comprehensive Project, and the CCJWRD adopted a resolution establishing the Comprehensive Project on May 14, 2015. The engineer's report indicated the total costs to be specially assessed would be **$725 million**.[46] With the creation of FM Flood Risk Management District No. 1, the Authority will utilize the special assessments as a means of security for the payment of all short-term and long-term financing issued by CCJWRD for the Comprehensive Project.

At financial close, CCJWRD will issue temporary warrants in an amount equal to the principal amount of the Availability Payments[47] provided for in the Project Agreement. The Authority will hold the temporary improvement warrants as security for CCJWRD's legal pledges pursuant to the JPA until substantial completion of the DCAI. As set forth in the Project Agreement, one hundred twenty (120) days prior to substantial completion of the DCAI, the P3 Developer will notify the Authority that it anticipates reaching substantial completion. Once the Authority receives the substantial completion notification, it will, pursuant to the terms of the JPA, direct CCJWRD to issue permanent improvement warrants in an amount equal to the principal amount of the Availability Payments to be held by the Authority during the term of the Project Agreement, as security for the CCJWRD's pledge of special assessments pursuant to Section 9.02 of the JPA.

Following substantial completion of the DCAI, CCJWRD will pass a resolution directing that the special assessments be levied and certified. The Secretary of the CCJWRD will then certify the

[46]The actual amount of the assessment may be up to an amount equal to **$870 million**, which is 120% of the estimated total cost.

[47] For purposes of the warrant, the principal amount of the temporary warrant will equal the capital portion of the Availability Payments.

special assessments to the Cass County Auditor, indicating the amount to be assessed against each piece, parcel, lot, or tract of land. Special assessments that have been certified for properties within FM Flood Risk Management District No. 1 must be submitted to the Cass County Auditor by November 1st of the year preceding the first year of the scheduled Availability Payments. Special assessments will be certified; however, the assessments will not be levied against parcels (i.e. added to landowners tax statements) unless it is projected that sales and use taxes collected by Cass County and the City of Fargo are insufficient to pay Debt Obligations or Milestone, Availability, or P3 Payments coming due within the following thirteen (13) months. In such an event, the CCJWRD will be required by law to levy special assessments. If the revenue generated by the levied special assessments is insufficient to pay Debt Obligations or Milestone, Availability, or P3 Payments, the Cass County Board of Commissioners will levy a general tax unlimited as to rate upon all taxable property in the county.[48]

North Dakota law offers an additional level of security for the payment of all short-term and long-term refunding improvement bonds or warrants issued by a North Dakota water resource district. During the month of January of each year, a water resource district must prepare a complete statement of the condition of the finances of the district for the past year and shall file the same with the county auditor.[49] Such statement shall show separately, and in detail, the condition and resources of each and every assessment fund for the payment of project warrants of the district, including the amount of any anticipated deficit and the apportionment thereof.[50] Whenever all revenues collected for a project are insufficient to pay debt issued against such project coming due within the following thirteen (13) months, with interest, the board of county commissioners of each of the counties wherein the water resource district lies shall advance to the water resource district project fund an amount sufficient to pay the deficiency attributable to benefitted property in each county.[51] [52]

Additionally, if it appears to the board at any time that a deficiency exists or is likely to occur within one (1) year in such project fund for the payment of principal or interest due or to become due on such debt, the board of county commissioners of each of the counties wherein the water resource district lies, in order to forestall imminent deficiency in such fund or to promptly restore the ability of such fund to pay principal and interest punctually as the same becomes due, shall advance to such project fund the amount necessary to cover the anticipated deficiency attributable to benefitted property in such county. In order to make such advances, the board of county commissioners of each of the counties will draw upon their general funds.[53]

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[48] Pursuant to North Dakota law, CCJWRD must first draw from the any funds available in the FM Flood Risk Management District No. 1, in the event that fund is insufficient the County is required by law to review the fund and determine whether there has been or likely to occur a default in the funds coming due in the next 13 months. (See N.D.C.C. § 16-16.1-25.) If such a determination is made, the County board shall pay from the County General Fund or levy a general property tax upon all taxable property within the County, unlimited as to rate or amount, to produce an amount sufficient, along with the fund in the Bond Fund to equal 100% of the sums coming due on the obligations secured by the Fund in the next twelve (12) months. See also Section 9.07 through 9.09 of the JPA.

[49] See N.D.C.C. § 16-16.1-25.

[50] Id.

[51] Id.

[52] In practice, CCJWRD prepares their budget in July or August and generally does not file a statement when there is no current deficiency or when no deficiency is anticipated; however, CCJWRD will file a statement with Cass County if such a deficiency exists or is anticipated to occur, in order to pay the deficiency attributable to benefited property.

[53] See N.D.C.C. § 61-16.1-25.

10. Improvement Warrants and Refunding Improvement Bonds

a. Introduction

As a result of the creation of FM Flood Risk Management District No. 1, CCJWRD is authorized to issue improvement warrants and refunding improvement bonds for eligible costs associated with construction costs associated with the Comprehensive Project. As a means to secure future Availability Payments and P3 Payments to the P3 Developer during the construction of the DCAI, the CCJWRD will issue a temporary improvement warrant to the Authority with a maturity date that conforms to the substantial completion of the construction of the DCAI. The temporary improvement warrant will be secured by the pledge of special assessments. The temporary improvement warrant will also be payable from excess County 2010-2 Sales Tax and City Flood Control Tax revenues available after the payment of debt service and any reasonably required debt service reserve funds for temporary sales tax bonds and/or notes.[54]

Once the DCAI reaches completion, the CCJWRD will certify special assessments for FM Flood Risk Management District No. 1 and will issue a permanent improvement warrant to be held by the Authority to secure CCJWRD's pledge of revenues under the JPA. The permanent improvement warrant will be a thirty (30) year warrant[55] and will be payable from excess County 2010-2 Sales Tax and City Flood Control Tax revenues and any revenue generated by special assessments levied upon property within FM Flood Risk Management District No. 1. The Authority anticipates making payments to the P3 Developer over the course of this thirty (30) year period, approximately, based upon the Project Agreement entered between the P3 Developer and the Authority. In the event sales and use taxes are insufficient to make Availability or P3 Payments, the CCJWRD and the Authority will rely upon revenues generated by the special assessments levied upon property within FM Flood Risk Management District No. 1 and if necessary, a countywide general tax levy in Cass County as more fully described in Section 8 of this Whitepaper. The temporary and permanent improvement warrants will be issued on parity with other improvement warrants issued by CCJWRD to cover other initial costs and expenses of the Comprehensive Project and Milestone Payments.

b. Warrants and Refunding Improvement Bonds

CCJWRD issues warrants that are payable out of funds generated by assessment districts and other sources of revenue pledged for the repayment of the warrants. In the case of the FM Flood Risk Management District No. 1, the warrants will be secured by the special assessments and payable from sales and use tax revenues available after the payment of permanent sales and use tax bonds. When a water resource district issues refunding improvement bonds, it holds the warrants in trust[56] for the bondholders as security for the repayment of the debt service on the refunding improvement bonds. In the event that the revenues are ever projected to be insufficient to make debt service payments, the County or Counties in which the Assessment District is located must follow the procedure outlined above in Section 8(c).

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[54] See generally N.D.C.C. § 61-16.1-34 and N.D.C.C. § 16-16.1-36, which authorize the issuance of temporary warrants and refunding improvement bonds.

[55] See N.D.C.C. § 61-16.1-34, which provides, in relevant part, "The warrant shall be payable serially in such amounts as the board determines, extending over a period of not more than thirty years."

[56] An indenture with a trustee may also be used.

With respect to FM Flood Risk Management District No. 1, CCJWRD will hold the improvement warrants in trust and will issue refunding improvement bonds. The refunding improvement bonds will be payable out of excess County 2010-2 Sales Tax and City Flood Control revenues and special assessments collected.

11. Other Considerations

Under North Dakota law, North Dakota political subdivisions including Counties, Cities, water resource districts, and the Authority do not have the right and/or authority to declare bankruptcy. Bondholders and holders of warrants have the right to compel the collection of sales and use, special assessments and/or deficiency levies through the use of a legal proceeding referred to as a Writ of Mandamus.

12. Operations and Maintenance

Pursuant to the JPA, the operations and maintenance of the Comprehensive Project,[57] including transportation elements of the Comprehensive Project will be financed from a variety of revenue sources. The first source of revenue for maintenance costs will be excess sales and use taxes. If any excess revenues of the County 2010-2 Sales Tax, the City Flood Control Tax, the City Infrastructure Tax, or any Additional Sales and Use Tax remain after the payment of Debt Obligations, Milestone Payments, Availability Payments, and P3 Payments, these revenues may be used for operations and maintenance of the Comprehensive Project.

The second source of revenue will be maintenance levy from FM Flood Risk Management District No. 1. It is anticipated that while operations and maintenance for the Project (DCAI) will be performed by the successful Proposer; operations and maintenance of the SEAI will be performed by the Authority and/or its Member Entities. When the CCJWRD created the FM Flood Risk Management District No. 1 under North Dakota law, the CCJWRD also created a maintenance district. The maintenance district includes the same properties and benefits as are included in the FM Flood Risk Management District No. 1, and the CCJWRD can levy special assessments within the district for maintenance costs (the "Maintenance Levy"). Under North Dakota law, the determination of how much property may be assessed for a maintenance levy is based upon the value of the property deemed to be benefitted by the project. Specifically, the maintenance levy assessment may not exceed four dollars ($4.00) per acre annually for agricultural lands and two dollars ($2.00) annually for each five hundred dollars ($500) of taxable valuation[58] of non-agricultural property.[59] Currently, within FM Flood Risk Management District No. 1 the total taxable valuation of non-agricultural property is fourteen billion one hundred ninety-two million seven hundred twelve thousand thirty dollars (**$14,192,712,030**). With respect to the FM Flood Risk Management District No. 1, the property benefitted will include developed property within the cities of Fargo, West Fargo, Reile's Acres, Harwood,

[57] Please note that the operations and maintenance portion of the Availability Payment and operations and maintenance for other project elements will be funded through the sources set forth in this Section.

[58] By way of example, a non-agricultural property having a taxable value of $200,000 would receive an annual maintenance assessment of $800 each year. ($200,000 ÷ $500 = 400 x $2.00 = $800.)

[59] Another method for determining the assessment amount for urban parcels is a weighted method based on benefit, in proportion to agricultural land benefit.

Horace, and Frontier, North Dakota. As a result, FM Flood Risk Management District No. 1 has sufficient capacity to provide funds for operations and maintenance of the Comprehensive Project.[60]

The third source of revenue will be a Storm Water Maintenance Fee[61] levied and collected monthly by the City of Moorhead, Minnesota. The authority of the City of Moorhead to levy the Storm Water Maintenance Fee for the Comprehensive Project is not subject to review, consent, or approval of the State of Minnesota.

[60] North Dakota law limits a water resource district to only accumulate a maximum reserve fund of an amount not exceeding the total sum provided by the maximum permissible levy; however, until such sum is reached, a district may continue to levy the annual maintenance levy, and the maintenance levy may remain in place as long as is needed. See N.D.C.C. § 61-16.1-45.

[61] Pursuant to the JPA, the Minnesota Member Entities are responsible for 2% of the comprehensive maintenance costs. The City of Moorhead's current Storm Water Maintenance Fee generates approximately **$2.5 million** (in 2016 dollars) per year.

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EXHIBIT A

Preliminary
Overview of Capital Financing

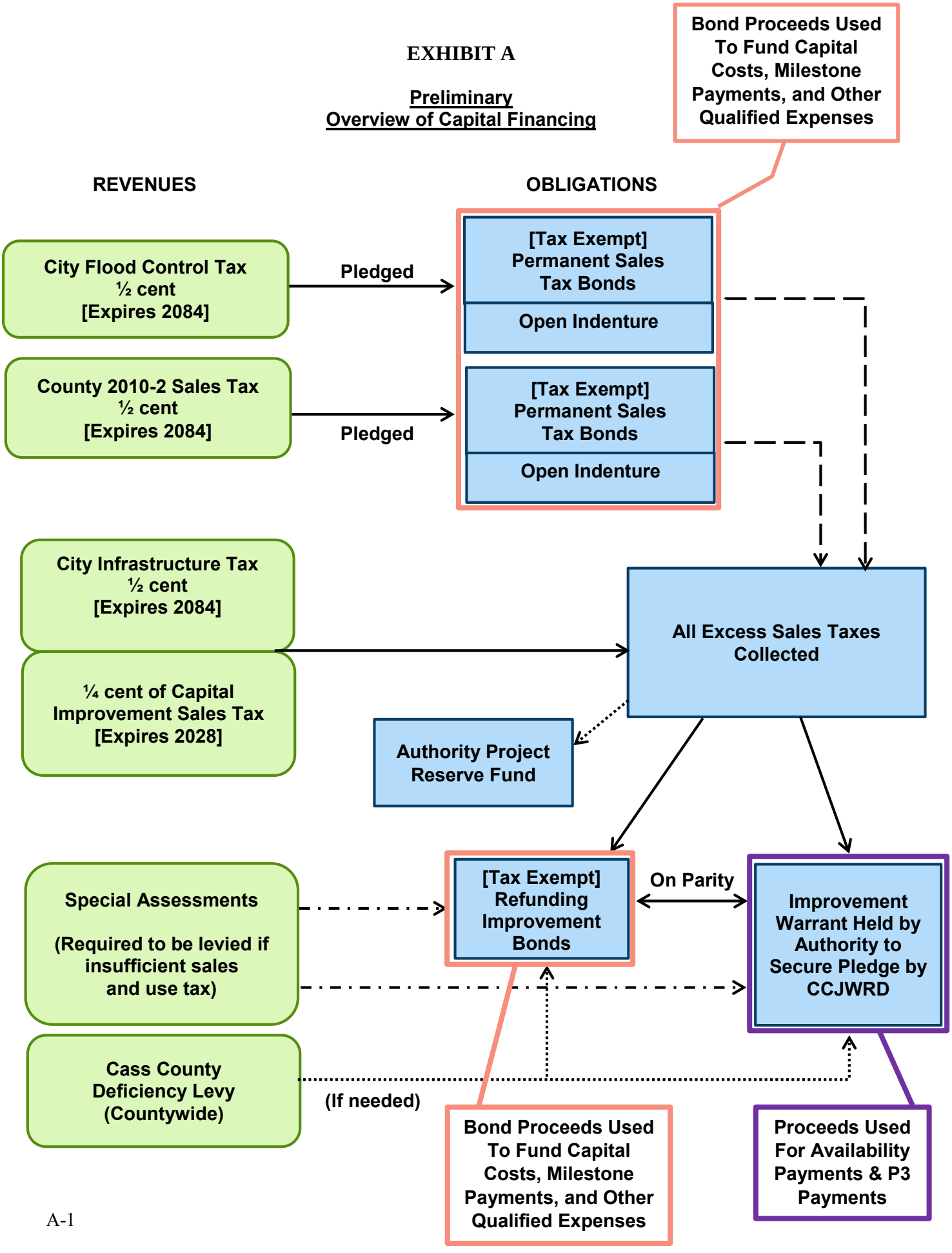


EXHIBIT B

Valuations

Table B - 1
City of Fargo
Property Values
(Assessment 2015/Collection 2016)

	Market Value	Assessed Value	Taxable Value
Real Property:			
Residential	$4,640,610,756	$2,320,305,378	$208,827,484
Agricultural	3,005,940	1,502,970	150,297
Commercial	4,703,499,560	2351,749,780	235,174,978
Utilities:			
Railroad	6,088,160	3,044,080	304,408
Other Utilities	96,224,260	48,112,130	4,811,213
Sub-Total	$9,449,428,676	$4,724,714,338	$449,268,380
Less: Incremental Value	(248,608,020)	(124,304,010)	(12,430,401)
Total	$9,200,820,656	$4,600,410,328	$436,837,979

Table B - 2
City of Fargo
Trend in Valuations

Assessment Year	Market Value[(1)]	Assessed Value[(1)]	Taxable Value
2015	$ 9,449,428,676	$ 4,724,714,338	$ 449,268,380
2014	8,396,434,015	4,080,365,741	387,008,093
2013	7,804,358,364	3,902,179,182	360,271,576
2012	7,325,922,438	3,662,961,219	346,750,408
2011	7,037,515,596	3,518,757,798	332,779,107

(1) Does not include the subtraction of incremental value.

Source: Cass County Auditor.

Valuations (cont'd.)

Table B - 3
Cass County
True and Full Value, Assessed Value, and Actual Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	True and Full Value of Real Property: Residential Property	Commercial Property	Farmland	Total True & Full Value	Total Taxable Value	Total Direct Tax Rate
2006	$ 4,350,871,760	$ 2,538,581,120	$ 567,002,700	$ 7,456,455,580	$ 357,775,914	62.00
2007	4,832,498,250	2,818,409,200	601,733,400	8,252,640,850	395,777,450	61.00
2008	5,231,690,770	3,127,203,900	600,649,500	8,959,544,170	428,417,209	61.00
2009	5,507,269,150	3,252,963,470	599,811,100	9,360,043,720	446,981,324	61.00
2010	5,729,017,391	3,370,663,490	628,445,100	9,728,125,981	464,365,075	61.00
2011	5,871,885,336	3,516,327,890	677,416,550	10,065,626,776	481,032,464	64.00
2012	6,035,161,188	3,659,791,030	723,805,350	10,418,757,568	496,726,180	65.75
2013	6,178,466,848	3,868,885,870	856,233,100	10,903,585,818	521,035,701	63.60
2014	6,416,212,498	4,125,432,120	941,070,200	11,482,714,818	548,947,150	62.67
2015	6,870,590,258	4,520,934,400	1,025,443,920	12,416,968,578	594,023,291	62.67

Source: Cass County Auditor's Office.

Notes: -Taxable values for a given fiscal year are from the prior calendar year's tax roll.
-Direct tax rate per $1,000 of taxable value.
-Property in Cass County is assessed annually. The county assesses property at true and full value. For residential and commercial property, true and full is market value. For farmland, true and full value is productivity value. True and full for all property is reduced by 50% to arrive at assessed value. Taxable value is calculated at 10% of assessed value for commercial property and farmland. Residential property is calculated at 9% of assessed value. Taxable value also includes centrally assessed property such as railroads, pipelines, and electric. Taxable valuation is also reduced for homestead credits and veteran's credits as approved by state statute.

Tax Levies and Collections

Table B - 4
City of Fargo Tax Levies and Collections

Levy Year	Collection Year	Amount of Levy	Collected First Year Amount	Collected First Year % of Net Levy	Collected as of 8/31/16 Amount	Collected as of 8/31/16 % of Levy
2015	2016	$28,012,985	$25,966,426	92.69%	$25,966,426	92.69%
2014	2015	26,036,427	24,827,881	95.36	24,910,736	95.68
2013	2014	23,964,157	22,836,361	95.29	23,002,478	95.99
2012	2013	23,439,045	22,311,513	95.19	22,516,734	96.07

Source: Cass County Auditor.

Table B - 5
Cass County
Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Taxes Levied for the Fiscal Year Original Levy	Adjustments	Total Adjusted Levy	Collected Within the Fiscal Year of the Levy Amount	Collected Within the Fiscal Year of the Levy Percentage of Original Levy	Total Collections to Date Amount	Total Collections to Date Percentage of Original Levy
2006	$ 21,664,145	$ 62,709	$ 21,726,855	$ 20,417,670	94.25%	$ 20,800,936	95.74%
2007	23,559,443	114,190	23,673,632	22,321,890	94.75%	22,666,683	95.75%
2008	25,588,742	(67,783)	25,520,959	24,114,604	94.24%	24,413,754	95.66%
2009	26,590,924	30,767	26,621,691	24,973,314	93.92%	25,482,097	95.72%
2010	27,662,317	122,353	27,784,670	26,097,270	94.34%	26,590,054	95.70%
2011	30,083,068	137,071	30,220,138	28,482,450	94.68%	28,912,780	95.67%
2012	31,927,747	145,152	32,072,900	30,332,994	95.01%	30,667,913	95.62%
2013	32,379,259	320,621	32,699,880	31,086,237	96.01%	31,269,731	95.63%
2014	33,559,573	36,609	33,596,182	32,078,024	95.59%	32,171,368	95.76%
2015	36,204,233	275,533	36,479,766	34,819,280	96.17%	34,819,280	95.45%

Source: Cass County Auditor.

Note: The information in this schedule relates to the county's own property tax levies, and does not include those it collects on behalf of other governments.

Top Ten Taxpayers

Table B - 6
City of Fargo
Top Ten Taxpayers

Taxpayer	Assessed Valuation	Percent of Total Assessed Valuation
Sanford/Meritcare	$ 77,071,950	1.68%
INREIT Properties	71,407,300	1.55
West Acres Development Co.	51,938,950	1.13
Matrix Properties	30,997,250	0.67
R&B Development	23,991,900	0.52
Dakota UPREIT	23,752,900	0.52
Innovis Health	22,828,850	0.50
Wal-Mart Real Estate	21,751,850	0.47
RCV Ltd partnership/Van Raden	20,276,750	0.44
Osgood Investments	19,448,350	0.42
Total	$363,466,050	7.90%

Source: City of Fargo Assessor's Office.

Table B - 7
Cass County
Principal Property Tax Payers
Current Year and Nine Years Ago
(Unaudited)

	Fiscal Year 2015		Fiscal Year 2006	
Employer	Taxable Value	Percentage of Total Taxable Value	Taxable Value	Percentage of Total Taxable Value
INREIT Properties LLLP	$ 6,562,955	1.10%		
Northern States Power Company	6,118,943	1.03%	4,049,932	1.13%
West Acres Development Co.	4,916,665	0.83%	3,495,570	0.98%
Burlington Northern	3,888,753	0.65%		
Matrix Properties Corp.	2,746,230	0.46%	1,283,670	0.36%
Sanford Medical Center	2,648,945	0.45%		
Innovis Health LLC	1,990,315	0.34%		
Blue Cross of North Dakota	1,879,625	0.32%	1,385,400	0.39%
Wal-Mart Real Estate Business Trust	1,566,600	0.26%		
Meritcare Medical Group	1,259,180	0.21%	2,441,814	0.68%
Cass Equipment Corporation			935,300	0.26%
Dakota Specialty Institute			2,928,705	0.82%
Medical Properties, Inc.			1,212,800	0.34%
Vanraden Homes Inc.			863,086	0.24%
Lexus Tower LTD Partnership			731,060	0.20%
Total Attributable to Ten Largest Property Taxpayers	33,578,211	5.65%	19,327,337	5.40%
TOTAL GROSS TAXABLE VALUE	$ 594,023,291	100.00%	357,775,914	100.00%

Source: Cass County Auditor's Office.

Largest Employers

Table B - 8
City of Fargo
Principal Employers

Firm	Type of Business	Number of Employees
Sanford Health	Health Services	6,664
North Dakota State University	Education-Training	4,232
Essentia Health	Hospital	3,167
Fargo Public School District No. 1	Education-Training	1,816
Noridian Healthcare Solutions	Insurance	1,666
Fargo Veterans Affair Health Care System	Hospital	1,022
Blue Cross Blue Shield of North Dakota	Insurance	961
U.S. Bank	Financial Institution	955
City of Fargo	Government	881
Microsoft	Computer Software-Services	877

Sources: Greater Fargo Moorhead Economic Development Corporation, Fargo Moorhead Chamber of Commerce, and City Records. Information as of September 2016.

Table B - 9
Cass County
Principal Employers
Current Year and Nine Years Ago
(Unaudited)

	2015		2006	
Employer	Number of Employees	Percentage of Total County Employment	Number of Employees	Percentage of Total County Employment
Sanford Health	6,664	7.17%		
North Dakota State University	4,232	4.55%	2,127	2.66%
Essentia Health	3,167	3.41%		
Fargo Public School District #1	1,816	1.95%	1,383	1.73%
Noridian Health Care Solutions	1,666	1.79%	1,492	1.86%
West Fargo Public Schools	1,432	1.54%	584	0.73%
Fargo VA Health Care Systems	1,022	1.10%		
Blue Cross Blue Shield of ND	961	1.03%		
U.S. Bank Service Center	955	1.03%	1,089	1.36%
City of Fargo	881	0.95%	632	0.79%
CNH Industrial America LLC			660	0.82%
Meritcare Health Systems			3,961	4.95%
Microsoft Great Plains			1,055	1.32%
Dakota Clinic			575	0.72%
Total	22,796	24.53%	13,558	16.94%

Source: Cass County Auditor's Office.

FM Metropolitan Area Flood Risk Management Project
Fiscal Accountability Report Design Phase (Fund 790)
As of 11/30/2016

	2011	2012	2013	2014	2015	2016	Cumulative Totals
Revenues							
City of Fargo	443,138	7,652,681	7,072,961	19,373,131	28,310,373	34,124,423	96,976,707
Cass County	443,138	7,652,681	7,072,961	19,373,131	28,310,373	109,019,933	171,872,217
State Water Commission			3,782,215	602,918	31,056,740	97,416,162	132,858,035
Other Agencies	98,475	1,700,595	1,571,769	4,305,140	6,291,194	(13,337,173)	630,000
Reimbursements						33,879	33,879
Lease/Rental Payments			17,358	154,180	180,341	260,806	612,685
Asset Sales				616,774	315,892	175,190	1,107,856
Miscellaneous			226	626	427		1,279
Total Revenues	**984,751**	**17,005,957**	**19,517,490**	**44,425,900**	**94,465,340**	**227,693,220**	**404,092,658**
Expenditures							
7905 Army Corp Payments	-	-	875,000	1,050,000	2,725,000	47,279,000	51,929,000
7910 WIK - Administration	107,301	331,321	77,614	169,019	282,227	522,791	1,490,273
7915 WIK - Project Design	149,632	5,366,147	3,220,859	9,118,723	4,660,226	2,533,911	25,049,498
7920 WIK - Project Management	679,037	7,223,650	4,695,477	3,579,339	4,500,955	6,994,699	27,673,157
7925 WIK - Recreation		163,223				-	163,223
7930 LERRDS - North Dakota	48,664	3,843,620	2,763,404	17,013,358	55,948,209	44,812,361	124,429,616
7931 LERRDS - Minnesota		27,996	287,907	13,068	32,452	1,815,566	2,176,989
7940 WIK Mitigation - North Dakota				587,180		-	587,180
7941 WIK Mitigation - Minnesota						-	-
7950 Construction - North Dakota				1,738,638	19,269,055	40,392,597	61,400,290
7951 Construction - Minnesota						-	-
7952 Construction - O/H/B				11,282,504	5,044,001	776,720	17,103,225
7955 Construction Management				556,209	2,867,422	4,531,558	7,955,189
7990 Project Financing		50,000	70,000	216,376	566,600	4,805,709	5,708,685
7995 Project Eligible - Off Formula Costs						-	-
7999 Non Federal Participating Costs	116					-	116
Total Expenditures	**984,750**	**17,005,957**	**11,990,261**	**45,324,414**	**95,896,147**	**154,464,912**	**325,666,441**

FM Metropolitan Area Flood Risk Management Project
Statement of Net Position
November 30, 2016

		Amount
Assets		
Cash	$	75,865,213
Receivables		
State Water Commission *		3,623,875
Proceeds from Oxbow Lot Sales		2,383,317
Total assets		**81,872,405**
Liabilities		
Vouchers payable		-
Retainage payable		3,446,189
Total liabilities		**3,446,189**
NET POSITION	**$**	**78,426,216**

***** Receivable balance is as of 10.31.2016

FM Metropolitan Area Flood Risk Management Project
FY 2016 Summary Budget Report (In Thousands)
As of 30 November 2016

	FY 2016 Approved Budget	Current Month	Fiscal Year To Date	% Expended	Outstanding Encumbrances	Remaining Budget Balance
Revenue Sources						
City of Fargo	39,375	1,694	34,124			5,251
Cass County	39,375		109,020			(69,645)
State of ND - 50 % Match	40,100	2,997	40,820			(720)
State of ND - 100% Match	109,900	627	56,597			53,303
State of Minnesota	-					-
Other Agencies	8,750		(13,337)			22,087
Financing Proceeds	-					-
Reimbursements	-		34			(34)
Sales of Assets	-		175			(175)
Property Income	-	3	261			(261)
Miscellaneous	-					-
Total Revenue Sources	**237,500**	**5,320**	**227,693**	**-**	**-**	**9,807**
Funds Appropriated						
Army Corp Local Share	47,279	-	47,279		-	-
Management Oversight	11,340	68	12,049	106%	5,693	(6,403)
Technical Activities	7,910	174	2,534	32%	3,124	2,252
Land Acquisitions	81,212	7,170	46,628	57%	20,684	13,900
Construction	85,999	2,077	41,169	48%	12,749	32,080
Mitigation	2,200				366	1,834
Other Costs	1,560	898	4,806	308%	989	(4,235)
Total Appropriations	**237,500**	**10,386**	**154,465**	**65%**	**43,606**	**39,429**

FM Metropolitan Area Flood Risk Management Project

Summary of Expenses

November 2016

Account_Number	CheckDate	Check_ Number	Vendor_Name	Transaction_ Amount	Expense_Description	Project_ Number	Project_Description
790-0000-206.10-00	11/30/2016	273418	INDUSTRIAL CONTRACT SERVICES INC	$ 123,995.16	Vendor Retainage	V02805	PUMP STATION & FLOODWALL
790-0000-206.10-00	11/30/2016	273466	REINER CONTRACTING INC	$ 73,868.21	Pay Retainage	V02817	EL ZAGEL - PHASE 2
			Total - Retainage Paid	$ 197,863.37			
790-7910-429.33-20	11/30/2016	JB11160037	CITY OF FARGO-AUDITORS OFFICE	$ 620.00	CHARGE FOR COF TIME-11/16	V00102	General & Admin. WIK
			Total WIK - General and Admin. - Accounting Office	$ 620.00			
790-7910-429.33-25	11/9/2016	272857	OXBOW, CITY OF	$ 3,600.00	OHNSTAD TWICHELL	V02407	OXBOW MOU-LEGAL SERVICES
790-7910-429.33-25	11/9/2016	272857	OXBOW, CITY OF	$ 3,225.00	TURMAN & LANG	V02407	OXBOW MOU-LEGAL SERVICES
			Total WIK - General and Admin. - Legal Services	$ 6,825.00			
790-7910-429.38-68	11/3/2016	586	P CARD BMO	$ 3,500.00	FREDRIKSON AND BYRON P	V00102	General & Admin. WIK
			Total WIK - General and Admin. -	$ 3,500.00			
790-7915-429.33-05	11/9/2016	272899	URS CORPORATION	$ 22,659.14	CULTURAL RESOURCES INVEST	V01003	CULTURAL RESOURCES INVEST
790-7915-429.33-05	11/9/2016	272857	OXBOW, CITY OF	$ 1,790.00	MOORE ENGINEERING, INC.	V02402	OXBOW MOU-PRELIM ENGINRNG
790-7915-429.33-05	11/9/2016	272857	OXBOW, CITY OF	$ 1,563.13	MOORE ENGINEERING, INC.	V02403	OXBOW MOU-CONCEPT LAYOUTS
790-7915-429.33-05	11/9/2016	272857	OXBOW, CITY OF	$ 450.90	MOORE ENGINEERING, INC.	V02420	OXBOW MOU-MOORE ENG TO #6
790-7915-429.33-05	11/23/2016	273342	URS CORPORATION	$ 3,639.63	CULTURAL RESOURCES INVEST	V01003	CULTURAL RESOURCES INVEST
790-7915-429.33-05	11/30/2016	273416	HOUSTON-MOORE GROUP LLC	$ 2,787.63	WORK-IN-KIND	V01608	WORK-IN-KIND (WIK)
790-7915-429.33-05	11/30/2016	273416	HOUSTON-MOORE GROUP LLC	$ 97,058.75	HYDROLOGY/HYDRAULIC MODEL	V01609	HYDROLOGY/HYDRAULIC MODEL
790-7915-429.33-05	11/30/2016	273416	HOUSTON-MOORE GROUP LLC	$ 43,925.06	LEVEE DESIGN & SUPPORT	V01613	LEVEE DESIGN & SUPPORT
			Total WIK - Project Design - Engineering Services	$ 173,874.24			
790-7920-429.33-79	11/9/2016	272857	OXBOW, CITY OF	$ 3,676.45	MOORE ENGINEERING, INC.	V02421	OXBOW MOU-MOORE PROJ MGMT
			Total WIK - Construction Management - Construction Management	$ 3,676.45			
790-7930-429.33-05	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 3,357.50	HOUSTOM-MOORE GROUP	V01201	Cass Joint Water ROE
790-7930-429.33-05	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 34,127.51	HOUSTON-MOORE GROUP	V02807	CASS JOINT WATER IN-TOWN
790-7930-429.33-05	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 13,594.32	ULTEIG ENGINEERS	V01203	Cass Joint Water OHB
790-7930-429.33-05	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 747.50	MOORE ENGINEERING, INC	V01203	Cass Joint Water OHB
790-7930-429.33-05	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 552.00	AE2S	V01202	Cass Joint Water DPAC
790-7930-429.33-05	11/16/2016	273115	CASS COUNTY JOINT WATER RESOURCE DI	$ 23,173.60	PROSOURCE TECHNOLOGIES, L	V01203	Cass Joint Water OHB
790-7930-429.33-05	11/30/2016	273416	HOUSTON-MOORE GROUP LLC	$ 7,564.90	UTILITIES DESIGN	V01610	UTILITIES DESIGN
790-7930-429.33-05	11/30/2016	273416	HOUSTON-MOORE GROUP LLC	$ 261.00	DESIGN OF WORK PACKAGE	V01618	WP28 - CR-16/CR-17 BRIDGE
			Total LERRDS - North Dakota - Engineering Services	$ 83,378.33			
790-7930-429.33-25	11/3/2016	586	P CARD BMO	$ 109,223.91	DORSEY WHITNEY LLP	V00101	Dorsey Whitney Legal
790-7930-429.33-25	11/16/2016	272977	ERIK R JOHNSON & ASSOCIATES	$ 261.80	OCT LEGAL SERVICES	V00103	General & Admin. LERRDS
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 1,566.00	OHNSTAD TWICHELL, P.C.	V01202	Cass Joint Water DPAC
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 1,043.00	OHNSTAD TWICHELL, P.C.	V01201	Cass Joint Water ROE
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 2,106.00	OHNSTAD TWICHELL, P.C.	V01201	Cass Joint Water ROE
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 2,818.00	OHNSTAD TWICHELL, P.C.	V01201	Cass Joint Water ROE
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 16,025.38	OHNSTAD TWICHELL, P.C.	V01203	Cass Joint Water OHB
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 31,292.49	OHNSTAD TWICHELL, P.C.	V01201	Cass Joint Water ROE
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 2,268.36	OHNSTAD TWICHELL, P.C.	V01201	Cass Joint Water ROE
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 7,020.00	OHNSTAD TWICHELL, P.C.	V01201	Cass Joint Water ROE
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 807.00	OHNSTAD TWICHELL, P.C.	V02807	CASS JOINT WATER IN-TOWN
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 1,696.30	OHNSTAD TWICHELL, P.C.	V01201	Cass Joint Water ROE
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 10,733.54	OHNSTAD TWICHELL, P.C.	V01203	Cass Joint Water OHB
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 4,466.57	OHNSTAD TWICHELL, P.C.	V01203	Cass Joint Water OHB

FM Metropolitan Area Flood Risk Management Project

Summary of Expenses

November 2016

Account_Number	CheckDate	Check_ Number	Vendor_Name	Transaction_ Amount	Expense_Description	Project_ Number	Project_Description
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 75.00	OHNSTAD TWICHELL, P.C.	V02807	CASS JOINT WATER IN-TOWN
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 1,933.00	OHNSTAD TWICHELL, P.C.	V01201	Cass Joint Water ROE
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 2,837.00	OHNSTAD TWICHELL, P.C.	V01203	Cass Joint Water OHB
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 7,917.00	OHNSTAD TWICHELL, P.C.	V01203	Cass Joint Water OHB
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 3,663.00	OHNSTAD TWICHELL, P.C.	V01201	Cass Joint Water ROE
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 2,009.50	OHNSTAD TWICHELL, P.C.	V01201	Cass Joint Water ROE
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 1,350.00	OHNSTAD TWICHELL, P.C.	V01202	Cass Joint Water DPAC
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 40,484.50	OHNSTAD TWICHELL, P.C.	V01201	Cass Joint Water ROE
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 10,839.61	OHNSTAD TWICHELL, P.C.	V01203	Cass Joint Water OHB
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 18.00	OHNSTAD TWICHELL, P.C.	V01202	Cass Joint Water DPAC
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 1,042.50	OHNSTAD TWICHELL, P.C.	V01201	Cass Joint Water ROE
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 1,224.00	OHNSTAD TWICHELL, P.C.	V01201	Cass Joint Water ROE
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 8,182.00	OHNSTAD TWICHELL, P.C.	V01201	Cass Joint Water ROE
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 1,089.00	LARKIN HOFFMAN ATTORNEYS	V01201	Cass Joint Water ROE
790-7930-429.33-25	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 1,221.00	LARKIN HOFFMAN ATTORNEYS	V01201	Cass Joint Water ROE
Total LERRDS - North Dakota - Legal Services				$ 275,213.46			
790-7930-429.33-79	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 101,280.17	CH2M HILL ENGINEERS, INC	V02807	CASS JOINT WATER IN-TOWN
790-7930-429.33-79	11/16/2016	273115	CASS COUNTY JOINT WATER RESOURCE DI	$ 28,566.20	CH2M HILL	V01203	Cass Joint Water OHB
Total LERRDS - North Dakota - Construction Management				$ 129,846.37			
790-7930-429.38-61	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 947.43	SENTRY SECURITY, INC	V01203	Cass Joint Water OHB
790-7930-429.38-61	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 459.27	SENTRY SECURITY, INC	V01203	Cass Joint Water OHB
Total LERRDS - North Dakota - Security Services				$ 1,406.70			
790-7930-429.38-99	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 525.00	JAKEN CONSULTING ENGINEER	V01201	Cass Joint Water ROE
790-7930-429.38-99	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 150.00	THE TITLE COMPANY	V01701	ND LAND PURCH-OUT OF TOWN
Total LERRDS - North Dakota - Other Services				$ 675.00			
790-7930-429.62-51	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 30.92	CASS COUNTY ELECTRIC COOP	V01701	ND LAND PURCH-OUT OF TOWN
790-7930-429.62-51	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 42.47	CASS COUNTY ELECTRIC COOP	V01701	ND LAND PURCH-OUT OF TOWN
790-7930-429.62-51	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 39.28	CASS COUNTY ELECTRIC COOP	V01701	ND LAND PURCH-OUT OF TOWN
790-7930-429.62-51	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 33.53	CASS COUNTY ELECTRIC COOP	V01701	ND LAND PURCH-OUT OF TOWN
790-7930-429.62-51	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 55.49	CASS COUNTY ELECTRIC COOP	V01701	ND LAND PURCH-OUT OF TOWN
790-7930-429.62-51	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 24.31	CASS COUNTY ELECTRIC COOP	V01701	ND LAND PURCH-OUT OF TOWN
790-7930-429.62-51	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 240.16	CASS COUNTY ELECTRIC COOP	V01701	ND LAND PURCH-OUT OF TOWN
790-7930-429.62-51	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 31.38	CASS COUNTY ELECTRIC COOP	V01701	ND LAND PURCH-OUT OF TOWN
790-7930-429.62-51	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 37.15	CASS COUNTY ELECTRIC COOP	V01701	ND LAND PURCH-OUT OF TOWN
790-7930-429.62-51	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 28.16	CASS COUNTY ELECTRIC COOP	V01702	ND LAND PURCHASE-HARDSHIP
790-7930-429.62-51	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 46.87	CASS COUNTY ELECTRIC COOP	V01701	ND LAND PURCH-OUT OF TOWN
790-7930-429.62-51	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 41.74	CASS COUNTY ELECTRIC COOP	V01701	ND LAND PURCH-OUT OF TOWN
790-7930-429.62-51	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 34.94	CASS COUNTY ELECTRIC COOP	V01701	ND LAND PURCH-OUT OF TOWN
790-7930-429.62-51	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 96.62	CASS COUNTY ELECTRIC COOP	V01701	ND LAND PURCH-OUT OF TOWN
790-7930-429.62-51	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 35.00	CASS COUNTY ELECTRIC COOP	V01702	ND LAND PURCHASE-HARDSHIP
790-7930-429.62-51	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 41.40	CASS COUNTY ELECTRIC COOP	V01701	ND LAND PURCH-OUT OF TOWN
790-7930-429.62-51	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 38.74	CASS COUNTY ELECTRIC COOP	V01701	ND LAND PURCH-OUT OF TOWN
790-7930-429.62-51	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 53.24	CASS COUNTY ELECTRIC COOP	V01701	ND LAND PURCH-OUT OF TOWN
790-7930-429.62-51	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 29.80	CASS COUNTY ELECTRIC COOP	V01701	ND LAND PURCH-OUT OF TOWN
790-7930-429.62-51	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 160.92	CASS COUNTY ELECTRIC COOP	V01701	ND LAND PURCH-OUT OF TOWN

FM Metropolitan Area Flood Risk Management Project
Summary of Expenses
November 2016

Account_Number	CheckDate	Check_ Number	Vendor_Name	Transaction_ Amount	Expense_Description	Project_ Number	Project_Description
Total LERRDS - North Dakota - Electricity				$ 1,142.12			
790-7930-429.67-11	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 1,163,752.00	THE TITLE COMPANY	V02411	OXBOW MOU-RESIDENT RLCTN
790-7930-429.67-11	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 754,231.97	THE TITLE COMPANY	V02411	OXBOW MOU-RESIDENT RLCTN
790-7930-429.67-11	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 3,099.00	THE APARTMENT MOVERS, INC	V02411	OXBOW MOU-RESIDENT RLCTN
790-7930-429.67-11	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 37.24	CURTIS AND MARY HAKANSON	V02411	OXBOW MOU-RESIDENT RLCTN
790-7930-429.67-11	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 510,523.70	THE TITLE COMPANY	V02411	OXBOW MOU-RESIDENT RLCTN
790-7930-429.67-11	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 497,952.00	THE TITLE COMPANY	V02411	OXBOW MOU-RESIDENT RLCTN
Total LERRDS - North Dakota - Residential Buildings				$ 2,929,595.91			
790-7930-429.67-12	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 508,675.54	OXBOW GOLF & COUNTRY CLUB	V01204	Cass Joint Water OCC
Total LERRDS - North Dakota - Commercial Buildings				$ 508,675.54			
790-7930-429.71-30	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 520,000.00	THE TITLE COMPANY	V01701	ND LAND PURCH-OUT OF TOWN
790-7930-429.71-30	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 432,997.62	THE TITLE COMPANY	V01701	ND LAND PURCH-OUT OF TOWN
790-7930-429.71-30	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 178,134.82	THE TITLE COMPANY	V01701	ND LAND PURCH-OUT OF TOWN
790-7930-429.71-30	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 197,400.69	THE TITLE COMPANY	V01701	ND LAND PURCH-OUT OF TOWN
790-7930-429.71-30	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 369,277.00	THE TITLE COMPANY	V01701	ND LAND PURCH-OUT OF TOWN
Total LERRDS - North Dakota - Land Purchases				$ 1,697,810.13			
790-7930-429.80-17	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 2,312.43	TAX PENALTY	V01703	ND LAND PURCH - IN TOWN
790-7930-429.80-17	11/1/2016	41586	CITY OF FARGO-AUDITORS OFFICE	$ (2,802.95)	REF OVPMT OF 15 PROP TAX	V01703	ND LAND PURCH - IN TOWN
Total LERRDS - North Dakota - Property Tax - FMDA Total				$ (490.52)			
790-7931-429.71-31	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 1,542,370.79	THE TITLE COMPANY	V02301	MN LAND PURCHASES
Total LERRDS - Minnesota - Easements Total				$ 1,542,370.79			
790-7950-429.73-52	11/9/2016	272781	HOUGH INCORPORATED	$ 724,278.03	FLOOD CONTROL 2 ST S	V02821	2ND ST S FLOOD CONTROL
790-7950-429.73-52	11/30/2016	273418	INDUSTRIAL CONTRACT SERVICES INC	$ 655,957.24	4 ST PUMP STATION	V02805	PUMP STATION & FLOODWALL
790-7950-429.73-52	11/30/2016	273417	INDUSTRIAL BUILDERS INC	$ 584,797.63	PAY #13-2 ST N FLOODWALL	V02812	2ND ST NORTH FLOODWALL
790-7950-429.73-52	11/30/2016	273466	REINER CONTRACTING INC	$ 84,204.47	EL ZAGAL PHASE 2	V02817	EL ZAGEL - PHASE 2
Total ND Construction - Flood Control				$ 2,049,237.37			
790-7950-429.73-70	11/1/2016	JB10160050	CITY OF FARGO-AUDITORS OFFICE	$ (3.00)	COF FIBER RELOCATE COSTS	V02808	COF REROUTE FIBER OPTIC
Total ND Construction - Utilities				$ (3.00)			
790-7952-429.33-05	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 7,008.20	OXBOW GOLF & COUNTRY CLUB	V01204	Cass Joint Water OCC
Total O/H/B Construction - Engineering Services				$ 7,008.20			
790-7952-429.33-79	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 19,500.00	OXBOW GOLF & COUNTRY CLUB	V01204	Cass Joint Water OCC
Total O/H/B Construction - Construction Management				$ 19,500.00			
790-7952-429.57-60	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 210.45	OXBOW GOLF & COUNTRY CLUB	V01204	Cass Joint Water OCC
790-7952-429.57-60	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 310.25	OXBOW GOLF & COUNTRY CLUB	V01204	Cass Joint Water OCC
790-7952-429.57-60	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 153.60	OXBOW GOLF & COUNTRY CLUB	V01204	Cass Joint Water OCC
790-7952-429.57-60	11/16/2016	272961	CASS COUNTY JOINT WATER RESOURCE DI	$ 153.60	OXBOW GOLF & COUNTRY CLUB	V01204	Cass Joint Water OCC
Total O/H/B Construction - Out of State Travel Exp.				$ 827.90			
790-7955-429.33-05	11/16/2016	273115	CASS COUNTY JOINT WATER RESOURCE DI	$ 4,149.50	HOUSTON-MOORE GROUP	V01203	Cass Joint Water OHB
Total Construction Management - Engineering Services				$ 4,149.50			
790-7955-429.33-06	11/9/2016	272892	TERRACON CONSULTING ENGINEERS	$ 14,528.28	MATERIAL TESTING	V02802	WP-42 MATERIALS TESTING
790-7955-429.33-06	11/16/2016	273093	TERRACON CONSULTING ENGINEERS	$ 17,626.05	MATERIALS TESTING	V02802	WP-42 MATERIALS TESTING
790-7955-429.33-06	11/16/2016	273093	TERRACON CONSULTING ENGINEERS	$ 5,879.05	MATERIALS TESTING	V02802	WP-42 MATERIALS TESTING
790-7955-429.33-06	11/30/2016	273477	TERRACON CONSULTING ENGINEERS	$ 4,916.45	MATERIALS TESTING	V02802	WP-42 MATERIALS TESTING

FM Metropolitan Area Flood Risk Management Project

Summary of Expenses

November 2016

Account_Number	CheckDate	Check_ Number	Vendor_Name	Transaction_ Amount	Expense_Description	Project_ Number	Project_Description
Total Construction Management - Quality Testing				$ 42,949.83			
790-7955-429.33-79	11/16/2016	273115	CASS COUNTY JOINT WATER RESOURCE DI	$ 6,700.00	CH2M HILL	V01203	Cass Joint Water OHB
Total Construction Management - Construction Management				$ 6,700.00			
790-7990-429.33-25	11/16/2016	272950	ASHURST LLP	$ 276,345.81	LEGAL COUNSEL	V03001	P3 LEGAL COUNSEL-ASHURST
Total Project Financing - Legal Services				$ 276,345.81			
790-7990-429.34-55	11/9/2016	272807	JP MORGAN CHASE-LOCKBOX PROCESSING	$ 202,484.45	FINANCIAL ADVISORY SERVIC	V03301	PPP FINANCL ADVISORY SVCS
790-7990-429.34-55	11/9/2016	272807	JP MORGAN CHASE-LOCKBOX PROCESSING	$ 251,124.96	FINANCIAL ADVISORY SERVIC	V03301	PPP FINANCL ADVISORY SVCS
790-7990-429.34-55	11/16/2016	273089	SPRINGSTED INCORPORATED	$ 33,981.08	FINANCIAL ANALYSIS	V03101	FINANCIAL ADVISORY SERVCS
790-7990-429.34-55	11/23/2016	273125	AON RISK SERVICES CENTRAL, INC	$ 37,844.45	RIST ADVISORY SERVICES	V03201	PRE-AWARD P3 RISK ADVISOR
Total Project Financing - Financial Advisor				$ 525,434.94			
790-7990-520.80-20	11/9/2016	272734	CASS COUNTY TREASURER	$ 60,617.33	WELLS FARGO LOAN INT PMT	V02904	$100M CASS WELLS FAR ADVN
790-7990-520.80-20	11/9/2016	JB11160015	CITY OF FARGO-AUDITORS OFFICE	$ 35,198.96	11.1.16 WF INTEREST PMT	V02903	$100M COF WELLS FAR ADVNC
Total Project Financing - Interest on Bonds				$ 95,816.29			
TOTAL EXPENSES				$ 10,583,949.73			
				$ 197,863.37	**Retainage Paid**		
				$ 10,386,086.36	**Total less Retainage Paid**		

FM Metropolitan Area Flood Risk Management Project

Cumulative Vendor Payments Since Inception

As of November 30, 2016

Vendor Name	Approved Contract/Invoice Amount	Liquidated	Outstanding Encumbrance	Purpose
CASS COUNTY JOINT WATER RESOUR	$ 148,671,195.66	$ 123,801,124.58	$ 24,870,071.08	Land Purchases, O/H/B Ring Levee, DPAC, & ROE
ARMY CORP OF ENGINEERS	$ 51,929,000.00	$ 51,929,000.00	$ -	Local Share
INDUSTRIAL BUILDERS INC	$ 39,748,049.75	$ 35,236,132.89	$ 4,511,916.86	2nd St North Pump Station Project and 2nd Street Floodwall
HOUSTON-MOORE GROUP LLC	$ 33,948,268.10	$ 29,133,202.68	$ 4,815,065.42	Engineering Services
CH2M HILL ENGINEERS INC	$ 26,482,819.01	$ 24,088,131.76	$ 2,394,687.25	Project & Construction Management
INDUSTRIAL CONTRACT SERVICES I	$ 17,568,371.39	$ 16,175,870.20	$ 1,392,501.19	4th St Pump Station and 2nd Street Floodwall
OXBOW, CITY OF	$ 15,365,362.68	$ 14,643,444.45	$ 721,918.23	(blank)
DORSEY & WHITNEY LLP	$ 3,403,066.76	$ 3,403,066.76	$ -	Legal Services
CENTURYLINK	$ 2,586,742.00	$ 2,586,742.00	$ -	Utility Relocation
MINNESOTA DNR	$ 2,325,472.35	$ 2,325,472.35	$ -	EIS Scoping
LANDWEHR CONSTRUCTION INC	$ 2,079,376.59	$ 2,048,267.31	$ 31,109.28	In-Town Demolition Contracts
ASHURST LLP	$ 1,979,133.70	$ 1,744,838.81	$ 234,294.89	PPP Legal Counsel
URS CORPORATION	$ 1,922,118.42	$ 1,696,631.02	$ 225,487.40	Engineering Services
CONSOLIDATED COMMUNICATIONS	$ 1,732,568.75	$ 1,024,584.87	$ 707,983.88	Utility Relocation
KENNELLY & OKEEFFE	$ 1,729,110.56	$ 1,729,110.56	$ -	Home Buyouts
JP MORGAN CHASE-LOCKBOX PROCES	$ 1,677,000.00	$ 1,359,988.40	$ 317,011.60	Financial Advisor
HOUGH INCORPORATED	$ 1,603,259.25	$ 1,215,633.53	$ 387,625.72	2nd Street South Flood Control
REINER CONTRACTING INC	$ 1,601,366.99	$ 1,561,466.36	$ 39,900.63	El Zagal Flood Risk Management
ACONEX (NORTH AMERICA) INC	$ 1,322,146.00	$ 306,856.00	$ 1,015,290.00	Electronic Data Mgmt and Record Storage System
CITY OF FARGO	$ 994,110.18	$ 949,135.29	$ 44,974.89	Digital Imagery Project, Utility Relocation, Accounting Svcs, and Bank Loan Advance DS Payments
XCEL ENERGY	$ 908,800.84	$ 174,255.08	$ 734,545.76	Utility Relocation
TERRACON CONSULTING ENGINEERS	$ 774,990.00	$ 658,812.67	$ 116,177.33	Materials Testing
CASS COUNTY TREASURER	$ 765,481.41	$ 691,446.01	$ 74,035.40	Property Taxes and Bank Loan Advance DS Payments
OHNSTAD TWICHELL PC	$ 712,764.90	$ 712,764.90	$ -	ROE and Bonding Legal Fees
MOORE ENGINEERING INC	$ 662,468.17	$ 662,468.17	$ -	Engineering Services
US BANK	$ 626,849.03	$ 626,849.03	$ -	Loan Advance Debt Service Payments
DUCKS UNLIMITED	$ 587,180.00	$ 587,180.00	$ -	Wetland Mitigation Credits
HOUSTON ENGINEERING INC	$ 576,669.57	$ 576,669.57	$ -	Engineering Services
ERIK R JOHNSON & ASSOCIATES	$ 506,445.80	$ 501,036.35	$ 5,409.45	Legal Services
RED RIVER BASIN COMMISSION	$ 500,000.00	$ 500,000.00	$ -	Retention Projects - Engineering Services
NORTHERN TITLE CO	$ 484,016.00	$ 484,016.00	$ -	Land Purchases
AT & T	$ 444,166.14	$ 444,166.14	$ -	Utility Relocation
702 COMMUNICATIONS	$ 326,243.91	$ 266,892.07	$ 59,351.84	Utility Relocation
BUFFALO-RED RIVER WATERSHED DI	$ 220,768.00	$ -	$ 220,768.00	Retention Projects - Engineering Services
ROBERT TRENT JONES	$ 200,000.00	$ 200,000.00	$ -	Oxbow MOU - Golf Course Consulting Agreement
AON RISK SERVICES CENTRAL, INC	$ 150,000.00	$ 37,844.45	$ 112,155.55	P3 Risk Advisory Services
CABLE ONE (FARGO)	$ 148,511.37	$ -	$ 148,511.37	Utility Relocation
PFM PUBLIC FINANCIAL MANAGEMEN	$ 146,460.00	$ 146,460.00	$ -	Financial Advisor
BOIS DE SIOUX WATERSHED DISTRI	$ 145,380.00	$ -	$ 145,380.00	Retention Projects - Engineering Services
NDSU BUSINESS OFFICE-BOX 6050	$ 135,167.00	$ 135,167.00	$ -	Ag Risk Study Services
AT&T NETWORK OPERATIONS	$ 125,238.30	$ 125,238.30	$ -	Utility Relocation
ENVENTIS	$ 115,685.62	$ 115,685.62	$ -	Utility Relocation
BEAVER CREEK ARCHAEOLOGY	$ 111,000.00	$ 70,438.32	$ 40,561.68	Engineering Services
FREDRIKSON & BYRON, PA	$ 105,522.08	$ 77,262.88	$ 28,259.20	Lobbying Services

FM Metropolitan Area Flood Risk Management Project

Cumulative Vendor Payments Since Inception

As of November 30, 2016

Vendor Name	Approved Contract/Invoice Amount	Liquidated	Outstanding Encumbrance	Purpose
UNITED STATES GEOLOGICAL SURVE	$ 104,600.00	$ 104,600.00	$ -	Water Level Discharge Collection
PROSOURCE TECHNOLOGIES, INC	$ 100,000.00	$ 8,324.94	$ 91,675.06	Vibrating Wire Piezometer Equipment
ULTEIG ENGINEERS INC	$ 100,000.00	$ -	$ 100,000.00	Engineering Services
BRAUN INTERTEC CORP	$ 90,210.00	$ 77,629.00	$ 12,581.00	Quality Testing
EL ZAGAL TEMPLE HOLDING CO	$ 76,000.00	$ 76,000.00	$ -	Easement Purchase for El Zagal Levee
SPRINGSTED INCORPORATED	$ 74,301.85	$ 74,301.85	$ -	Financial Advisor
CENTURYLINK ASSET ACCOUNTING-B	$ 74,195.92	$ 74,195.92	$ -	Utility Relocation
GRAY PANNELL & WOODWARD LLP	$ 66,300.68	$ 66,300.68	$ -	Legal Services
NIXON PEABODY LLC	$ 60,000.00	$ 60,000.00	$ -	Legal Services
IN SITU ENGINEERING	$ 54,800.00	$ 47,973.00	$ 6,827.00	Quality Testing
ADVANCED ENGINEERING INC	$ 50,000.00	$ 50,000.00	$ -	Public Outreach
US GEOLOGICAL SURVEY	$ 46,920.00	$ 46,920.00	$ -	Stage Gage Installation
CLAY COUNTY AUDITOR	$ 34,180.71	$ 34,180.71	$ -	Property Tax, Home Buyout Demo
GEOKON INC	$ 33,815.36	$ 33,815.36	$ -	Vibrating Wire Piezometer Equipment
COLDWELL BANKER	$ 33,066.02	$ 33,066.02	$ -	Property Management Services
WARNER & CO	$ 24,875.00	$ 24,875.00	$ -	General Liability Insurance
XCEL ENERGY-FARGO	$ 16,275.85	$ 16,275.85	$ -	Utility Relocation
PRIMORIS AEVENIA INC	$ 16,230.00	$ 16,230.00	$ -	Utility Relocation
MOORHEAD, CITY OF	$ 15,062.90	$ 15,062.90	$ -	ROE Legal Fees
BRIGGS & MORGAN PA	$ 12,727.56	$ 12,727.56	$ -	Legal Services
ND WATER USERS ASSOCIATN	$ 10,000.00	$ 10,000.00	$ -	Membership Dues
MAP SERVICE CENTER	$ 7,250.00	$ 7,250.00	$ -	Permit fee
ONE	$ 3,575.00	$ 3,575.00	$ -	Legal Services
MCKINZIE METRO APPRAISAL	$ 3,200.00	$ 3,200.00	$ -	Appraisal Services
BNSF RAILWAY CO	$ 2,925.00	$ 2,925.00	$ -	Permits for In-Town Levee Projects
FORUM COMMUNICATIONS (LEGALS)	$ 2,224.20	$ 2,224.20	$ -	Advertising Services
FORUM COMMUNICATIONS (ADVERT)	$ 1,743.77	$ 1,743.77	$ -	Advertising Services
NORTH DAKOTA TELEPHONE CO	$ 1,697.00	$ 1,697.00	$ -	Communication
SEIGEL COMMUNICATIONS SERVICE	$ 1,490.00	$ 1,490.00	$ -	Public Outreach
HUBER, STEVE	$ 1,056.43	$ 1,056.43	$ -	Home Buyouts
DEPT OF NATURAL RESOUR	$ 1,000.00	$ 1,000.00	$ -	DNR Dam Safety Permit Application Fee
TRIO ENVIRONMENTAL CONSULTING	$ 747.60	$ 747.60	$ -	Asbestos and LBP Testing - Home Buyouts
RED RIVER TITLE SERVICES INC	$ 675.00	$ 675.00	$ -	Abstract Updates
RED RIVER VALLEY COOPERATIVE A	$ 536.96	$ 536.96	$ -	Electricity - Home Buyouts
FERRELLGAS	$ 496.00	$ 496.00	$ -	Propane - Home Buyouts
BROKERAGE PRINTING	$ 473.33	$ 473.33	$ -	Custom Printed Forms
DAWSON INSURANCE AGENCY	$ 388.52	$ 388.52	$ -	Property Insurance - Home Buyouts
KOCHMANN, CARTER	$ 315.00	$ 315.00	$ -	Lawn Mowing Services
GALLAGHER BENEFIT SERVICES INC	$ 250.00	$ 250.00	$ -	Job Description Review
DONS PLUMBING	$ 240.00	$ 240.00	$ -	Winterize - Home Buyouts
CURTS LOCK & KEY SERVICE INC	$ 138.10	$ 138.10	$ -	Service Call - Home Buyouts
GOOGLE LOVEINTHEOVEN	$ 116.00	$ 116.00	$ -	Meeting Incidentals
FEDERAL EXPRESS CORPORATION	$ 71.89	$ 71.89	$ -	Postage
Grand Total	$ 369,272,517.93	$ 325,666,440.97	$ 43,606,076.96	

FM Metropolitan Area Flood Risk Management Project
Lands Expense - Life To Date
As of November 30, 2016

Property Address	Purchase Date	Purchase Price	Earnest Deposit	Relocation Assistance	Sale Proceeds	Total
Commercial Relocations - Fargo						
Park East Apartments - 1 2nd St S	6/23/2015	9,002,442.20	-	1,376,106.04	-	10,378,548.24
Howard Johnson - 301 3rd Ave N	11/2/2015	3,266,079.60	-	3,322,432.41	(1,100.00)	6,587,412.01
Fargo Public School District - 419 3rd St N	3/16/2016	1,903,475.78	-	7,550,036.23	-	9,453,512.01
Mid America Steel - NP Ave, North	6/21/2016	437,371.41	-	5,370,000.00	-	5,807,371.41
Home Buyouts - Fargo						
1322 Elm St N	11/19/2014	347,270.27	-	47,168.14	-	394,438.41
1326 Elm St N	12/23/2014	230,196.41	-	8,001.02	-	238,197.43
1341 N Oak St	1/29/2015	309,888.24	-	78,889.24	-	388,777.48
1330 Elm St N	2/12/2015	229,982.44	-	62,362.63	-	292,345.07
18 North Terrace N	4/2/2015	129,698.25	-	44,688.72	-	174,386.97
1318 Elm St N	5/29/2015	229,012.67	-	55,452.01	-	284,464.68
724 North River Road	6/8/2015	204,457.83	-	35,615.30	(10,000.00)	230,073.13
1333 Oak Street N	6/24/2015	238,513.23	-	5,249.00	-	243,762.23
26 North Terrace N	9/11/2015	138,619.58	-	12,620.00	-	151,239.58
16 North Terrace N	9/24/2015	227,987.50	-	96,717.14	-	324,704.64
24 North Terrace N	11/25/2015	182,437.38	-	29,269.60	-	211,706.98
1314 Elm Street N	12/18/2015	225,800.09	-	42,025.00	-	267,825.09
12 North Terrace N	2/9/2016	10,191.00	-	-	-	10,191.00
1313 Elm Street N		350,000.00	-	3,360.00	-	353,360.00
Home Buyouts - Moorhead						
387 170th Ave SW	11/1/2013	281,809.91	-	-	(8,440.00)	273,369.91
16678 3rd St S		-	192,600.00	80,210.80	-	272,810.80
Home Buyouts - Oxbow						
105 Oxbow Drive	11/28/2012	216,651.85	-	-	(181,249.54)	35,402.31
744 Riverbend Rd	12/3/2012	343,828.30	-	2,435.00	-	346,263.30
121 Oxbow Drive	7/31/2013	375,581.20	-	-	(186,918.33)	188,662.87
333 Schnell Drive	9/20/2013	104,087.79	-	-	-	104,087.79
346 Schnell Drive	2/13/2014	512,970.73	-	7,200.00	-	520,170.73
345 Schnell Drive	10/24/2014	478,702.98	-	6,869.44	-	485,572.42
336 Schnell Drive	1/29/2015	310,888.51	-	185,620.00	-	496,508.51
5059 Makenzie Circle	5/21/2015	2,698,226.97	-	10,549.70	-	2,708,776.67
357 Schnell Dr / 760 River Bend Rd	6/18/2015	466,720.80	-	176,524.79	-	643,245.59
349 Schnell Dr / 761 River Bend Rd	6/26/2015	306,725.20	-	309,992.53	-	616,717.73
748 Riverbend Rd / 755 River Bend Rd	9/1/2015	480,784.30	-	205,699.82	-	686,484.12
361 Schnell Dr / 764 River Bend Rd	9/2/2015	490,091.32	-	267,757.65	-	757,848.97
752 Riverbend Rd / 768 River Bend Rd	9/4/2015	469,078.13	-	507,103.56	-	976,181.69
353 Schnell Dr / 772 River Bend Rd	9/11/2015	494,342.87	-	312,212.95	-	806,555.82
SE 1/4-23-137-49 & NW 1/4 SW 1/4 24-137-49 - Heitman	9/30/2015	1,328,151.00	-	-	-	1,328,151.00
350 Schnell Dr / 769 River Bend Rd	12/15/2015	491,024.01	-	279,237.35	-	770,261.36
365 Schnell Drive	1/7/2016	125,077.88	-			125,077.88
852 Riverbend Rd	1/11/2016	1,222,608.19	-	10,891.60		1,233,499.79
334 Schnell Dr / 751 River Bend Rd	1/15/2016	321,089.77	-	284,349.88	-	605,439.65
749 Riverbend Rd / 433 Trent Jones Dr	2/1/2016	598,885.43	-	469,875.64	-	1,068,761.07
326 Schnell Drive	2/19/2016	326,842.17	-	225,073.09	-	551,915.26
309 Schnell Dr / 325 Trent Jones Dr	5/12/2016	539,895.97	-	561,322.28	-	1,101,218.25
810 Riverbend Rd / 787 River Bend Rd	6/6/2016	672,125.84	-	640,305.43	-	1,312,431.27
839 Riverbend Road	7/20/2016	1,775,311.60	-	10,631.50	-	1,785,943.10
833 Riverbend Rd / 446 Trent Jones Dr	7/14/2016	801,671.69	-	579,388.16	-	1,381,059.85
328 Schnell Dr / 347 Trent Jones Dr	7/14/2016	320,803.64	-	329,117.70	-	649,921.34
332 Schnell Dr / 335 Trent Jones Dr	8/2/2016	328,639.47	-	353,321.19	-	681,960.66
817 Riverbend Road / 421 Trent Jones Dr	In Escrow	-	448,300.00	453,212.00	-	901,512.00
829 Riverbend Rd / 788 River Bend Rd		-	-	8,000.00	-	8,000.00
828 Riverbend Rd		-	25,000.00	-	-	25,000.00
330 Schnell Drive	12/12/2016	328,134.82	-	-	-	328,134.82
844 Riverbend Road		-	400,000.00	-	-	400,000.00
338 Schnell Dr / 775 River Bend Rd		-	222,500.00	-	-	222,500.00
813 Riverbend Rd / 449 Trent Jones Dr	10/14/2016	660,997.62	-	754,231.97	-	1,415,229.59
341 Schnell Dr / 343 Trent Jones Dr		-	284,292.89	19,889.45	-	304,182.34
329 Schnell Dr / 417 Trent Jones Dr	10/4/2016	549,277.00	-	497,952.00	-	1,047,229.00
805 Riverbend Rd / 776 River Bend Rd		-	220,855.00	-	-	220,855.00
317 Schnell Dr / 409 Trent Jones Dr	9/7/2016	548,393.52	-	558,413.52	-	1,106,807.04
821 Riverbend Rd / 438 Trent Jones Dr		-	185,000.00	-	-	185,000.00
321 Schnell Dr / 410 Trent Jones Dr	10/7/2016	462,334.69	9,200.00	510,523.70	-	982,058.39
337 Schnell Dr / 353 Trent Jones Dr		-	222,021.00	-	-	222,021.00

FM Metropolitan Area Flood Risk Management Project
Lands Expense - Life To Date
As of November 30, 2016

Property Address	Purchase Date	Purchase Price	Earnest Deposit	Relocation Assistance	Sale Proceeds	Total
840 Riverbend Rd / 442 Trent Jones Dr		-	189,000.00	-	-	189,000.00
325 Schnell Drive / 426 Trent Jones Dr		-	225,800.00	368,421.20	-	594,221.20
816 Riverbend Rd / 441 Trent Jones Dr		-	377,426.00	-	-	377,426.00
808 Riverbend Road / 254 South Schnell Dr		-	196,211.25	-	-	196,211.25
313 Schnell Drive/ 413 Trent Jones Dr		-	197,243.00	-	-	197,243.00
848 Riverbend Rd / 783 River Bend Rd	In Escrow	-	306,000.00	1,340,781.00	-	1,646,781.00
843 Riverbend Rd / 445 Trent Jones Dr	In Escrow	-	700,000.00	1,163,752.00	-	1,863,752.00
Home Buyouts - Hickson						
17495 52nd St SE	4/28/2015	785,747.66	-	27,604.74	-	813,352.40
4989 Klitzke Drive, Pleasant Twp	7/20/2016	245,926.71	-	92,817.44	-	338,744.15
Easements - Fargo						
Part of Lot 5 El Zagal Park	10/9/2014	76,000.00	-	-	-	76,000.00
72 2nd St N	4/13/2016	37,020.00	-	-	-	37,020.00
Easements - Oxbow						
Oxbow Parcel 57-0000-10356-070 - Pearson	10/13/2014	55,500.00	-	-	-	55,500.00
Easements - Diversion Inlet Control Structure						
15-0000-02690-020 - Cossette		476,040.00	-	-	-	476,040.00
64-0000-02730-000 - Sauvageau		268,020.00	-	-	-	268,020.00
64-0000-02720-000 - Ulstad		250,440.00	-	-	-	250,440.00
64-0000-027400-000 - Duboard	9/15/2016	177,399.29	-	-	-	177,399.29
Easements - Minesota						
Askegaard Hope Partnership	10/14/2016	1,542,370.79	-	-	-	1,542,370.79
Farmland Purchases						
SE 1/4 11-140-50 (Raymond Twp) - Ueland	1/20/2014	959,840.00	-	-	-	959,840.00
2 Tracts in the E 1/2-2-137-49 - Sorby/Maier	1/24/2014	1,636,230.00	-	-	-	1,636,230.00
3 Tracts NW1/4 1-140-50, NW1/4 11-140-50, & S1/2 25-141-50 - Rust	2/18/2014	3,458,980.70	-	-	-	3,458,980.70
11-140-50 NE1/4 (Raymond Twp) - Diekrager	4/15/2014	991,128.19	-	-	-	991,128.19
NW 1/4 36-141-50 - Monson	5/7/2014	943,560.05	-	-	-	943,560.05
W 1/2 SE 1/4 SW 1/4 & SW 1/4 SW 1/4 2-137-49 - Gorder	5/13/2014	321,386.00	-	-	-	321,386.00
SW 1/4-11-140-50 - Hoglund	7/21/2014	989,706.03	-	-	-	989,706.03
NW 1/4 14-140-50 - Hoglund	10/23/2014	948,782.22	-	-	-	948,782.22
SW 1/4 2-140-50 -Rust	10/29/2014	955,901.00	-	-	-	955,901.00
2-140-50 S 1/2 of NW 1/4 & Lot 4A - Pile	3/4/2015	594,108.00	-	-	-	594,108.00
Fercho Family Farms,	3/25/2015	464,600.00	-	-	-	464,600.00
W 1/2 NW 1/4 2-141-49 - Heiden	4/24/2015	433,409.00	-	-	-	433,409.00
(Raymond Twp) - Henke	6/17/2015	1,196,215.00	-	-	-	1,196,215.00
Land Purchases						
Hayden Heights Land, West Fargo ND	10/12/2012	484,016.00	-	-	(730,148.14)	(246,132.14)
Lot 4, Block 4, ND R-2 Urban Renewal Addition, Fargo ND - Professional Associates	5/14/2015	39,900.00	-	-	-	39,900.00
BNSF Railway Company		-	27,000.00	-	-	27,000.00
		55,427,405.69	4,428,449.14	29,751,281.56	(1,117,856.01)	88,489,280.38
					-	
					Property Management Expense	819,580.29
					Property Management Income	(622,728.27)
					Grand Total	**$ 88,686,132.40**

FM Metropolitan Area Flood Risk Management Project
In-Town Levee Work
as of November 30, 2016

Vcode #	Vendor Name	Descriptions	Contract Amount	Amount Paid
V02801	Industrial Builders	WP42.A2 - 2nd Street North Pump Station	$ 8,683,649.98	$ 8,683,649.98
V02802	Terracon Consulting	WP-42 (In Town Levees) Materials Testing	774,990.00	658,812.67
V02803	Consolidated Communications	2nd Street Utility Relocation	1,848,254.37	1,140,270.49
V02804	702 Communications	2nd Street Utility Relocation	326,243.91	266,892.07
V02805	ICS	WP-42A.1/A.3 - 4th St Pump Station & Gatewell and 2nd St Floodwall S	17,568,971.39	16,176,470.20
V02806	HMG	WP42 - Services During Construction	4,932,000.00	3,385,917.95
V02807	CCJWRD	In-Town Levee Work	6,634,496.01	5,074,749.20
V02808	City of Fargo	Relocation of fiber optic along 2nd Street North	360,702.75	315,727.86
V02809	AT & T	2nd Street Utility Relocation	569,404.44	569,404.44
V02810	Cable One	2nd Street Utility Relocation	148,511.37	-
V02811	Xcel Energy	2nd Street & 4th Street Utility Relocations	925,076.69	190,530.93
V02812	Industrial Builders	WP-42F.1S - 2nd Street North Floodwall, South of Pump Station	17,154,700.72	15,564,927.34
V02813	Landwehr Construction	Park East Apartments Demolition	1,177,151.74	1,169,651.74
V02814	Primoris Aevenia	2nd Street Utility Relocation	16,230.00	16,230.00
V02815	Centurylink Communications	2nd Street Utility Relocation	2,660,937.92	2,660,937.92
V02816	Landwehr Construction	WP-42C.1 - In-Town Levees 2nd Street/Downtown Area Demo	902,224.85	878,615.57
V02817	Reiner Contracting, Inc	WP-42H.2 - El Zagal Area Flood Risk Management	1,601,366.99	1,561,466.36
V02818	Industrial Builders	WP-42I.1 - Mickelson Levee Extension	738,880.50	730,944.50
V02819	Industrial Builders	WP42F.1N - 2nd Street North	13,173,143.55	10,258,936.07
V02820	CH2M Hill	WP42 - Construction Management Services	1,020,000.00	522,312.75
V02821	Hough Incorporated	WP42F.2 - 2nd Street South	1,603,259.25	1,215,633.53
V01703	Various	In-Town Property Purchases	39,003,065.54	36,276,553.52
			$ 121,823,261.97	$ 107,318,635.09

Fargo-Moorhead Metropolitan Area Flood Risk Management Project
State Water Commission Funds Reimbursement Worksheet
Fargo Flood Control Project Costs - HB1020 & SB2020

Time Period for This Request: October 1, 2016 - October 31, 2016

Drawdown Request No: 36			
Requested Amount:		**$**	**3,506,589**
Total Funds Expended This Period:		$	6,503,670
Total Funds Requested at 100% Match			509,507
Remaining Funds Requested at 50% Match			5,994,162
SB 2020 Matching Requirements			50%
Total Funds Requested at 50% Match			2,997,081
Total Funds Requested:		**$**	**3,506,589**

STATE AID SUMMARY:			
Summary of State Funds Appropriated			
Appropriations from 2009 Legislative Session		$	45,000,000
Appropriations from 2011 Legislative Session			30,000,000
Appropriations from 2013 Legislative Session			100,000,000
Appropriations from 2015 Legislative Session			69,000,000
Appropriations to be funded in 2017 Legislative Session - Available 7/1/2017	51,500,000		
Appropriations to be funded in 2019 Legislative Session - Available 7/1/2019	51,500,000		
Appropriations to be funded in 2021 Legislative Session - Available 7/1/2021	51,500,000		
Appropriations to be funded in 2023 Legislative Session - Available 7/1/2023	51,500,000		
Total State Funds	206,000,000		244,000,000
Less: Payment #1 through #35 - City of Fargo			(55,510,209)
Less: Payment #1 - Cass County			(136,039)
Less: Payment #1 through #20 - FM Diversion Authority			(28,862,208)
Less: Payment #21 - FM Diversion Authority			(2,580,786)
Less: Payment #22 - FM Diversion Authority			(3,998,879)
Less: Payment #23 - FM Diversion Authority			(1,985,040)
Less: Payment #24 - FM Diversion Authority			(2,752,283)
Less: Payment #25 - FM Diversion Authority			(10,000,000)
Less: Payment #26 - FM Diversion Authority			(1,021,657)
Less: Payment #27 - FM Diversion Authority			(4,940,909)
Less: Payment #28 - FM Diversion Authority			(2,209,200)
Less: Costs Moved from Fargo Flood Control (Diversion) to Interior Flood Control			20,301,855
Less: Payment #29 - FM Metro Area Flood Risk Management Project			(2,900,000)
Less: Payment #30 - FM Metro Area Flood Risk Management Project			(3,681,747)
Less: Payment #31 - FM Metro Area Flood Risk Management Project			(6,900,000)
Less: Payment #32 - FM Metro Area Flood Risk Management Project			(3,725,044)
Less: Payment #33 - FM Metro Area Flood Risk Management Project			(4,655,547)
Less: Payment #34 - FM Metro Area Flood Risk Management Project			(22,500,000)
Less: Payment #35 - FM Metro Area Flood Risk Management Project			(6,062,680)
Less: Payment #36 - FM Metro Area Flood Risk Management Project			(3,506,589)
Total Funds Reimbursed			(147,626,962)
Total State Fund Balances Remaining		**$**	**96,373,038**

Fargo-Moorhead Metropolitan Area Flood Risk Management Project
State Water Commission Funds Reimbursement Worksheet
Fargo Flood Control Project Costs - HB1020 & SB2020

LOCAL MATCHING FUNDS SUMMARY:		
Matching Funds Expended To Date - FM Metro Area Flood Risk Management Project	$	66,570,210
Less: Match Used on Payment #1 through #35 - City of Fargo		(41,506,620)
Less: Match used on Payment #1 - Cass County		(136,039)
Less: Match Used on Payment #1 - FM Diversion Authority		(18,600)
Less: Match Used on Payment #2 - FM Diversion Authority		(66,888)
Less: Match Used on Payment #6 - FM Diversion Authority		(238,241)
Less: Match Used on Payment #8 - FM Diversion Authority		(346,664)
Less: Match Used on Payment #11 - FM Diversion Authority		(470,398)
Less: Match Used on Payment #12 - FM Diversion Authority		(237,286)
Less: Match Used on Payment #16 - FM Diversion Authority		(3,018,978)
Less: Match Used on Payment #17 - FM Diversion Authority		(1,374,624)
Less: Match Used on Payment #20 - FM Diversion Authority		(1,427,344)
Less: Match Used on Payment #22 - FM Diversion Authority		(116,437)
Less: Match Used on Payment #23 - FM Diversion Authority		(487,124)
Less: Match Used on Payment #24 - FM Diversion Authority		(1,688,474)
Less: Match Used on Payment #26 - FM Diversion Authority		(445,642)
Less: Match Used on Payment #28 - FM Diversion Authority		(1,116,010)
Less: Match Used on Payment #30 - FM Metro Area Flood Risk Management Project		(1,581,147)
Less: Match Used on Payment #32 - FM Metro Area Flood Risk Management Project		(1,215,895)
Less: Match Used on Payment #33 - FM Metro Area Flood Risk Management Project		(2,785,070)
Less: Match Used on Payment #35 - FM Metro Area Flood Risk Management Project		(1,292,963)
Less: Match Used on Payment #36 - FM Metro Area Flood Risk Management Project		(509,507)
Balance of Local Matching Funds Available	**$**	**6,490,258**

FLOOD DIVERSION AUTHORITY

Recommended Contracting Actions Summary

Date: December 15, 2016

Construction Change Orders		
WP-42F.1N, 2ND Street North (North of Pump Station) Change Order 05 • Temporary Striping & Quantity Balancing	IBI, Inc.	**$127,282.10**
WP-42F.1S, 2ND Street North (South of Pump Station) Change Order 15 • 42A.2 Gate Contract Transfer, quantity balancing & differing site conditions.	IBI, Inc.	**($416,726.77)**
WP-42F.2, 2ND Street South Levee & Floodwall Change Order 02 • Light Base Removal and Additional Time for Unsuitable Material.	Hough, Inc.	**$650.00**
Total Construction Change Orders		**($288,794.67)**

Recommended Contracting Actions Summary

Date: December 15, 2016

Construction Change Orders		
WP-42F.1N, 2ND Street North (North of Pump Station) Change Order 05 • Temporary Striping & Quantity Balancing	IBI, Inc.	**$127,282.10**

Technical Advisory Group Recommendation

Meeting Date: 12/6/2016

RECOMMENDATION FOR ACTION:

The Technical Advisory Group has reviewed and recommends approval of the following Contract Action(s).

SUMMARY OF CONTRACTING ACTION:

The Owner's Representative has reviewed and recommends the following Contract Action(s):

List description of Contract Action(s):

Description	Budget Estimate ($)
WP-42F.1N: Industrial Builders Inc.	
Change Order #05	***127,282.10***

- **WP-42F.1N, 2nd Street North (North of Pump Station) – Temporary Striping and Quantity Balancing**

Summary of Contracting History and Current Contract Action:

Original Agreement or Amendment	Previous Project Cost	Budget ($) Change	Revised Project Cost	Project Start	Project Completion	Comments
Original Contract	0.00	12,969,699.05	12,969,699.05	25-Apr-16	1-Jul-17	Contract Award recommended to lowest responsive bidder, Industrial Builders, Inc.
Change Order No. 1	12,969,699.05	8,122.00	12,977,821.05	25-Apr-16	1-Jul-17	Water Main Insulation, Floodwall Caps Modification
Change Order No. 2	12,977,821.05	206,380.00	13,184,201.05	25-Apr-16	1-Jul-17	Differing Subsurface Conditions, Fire Hydrants and Vault 3A Relocation, Temporary Water for Area Businesses, Howard Johnson Foundation Removal, & BNSF Project Delay
Change Order No. 3	13,184,201.05	(22,030.50)	13,162,170.55	25-Apr-16	1-Jul 17	Plansheet Updates, Retaining Wall Column, 6" Impressioned Concrete, Additional Bridge Lighting
Change Order No. 4	13,162,170.55	8,648.00	13,170,818.55	25-Apr-16	1-Jul 17	8" Plaza Concrete, Additional Pull Boxes, Milestone Changes
Change Order No. 5	13,170,818.55	127,282.10	13,298,100.65	25-Apr-16	1-Jul 17	Temporary Striping and Quantity Balancing

DISCUSSION

Change Order No. 5 adds and modifies existing scope elements to total an increase of $127,282.10 to the Contract Price. The Change Order consists of the following items:

1. **Temporary Striping** – Add lump sum bid *item 0145 Winter Suspension Striping* for $6,182.00 to accommodate temporary striping of 4th Ave N and 2nd Street N due to the temperatures falling below the recommended temperature for permanent striping. The attached Change Order 5 Unit Price Schedule dated 12/15/2016 shows the price increase. There is no schedule change associated with this change item.

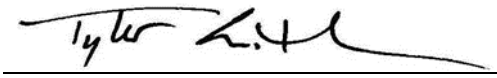
2. **Quantity Balancing** – Various items on the contract include unit rate prices. The Contractor bid the project based on estimated values. This change item adjusts quantities on unit rate items to reflect actual installed quantities. This work has been completed and the Contractor has been paid. The purpose of this change item is to update the Contract Price to reflect these installed quantities. The total cost of this change item is $121,100.10. The majority of the cost from this change item resulted from the Bid Items 050 Subgrade Preparation, 0117 Subcut, and 0125 F&I Retaining Wall – Structural Concrete.

    a. ***Bid Item 0004 Connect Sewer Service Option C*** – There was a discrepancy in the plans between the quantity listed on the bid items and the quantity shown in the plans. This change item adds $1,260.00 to the Contract Cost.
    b. ***Bid Item 0038 Remove Storm Inlet*** – Four additional storm sewer inlets required removal which were not indicated on as-built drawings so not included in the plans. This change item adds $2,560.00 to the Contract Cost.
    c. ***Bid Item 0050 Subgrade Preparation*** – As a result of much of parking reduction due to construction activities in the area the City of Fargo paved the former Hojo lot to create additional parking. The cost of this change item includes work to prepare the subgrade for the City's paving. This change item adds $11,991.00 to the Contract Cost.
    d. ***Bid Item F&I Variable Height Curb*** – This change item adds an additional 20 linear feet of variable height curb. Based on the condition of on-site curbing this additional curb needed to be installed to meet ADA ramp requirements at the intersection of 3rd St and 4th Ave. This change item adds $1,140.00 to the Contract Cost.
    e. ***Bid Item 0096 Silt Fence – Standard*** - This change item adds 94 linear feet of silt fence to the Contract for a total cost of $249.10 to comply with NPDES standards.
    f. ***Bid Item 0117 Subcut*** – The contractor encountered unsuitable soil on the project site beneath the floodwall footing. Soils beneath floodwall footing need to be structurally suitable and free of debris. HMG measured the quantity of material as it was removed. The total cost of this change item is $34,050.00. This bid item was placed in the contract in case the Contractor ran across unsuitable soil. The quantity was unkown and an assumed quantity was used to get a bid price. The amount found was greater than the amount assumed.
    g. ***Bid Item 0125 F&I Retaining Wall – Structural Concrete*** – The plan drawings showed the correct quantity for installed concrete; however, the bid quantity understated the amount due to a calculation error. The total cost for this change item is $69,300. This would have been a project cost regardless of whether it had been shown on the bid sheet correctly or not.
    h. ***Bid Item 0136 F&I 4" Water Main Insulation*** – This change item adds 10 additional linear feet of 4" water main insulation to accommodate the actual as-built quantity due to North Dakota Department of Health Requirements.

ATTACHMENT(S):

1. Change Order No. 5

Submitted by:



December 6, 2016

Tyler, Smith, P.E.
CH2M
Construction Services Manager
Metro Flood Diversion Project

Date

Nathan Boerboom, Diversion Authority Project Manager
Concur: *07Dec2016* *Non-Concur:*

April Walker, Fargo City Engineer
Concur: *07Dec2016* *Non-Concur*

Mark Bittner, Fargo Director of Engineering
Concur: *07Dec2016* *Non-Concur:*

Jason Benson, Cass County Engineer
Concur: *07Dec2016* *Non-Concur*

David Overbo, Clay County Engineer
Concur: 08 Dec 2016 *Non-Concur:*

Robert Zimmerman, Moorhead City Engineer
Concur: *07Dec2016* *Non-Concur*

Darrell Vanyo, Co-Executive Director
Concur: *07Dec2016* *Non-Concur:*

Change Order No. 05

Date of Issuance:	12/15/2016	Effective Date:	12/15/2016
Owner:	Metro Flood Diversion Authority	Owner's Contract No.:	WP-42F.1N
Owner's Representative:	CH2M HILL Engineers, Inc.	Owner's Representative Project No.:	435534
Contractor:	Industrial Builders, Inc.	Contractor's Project No.:	
Engineer:	Houston-Moore Group, LLC	Work Package No.:	WP-42F.1N
Project:	Fargo-Moorhead Area Diversion	Contract Name:	Flood Control, 2nd Street North, North of Pump Station

The Contract is modified as follows upon execution of this Change Order:

Description:

1. TEMPORARY STRIPING
    a. Add lump sum bid *item 0145 Winter Suspension Striping* for $6,182.00 to accommodate temporary striping of 4th Ave N and 2nd Street N due to the temperatures falling below the recommended temperature for permanent striping. The attached Change Order 5 Unit Price Schedule dated 12/15/2016 shows the price increase. There is no schedule change associated with this change item.
2. QUANTITY BALANCING
    a. Adjust bid *items 0004, 0038, 0050, 0057, 0096, 0117, 0125, and 0136* to accommodate the installed quantities that were higher than the anticipated estimated quantities from the construction contract. The attached Change Order 5 Unit Price Schedule dated 12/15/2016 shows the quantity revisions. There is no schedule change associated with these change items.

Attachments:

Change Order 5 Unit Price Schedule Dated 12/15/2016

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES *[note changes in Milestones if applicable]*
Original Contract Price: **12,969,699.05**	Original Contract Times: Milestone 1: October 15, 2016 Milestone 2: 20 calendar days after road closure Substantial Completion: October 15, 2016 Ready for Final Payment: July 1, 2017
[Increase] [~~Decrease~~] from previously approved Change Orders No.: **192,471.50**	[Increase] [~~Decrease~~] from previously approved Change Orders No. : Milestone 1: November 23, 2016 Milestone 2: 20 calendar days after road closure Milestone 3: December 23, 2016 Substantial Completion: November 23, 2016 Ready for Final Payment: July 1, 2016
Contract Price prior to this Change Order: **13,170,818.55**	Contract Times prior to this Change Order: Milestone 1: November 23, 2016 Milestone 2: 20 calendar days after road closure Milestone 3: December 23, 2016 Substantial Completion: November 23, 2016 Ready for Final Payment: July 1, 2016
[Increase] [~~Decrease~~] of this Change Order: **127,282.10**	[Increase] [Decrease] of this Change Order: Milestone 1: Milestone 2: Milestone 3: Substantial Completion: Ready for Final Payment:
Contract Price incorporating this Change Order: **13,298,100.65**	Contract Times with all approved Change Orders: Milestone 1: November 23, 2016 Milestone 2: 20 calendar days after road closure Milestone 3: December 23, 2016 Substantial Completion: November 23, 2016 Ready for Final Payment: July 1, 2017

RECOMMENDED:	ACCEPTED:	ACCEPTED:
By: _____	By: _____	By: _____
Owner's Representative (Authorized Signature)	Owner (Authorized Signature)	Contractor (Authorized Signature)
Name: Tyler Smith, P.E.	Name:	Name: Kerry Meske
Title: Construction Manager	Title:	Title: Project Manager
Date:	Date:	Date:

Recommended Contracting Actions Summary

Date: December 15, 2016

Construction Change Orders		
WP-42F.1S, 2ND Street North (South of Pump Station) Change Order 15 • 42A.2 Gate Contract Transfer, quantity balancing & differing site conditions.	IBI, Inc.	**($416,726.77)**

Technical Advisory Group Recommendation

Meeting Date: 12/6/2016

RECOMMENDATION FOR ACTION:

The Technical Advisory Group has reviewed and recommends approval of the following Contract Action(s).

SUMMARY OF CONTRACTING ACTION:

The Owner's Representative has reviewed and recommends the following Contract Action(s):

List description of Contract Action(s):

Description	Budget Estimate ($)
WP-42F.1S: Industrial Builders Inc.	
Change Order #15	***$(416,726.77)***

- **WP-42F.1S, 2nd Street North (South of Pump Station) – WP42A2 Gate Transfer, Quantity Balancing and Differing Site Conditions**

Summary of Contracting History and Current Contract Action:

Original Agreement or Amendment	Previous Project Cost	Budget ($) Change	Revised Project Cost	Project Start	Project Completion	Comments
Original Contract	0.00	0.00	16,184,905.85	08-Oct-15	15-Jun-17	Contract Award recommended to lowest responsive bidder, Industrial Builders, Inc.
Change Order No. 1	16,184,905.85	0.00	16,184,905.85	08-Oct-15	15-Jul-17	Adds 30 days to the Contract Time, revises Interim Milestone A work items, and adds an option for descoping a portion of the Work
Change Order No. 2	16,184,905.85	169,490.20	16,354,396.05	08-Oct-15	15-Jul-17	Incorporates Work revisions to allow work around utility lines
Change Order No. 3	16,354,396.05	96,806.17	16,451,202.22	08-Oct-15	15-Jul-17	Water main, traffic poles, traffic control plan, Milestone A scope
Change Order No. 4	16,451,202.22	6,985.96	16,458,188.18	08-Oct-15	15-Jul-17	Bridge Lighting, concrete disposal, winter traffic control, extend 4th St signal mods requirement
Change Order No. 5	16,458,188.18	68,743.01	16,526,931.19	08-Oct-15	15-Jul-17	Concrete grading within pump station, Unit price change, additional H Pile, bridge abutment seal, traffic signals, bridge abutment concrete disposal and floodwall connections.
Change Order No. 6	16,526,931.19	89,243.21	16,616,174.40	08-Oct-15	15-Jul-17	10 Feet of additional flood wall, incentive and disincentive changes to the Agreement.

Original Agreement or Amendment	Previous Project Cost	Budget ($) Change	Revised Project Cost	Project Start	Project Completion	Comments
Change Order No. 7	16,616,174.40	16,378.55	16,632,552.95	08-Oct-15	22-Jul-17	Tee Manhole Addition, SS-10 Manhole Revision
Change Order No. 8	16,632,552.95	257,901.37	16,890,454.32	08-Oct-15	22-Jul-17	Differing Subsurface Conditions, floating castings
Change Order No. 9	16,890,454.32	(55,349.74)	16,835,104.58	08-Oct-15	22-Jul-17	Differing Subsurface Condition, Wall Penetrations, CenturyLink Concrete Removal, Furnish and Install Signal Light Pull Boxes, City Hall Construction Accommodation and Misc. Items
Change Order No. 10	16,835,104.58	32,505.68	16,867,610.26	08-Oct-15	22-Jul-17	Disposal of 2B Vault, Differing Subsurface Conditions – Silo Disposal in Case Plaza, and Floodwall Cap Modification
Change Order No. 11	16,867,610.26	52,242.85	16,919,853.11	08-Oct-15	22-Jul-17	Differing Subsurface Conditions July Removals, Repair Storm Manholes, Contaminated Soils Removal, Storm Structure ST-8 Cover, Impressioned Concrete Modifications, Administrative – Accounting Change, Administrative – Owner's Rep and Engineer Roles and Responsibilities Change
Change Order No. 12	16,919,853.11	85,411.36	17,004,753.35	08-Oct-15	22-Jul-17	Differing Subsurface Conditions, Repair Storm Manholes
Change Order No. 13	17,004,735.35	75,899.63	17,080,652.98	08-Oct-15	22-Jul-17	Utility Vault Adjustment, 1st Ave N Bridge Spall Removal, 42A2 Pump Station Elevation Discrepancy, Flared End Section Riprap, Case Plaza Parking Lot
Change Order No. 14	17,080,652.98	81,306.44	17,154,700.72	08-Oct-15	22-Jul-17	Streetlight Modifications, City of Fargo Library Landscaping, Epoxy Paint, Differing Site Conditions, 3rd Street Lighting Modifications, 1st Ave Plaza Bench Modifications, and Topsoil Import
Change Order No. 15	17,154,700.72	(416,726.77)	16,737,973.95	08-Oct-15	22-Jul-17	WP42A2 Gate Transfer; Quantity Balancing and Differing Subsurface Conditions

DISCUSSION

Change Order No. 15 adds new and modifies existing scope elements to total a net decrease of $416,726.77 to the Contract Price. The Change Order consists of the following items:

1. **42A.2 Gate Contract Transfer** – This change item incorporates the cost to install a decorative fence at the 2nd St pump station for a total cost of $52,546.56. The decorative fence cost and scope were previously removed from the 42A2 contract under 42A2 Change Order 11 to allow close-out of the 42A2 Contract before the end of 2016 and prevent administrative costs associated with keeping the Contract open in 2017.

2. **Quantity Balancing** – Various items on the contract include unit rate prices. The Contractor bid the project based on estimated values. This change item adjusts quantities on unit rate items to reflect actual installed quantities. This work has been completed and the Contractor has been paid. The purpose of this change item is to update the Contract Price to reflect these installed quantities. The total cost of this change item is a net deduct of $469,757.20. The majority of the deduct came from the contaminated soil cost being less than expected. Quantities that changed include the following:

    a. ***Bid Item 0045 F&I Insulation 4" Thick*** – The water main services for the City Hall building required adjustment. At the time of design/bidding it had not been determined where the services would need to be located. The insulation refeferenced in the bid item is placed around this water main. This change item resulted in a next cost increase of $1,152.00.
    b. ***Bid Item 0084 Plug Storm Pipe 14" thru 24" Dia*** – Additional piping was required to accommodate the Civic Center Parking Lot work, which was previously approved under Change Order 13. This change item resulted in a net cost increase of $5,940.00.
    c. ***Bid Item 0140 Obliterate Pavement Markings –*** Additional pavement markings required removal to accommodate the Civic Center Parking Lot work, which was previously approved under Change Order 13. This change item resulted in a net cost increase of $1,780.00.
    d. ***Bid Item 0199 Removal of Contaminated Soil*** – On-site testing after excavation revealed that contaminated soil could be used as cover for the City of Fargo Landfill rather than hauling the material to an appropriate disposal facility, which was the intent of the bid. This resulted in net savings to the project due to the proximity of the landfill as compared to the disposal facility. This change item resulted in a net cost deduct of $454,098.39.
    e. ***Bid Item 0200 Removal of Highly Contaminated Soil*** – On-site testing after excavation revealed that there was no highly contaminated soil at this site, so this bid item was not used. This change item resulted in a net cost deduct of $32,000.
    f. ***Bid Item 0245 F&I Impressioned 6" Thick Reinf Conc*** – The project team determined that 6" impressioned concrete should be used at intersections throughout the project to comply with City of Fargo specifications. This change item resulted in a net cost increase of $7,560.00.

3. **Differing Site Conditions** – The Contractor has continued to encounter structurally unsuitable soils that cannot be used on-site. During the Month of October the Contractor encountered additional unsuitable soils. This change item includes labor and equipment costs for the removal of soils. The total cost of this change item is $483.87. This is anticipated to be the last of the differing site conditions cost for this contract.

ATTACHMENT(S):

1. Change Order 15
2. Contractor's Change Order Request Dated 12/2/2016 (42A2 Gate Contract Transfer)
3. Contractor's Change Order Request Dated 11/18/2016 (Differing Subsurface Conditions)

Submitted by:

Tyler Smith, P.E.
CH2M
Metro Flood Diversion Project

December 6, 2016
Date

Nathan Boerboom, Diversion Authority Project Manager
Concur: *08Dec2016* *Non-Concur:* _____

April Walker, Fargo City Engineer
Concur: _____ *Non-Concur* _____

Mark Bittner, Fargo Director of Engineering
Concur: *07Dec2016* *Non-Concur:* _____

Jason Benson, Cass County Engineer
Concur: *08Dec2016* *Non-Concur* _____

David Overbo, Clay County Engineer
Concur: 08 Dec 2016 *Non-Concur:* _____

Robert Zimmerman, Moorhead City Engineer
Concur: *08Dec2016* *Non-Concur* _____

Darrell Vanyo, Co-Executive Director
Concur: *07Dec2016* *Non-Concur:* _____

Change Order No. 15

Date of Issuance:	12/15/2016	Effective Date:	12/15/2016
Owner:	Metro Flood Diversion Authority	Owner's Contract No.:	WP-42F.1S
Owner's Representative:	CH2M HILL Engineers, Inc.	Owner's Representative Project No.:	435534
Contractor:	Industrial Builders, Inc.	Contractor's Project No.:	
Engineer:	Houston-Moore Group, LLC	Work Package No.:	WP-42F.1S
Project:	Fargo-Moorhead Area Diversion	Contract Name:	Flood Control, 2nd Street North, South of Pump Station

The Contract is modified as follows upon execution of this Change Order:

Description:

1. WP42A2 GATE CONTRACT TRANSFER
    a. Add lump sum bid item *0262* for $52,546.56 to accommodate addition of the decorative fence originally scoped under the 42A.2 Contract. The attached Change Order 15 Unit Price Schedule dated 12/15/2016 shows the price increase. There is no schedule change associated with this change item.
2. QUANTITY BALANCING
    a. Adjust bid *items 0045, 0084, 0140, 0199, 0200, and 0245* to accommodate the installed quantities that were higher or lower than the anticipated estimated quantities from the construction contract. The attached Change Order 15 Unit Price Schedule dated 12/15/2016 shows the quantity revisions. There is no schedule change associated with these change items.
3. DIFFERING SITE CONDITIONS
    a. Increase bid item *0233 October Removals by* $483.87 to accommodate removing unsuitable material from the project site. The attached Change Order 15 Unit Price Schedule dated 12/15/2016 shows the price increase. There is no schedule change associated with this change item.

Attachments:

Change Order 14 Unit Price Schedule Dated 12/15/2016

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES *[note changes in Milestones if applicable]*
Original Contract Price: **16,184,905.85**	Original Contract Times: Interim Milestone A: November 30, 2015 Substantial Completion: October 1, 2016 Ready for Final Payment: June 15, 2017
[Increase] [~~Decrease~~] from previously approved Change Orders No. 01 thru 14: **969,794.87**	[~~Increase~~] [~~Decrease~~] from previously approved Change Orders No. 01: Interim Milestone A: Substantial Completion: Ready for Final Payment:
Contract Price prior to this Change Order: **17,154,700.72**	Contract Times prior to this Change Order: Interim Milestone A: December 30, 2015 Substantial Completion: November 7, 2016 Ready for Final Payment: July 22, 2017
[~~Increase~~] [Decrease] of this Change Order: **(416,726.77)**	[~~Increase~~] [~~Decrease~~] of this Change Order:
Contract Price incorporating this Change Order: **16,737,973.95**	Contract Times with all approved Change Orders: Interim Milestone A: December 30, 2015 Substantial Completion: November 7, 2016 Ready for Final Payment: July 22, 2017

RECOMMENDED:	ACCEPTED:	ACCEPTED:
By: _____	By: _____	By: _____
Owner's Representative (Authorized Signature)	Owner (Authorized Signature)	Contractor (Authorized Signature)
Name: Tyler Smith, P.E.	Name: Darrell Vanyo	Name: David Goulet
Title: Construction Manager	Title: Chairman	Title: Project Manager
Date:	Date:	Date:

Recommended Contracting Actions Summary

Date: December 15, 2016

Construction Change Orders		
WP-42F.2, 2ND Street South Levee & Floodwall Change Order 02 • Light Base Removal and Additional Time for Unsuitable Material.	Hough, Inc.	**$650.00**

Technical Advisory Group Recommendation

Meeting Date: 12/06/2016

RECOMMENDATION FOR ACTION:

The Technical Advisory Group has reviewed and recommend approval of the following Contract Action(s).

SUMMARY OF CONTRACTING ACTION:

The Owner's Representative has reviewed and recommends the following Contract Action(s):

List description of Contract Action(s):

Description	Budget Estimate ($)
Hough Inc.	
Change Order #02	***$650.00***
WP-42F2, 2nd Street South Levee and Floodwall – Light Base Removal and Additional Time for Unsuitable Material	

Summary of Contracting History and Current Contract Action:

Original Agreement or Amendment	Previous Project Cost	Budget ($) Change	Revised Project Cost	Project Start	Substantial Completion	Project Completion	Comments
WP-42A.1/A.3 contract	0.00	1,448,373.17	1,448,373.17	17-Jul-16	31-Oct-16	15-Jul-17	Awarded 2Nd Street South Levee and Floodwall
Change Order 1	1,448,373.17	206,886.08	1,655,259.25	17-Jul-16	2-Nov-16	15-Jul-17	Traffic Control, Subsurface Conditions, Catchbasin, 4" Valve and Pipe, Setting ST 3, 6" Valve and Pipe, Pavement Markings, Unsuitable Material, Plan Updates, and Administrative – Owner's Rep and Engineer's Responsibilities
Change Order 2	1,655,259.25	650.00	1,655,909.25	17-Jul-16	16-Nov-16	15-Jul-17	Light Base Removal and Time for Unsuitable Material Excavation and Stockpiling

DISCUSSION

Change Order No. 2 increases the Contract Price by **$650.00** and extends Substantial Completion by **14 days** for the following items. The cost and time were reviewed by the Engineer and Owner's Representative and found to be reasonable.

1. **Light Base Removal**. A street light base outside the project limits is located in the sidewalk on the south side of 2nd Street South and is a tripping hazard. Add $650 to the Contract Price to remove the base to 12" below the surface and replace the sidewalk. The Owner's representative and Engineer have reviewed this cost and consider it reasonable.

1. **Additional Time to Excavate Unsuitable Material**. During the excavation of the levee inspection trench, a large quantity of unsuitable material was removed and stockpiled. The cost associated with removal of the material and import of suitable material was addressed in Change Order 01. This adds 14 days to Substantial Completion to account for the Engineer's decision making delay when the material was first encountered, and to excavate and stockpile the material. The stockpile removal from the site is no longer required to meet Substantial Completion. Removal work has been ongoing, will continue into the winter, and will be added to the Substantial Completion punchlist. This is a no cost change.

ATTACHMENT(S):

Draft Change Order No. 2

Change Order Request No. 10 from Hough Inc.

Submitted by:

Tyler Smith, P.E.
CH2M HILL
Project Manager
Metro Flood Diversion Project

December 6, 2016
Date

Nathan Boerboom, Diversion Authority Project Manager
Concur: *08Dec2016* *Non-Concur:* _____

April Walker, Fargo City Engineer
Concur: _____ *Non-Concur* _____

Mark Bittner, Fargo Director of Engineering
Concur: *07Dec2016* *Non-Concur:* _____

Jason Benson, Cass County Engineer
Concur: *08Dec2016* *Non-Concur* _____

David Overbo, Clay County Engineer
Concur: _____ *Non-Concur:* _____

Robert Zimmerman, Moorhead City Engineer
Concur: *08Dec2016* *Non-Concur* _____

Darrell Vanyo, Co-Executive Director
Concur: *07Dec2016* *Non-Concur:* _____

Change Order No. 02

Date of Issuance:	12/15/2016	Effective Date:	12/15/2016
Owner:	Metro Flood Diversion Authority	Owner's Contract No.:	WP-42F2
Owner's Representative:	CH2M HILL Engineers, Inc.	Owner's Representative Project No.:	WP-42F2
Contractor:	Hough, Inc.	Contractor's Project No.:	
Engineer:	Houston-Moore Group, LLC	Work Package No.:	WP-42F2
Project:	Fargo-Moorhead Area Diversion	Contract Name:	Park East Apartment Flood Mitigation

The Contract is modified as follows upon execution of this Change Order:

Description:

1. REMOVE LIGHT BASE AND REINSTALL CONCRETE SIDEWALK
    a. Add lump sum bid item *0091 Street Light Base Modification* for $650.00 to accommodate removing an existing street light base outside of the project limits, backfilling the base, and repaving the concrete sidewalk. This light base poses a tripping hazard and needs to be removed from the existing sidewalk. The attached Change Order 2 Unit Price Schedule dated 12/15/2016 shows the price increase. There is no schedule change associated with this change item.
2. ADDITIONAL TIME FOR UNSUITABLE MATERIAL EXCAVATION
    a. Add 14 days to Substantial Completion for the decision making delay, over excavation, and stockpiling when unsuitable material from the levee inspection trench was encountered. This is a no cost change.

Draft

Attachments:

Change Order 1 Unit Price Schedule Dated 10/13/2016

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES *[note changes in Milestones if applicable]*
Original Contract Price: **1,448,373.17**	Original Contract Times: Milestone 1: 14 Calendar days after work begins Milestone 2: 45 calendar days after road closure Substantial Completion: October 31, 2016 Ready for Final Payment: July 15, 2017
[~~Increase~~] [~~Decrease~~] from previously approved Change Orders No. 1: **206,886.08**	[Increase] [~~Decrease~~] from previously approved Change Order No. 1 : Milestone 1: Milestone 2: 2 Days Substantial Completion: 2 days Ready for Final Payment:
Contract Price prior to this Change Order: **1,655,259.25**	Contract Times prior to this Change Order: Milestone 1: Milestone 2: 47 calendar days after road closure Substantial Completion: November 2, 2016 Ready for Final Payment: July 15, 2017
[Increase] [~~Decrease~~] of this Change Order: **650.00**	[Increase] [~~Decrease~~] of this Change Order: Milestone 1: Milestone 2: Substantial Completion: 14 days Ready for Final Payment: July 15, 2017
Contract Price incorporating this Change Order: **1,655,909.25**	Contract Times with this Change Order: Milestone 1: Milestone 2: 47 calendar days after road closure Substantial Completion: November 16, 2016 Ready for Final Payment: July 15, 2017

RECOMMENDED:	ACCEPTED:	ACCEPTED:
By: _____	By: _____	By: _____
Owner's Representative (Authorized Signature)	Owner (Authorized Signature)	Contractor (Authorized Signature)
Name: Tyler Smith, P.E.	Name: Darrell Vanyo	Name: Bryce Moen
Title: Construction Manager	Title: Chairman	Title: Project Manager
Date:	Date:	Date:

Draft

This is Statement of Work No. 03, Amendment 0, consisting of 4 pages.

Ernst & Young Infrastructure Advisors, LLC

Statement of Work No. 03, Amendment 0

Financial Plan revisions, Request for Proposal Phase Support, Proposal Evaluation Support

In accordance with the Agreement between **Metro Flood Diversion Authority** ("Client") and **Ernst & Young Infrastructure Advisors, LLC** ("EYIA") for Professional Services, dated May 14, 2015 ("Agreement"), Client and EYIA agree that the Statement of Work include the following elements, with specific activities to be directed by the Client as follows:

1. Specific Project Data
    A. Title: Request for Proposal support, responses to Proposer Q&A, Proposal evaluation support
2. Services of EYIA
    A. Financial Plan and financing/ procurement strategy
        a. Work with the Client's Program Management Consultant and municipal advisors to manage or refine on an ongoing basis, the financial plan for the project.
        b. Assist the Project team in explaining the nature and delivery of the financial plan to stakeholders, as requested
        c. Participate in P3 Working Group and other meetings
    B. Continue to support the Client in its interactions with the US Army Corps of Engineers
    C. Assist the Client in preparing, revising and responding to question on due diligence materials to support procurement and for inclusion in the data-room, including financial White Papers
    D. To the extent requested by the Client, provide comment on aspects of the Techincal Requirements or input into Proposer questions on Technical Requirements
    E. Request for Proposals (RFP) Support

        Assist the Client in managing the RFP process, including the following elements:

        a. Responding to Proposer questions on financial aspects of the RFP
        b. Support in revisions to financial aspects of the RFP drafts and Final RFP
        c. Participation in one-on-one meetings with shortlisted Proposers
        d. Finalization of financial proposal requirements

    F. At Client's request or direction, refine financial model at various stages to test or reflect financial impact of changes to different deal parameters that arise.
    G. Assist with the Client's evaluation of Financial Proposals, including support in developing briefing materials for stakeholders and Client leadership regarding Developer selection
    H. Support Client in its negotiations with the apparent best value proposer as necessary to establish a final contract and reach financial close, including financing and security package. Benchmark financing terms for financial close. Prepare and present briefing papers for Client management summarizing deal terms. Support Client in addressing conditions precedent to financial close.
    I. Assist Client in the closing process, clearing conditions precedent and finalizing loan documentation.
    J. Meetings, Calls, and Working Groups
        a. Attend P3 working group meetings, project team meetings and conference calls regarding the procurement to coordinate activities and present deliverables, as required.

3. Deliverables:

    A. Financial analysis and stakeholder presentations
    B. Financial model outputs
    C. Input into draft and Final RFP documents
    D. Summary of Financial Proposals
    E. White Paper(s) and decision memos

4. Times for Rendering Services

    A. Period of Performance of this Statement of Work ends on December 31, 2017.

5. Payments to EYIA

    A. Client shall pay EYIA for services rendered in accordance with Agreement and the rate schedule in Attachment A. The following table presents the estimated budget breakdown by Subtask. This Statement of Work shall be authorized and limited by the total budget amount. Subtask amounts are estimates and shall not be considered limits.

    B. EYIA will only invoice for actual expenses related to taxi, parking, airfare (coach class only) and lodging. Hotel expenses will be invoiced at the GSA per diem amount for North Dakota lodging plus tax. Current GSA rates are available at: https://www.gsa.gov/portal/content/104877. EYIA will not invoice expenses for meals during travel for Client purposes.

Subtask	**Description**	**Budget Estimate ($)**
A	Financial Plan and financing/ procurement strategy	$140,000
B	Support USACE interactions	$20,000
C	Due Diligence	$140,000
D	Technical Requirements input	$100,000
E	RFP support	$600,000
F	Model analysis updates for deal terms	80,000
G	Financial Proposal Evaluation support	$180,000
H&I	Closing support	$200,000
G	Meetings, calls and working groups	$180,000
	Direct costs (travel, accommodation, etc)	$60,000
	TOTAL	**$1,700,000**

6. Consultants: None
7. Other Modifications to Agreement: None
8. Attachments: Attachment A, Rate Schedule
9. Documents Incorporated By Reference: Agreement dated May 14, 2015

10. Terms and Conditions: Execution of Statement of Work by Client and EYIA shall make it subject to the terms and conditions of the Agreement (as modified above), which Agreement is incorporated by this reference. EYIA is authorized to begin performance as of the date of the Agreement for Professional Services.

EYIA:	**CLIENT:**
Ernst & Young Infrastructure Advisors, LLC	**Metro Flood Diversion Authority**
Signature *Date*	*Signature* *Date*
Tom P. Rousakis	Darrell Vanyo
Name	*Name*
Senior Managing Director	Chairman, Board of Authority
Title	*Title*
DESIGNATED REPRESENTATIVE:	DESIGNATED REPRESENTATIVE:
Tom P. Rousakis	Michael Redlinger
Name	*Name*
Senior Managing Director	Assistant Fargo City Administraotor
Title	*Title*
5 Times Square New York, NY 10036	211 9th Street South PO Box 2806 Fargo, ND 58108-2806
Address	*Address*
Tom.Rousakis@ey.com	mredlinger@cityoffargo.com
E-Mail Address	*E-Mail Address*
Office (212) 773-2228; Cell: (917) 442-2701	
Phone	*Phone*
Fax	*Fax*

Attachment A – Rate Schedule

Labor:

Title	Rate[1]
Senior Managing Director / EY Principal	$550
Managing Director / EY Executive Director	$500
Senior Vice President / EY Senior Manager	$475
Vice President / EY Manager	$425
Senior Associate / EY Senior Consultant	$365
Analyst / EY Staff	$260

[1]Rates are subject to escalation on January 1, 2017, and annually thereafter at the greater of *3.5%* or CPI.

Expenses:

Actual cost

Finance Committee Bills through December 7, 2016

Vendor	Description		
Dorsey & Whitney LLP	Legal services rendered through October 31, 2016	$	148,073.13
Dorsey & Whitney LLP	Legal services rendered through November 30, 2016	$	143,293.80
Gray Pannell & Woodward LLP	Legal services rendered as co-bond counsel	$	87,500.00
Cass County Joint Water Resource District	Diversion bills	$	1,845,429.10
Ohnstad Twichell, P.C.	Professional services rendered	$	107,214.99
ND Water Users Association	Membership dues	$	5,000.00
Erik R. Johnson & Associates, Ltd.	Legal services rendered through November 25, 2016	$	4,464.99
Total Bills Received through December 7, 2016		$	2,340,976.01

DORSEY
DORSEY & WHITNEY LLP

MINNEAPOLIS OFFICE
612-340-2600

(Tax Identification No. 41-0223337)

STATEMENT OF ACCOUNT FOR PROFESSIONAL SERVICES

Fargo-Moorhead Flood Diversion Bd of Authority
c/o Erik R. Johnson & Associates, Ltd.
Attn: Erik Johnson
505 Broadway, Suite 206
Fargo, ND 58102

November 17, 2016
Invoice No. 3317026

RECEIVED
BY DATE 11-28-16

Client-Matter No.: 491379-00001
Red River Diversion Project

For Legal Services Rendered Through October 31, 2016

INVOICE TOTAL

Total For Current Legal Fees	$146,522.50
Total For Current Disbursements and Service Charges	$1,550.63
Total For Current Invoice	**$148,073.13**
Summary of Account	
*Prior Balance Due	$71,057.74
Total Amount Due	$219,130.87

*If payment has been submitted for prior balance due, please disregard.

For your convenience, please remit payment to the address below or we offer the option of remitting payment electronically by wire transfer. If you have any questions regarding this information, please contact the lawyer you are working with on this project or Dorsey's Accounts Receivable Department at 1-800-861-0760. Thank you.

Mailing Instructions:
Dorsey & Whitney LLP
P.O. Box 1680
Minneapolis, MN 55480-1680

Wire Instructions:
U.S. Bank National Association
800 Nicollet Mall
Minneapolis, MN 55402

(This account is only for Wire/ACH payments)
ABA Routing Number: 091000022
Account Number: 1047-8339-8282
Swift Code: USBKUS44IMT

Please make reference to the invoice number

Service charges are based on rates established by Dorsey & Whitney. A schedule of those rates has been provided and is available upon request. Disbursements and service charges, which either have not been received or processed, will appear on a later statement.

ALL INVOICES ARE DUE 30 DAYS FROM DATE OF INVOICE UNLESS OTHERWISE EXPRESSLY AGREED BY DORSEY & WHITNEY

CITY OF Fargo

Office of the City Attorney

City Attorney
Erik R. Johnson

Assistant City Attorney
Nancy J. Morris

November 28, 2016

Kent Costin
Finance Director
City of Fargo
200 North Third Street
Fargo, ND 58102

Re: Red River Diversion Project

Dear Kent:

I am enclosing a Summary Invoice dated November 17, 2016 from the Dorsey & Whitney Firm in Minneapolis for their professional services rendered through October 31, 2016 on the Red River Diversion Project. If you have any questions, please feel free to contact me. Please remit payment directly to Dorsey Whitney.

Sincerely,

Erik R. Johnson

ERJ/lmw
Enclosure
cc: Bruce Grubb

DORSEY™
always ahead

October 1, 2016

Dear Client,

Effective October 1, 2016, the standard billing rates for many Dorsey lawyers are increasing. The Firm median standard billing rate increase for attorneys across all of our offices and practice areas is 3.8%. In addition, associates may have a rate increase reflecting their class-year promotion. The actual change in billing rates for timekeepers working on your specific matters is likely to vary from the median. This increase may or may not apply to specific engagements you have with the Firm.

Dorsey's domestic average lawyer billing rates have historically been among the lowest for firms of our size and caliber. We pride ourselves on delivering value to our clients and believe that our rates are very competitive with peer firms in our offices' locations. We strive to continue being one of the best values among law firms of our size.

As you know, billing rates are just one component contributing to legal fees. We have provided, and will continue to provide, our services to you in the most effective and efficient manner befitting the engagement. Our careful approach to staffing and our thoughtful consideration of your needs will continue to reflect our efforts to provide you with effective, high quality and value-added legal services.

We are notifying you of this change as part of our normal custom and practice with respect to periodic billing rate increases.

We are very thankful for our relationship and look forward to continuing to assist you with your current and future legal needs. We would be happy to discuss any aspect of this letter with you at your convenience.

Sincerely,

Dorsey & Whitney LLP

50 South Sixth Street | Suite 1500 | Minneapolis, MN | 55402-1498 | T 612.340.2600 | F 612.340.2868 | dorsey.com

DORSEY
DORSEY & WHITNEY LLP

MINNEAPOLIS OFFICE
612-340-2600

(Tax Identification No. 41-0223337)

STATEMENT OF ACCOUNT FOR PROFESSIONAL SERVICES

RECEIVED
BY DATE 12-7-16

Fargo-Moorhead Flood Diversion Bd of Authority
c/o Erik R. Johnson & Associates, Ltd.
Attn: Erik Johnson
505 Broadway, Suite 206
Fargo, ND 58102

December 5, 2016
Invoice No. 3319798

Client-Matter No.: 491379-00001
Red River Diversion Project

For Legal Services Rendered Through November 30, 2016

INVOICE TOTAL

Total For Current Legal Fees	$142,521.50
Total For Current Disbursements and Service Charges	$772.30
Total For Current Invoice	**$143,293.80**

Summary of Account

*Prior Balance Due	$148,073.13
Total Amount Due	$291,366.93

*If payment has been submitted for prior balance due, please disregard.

For your convenience please remit payment to the address below or we offer the option of remitting payment electronically by wire transfer. If you have any questions regarding this information, please contact the lawyer you are working with on this project or Dorsey's Accounts Receivable Department at 1-800-861-0760. Thank you.

Mailing Instructions:
Dorsey & Whitney LLP
P.O. Box 1680
Minneapolis, MN 55480-1680

Wire Instructions:
U.S. Bank National Association
800 Nicollet Mall
Minneapolis, MN 55402

(This account is only for Wire/ACH payments)
ABA Routing Number: 091000022
Account Number: 1047-8339-8282
Swift Code: USBKUS44IMT

Please make reference to the invoice number

Service charges are based on rates established by Dorsey & Whitney. A schedule of those rates has been provided and is available upon request. Disbursements and service charges, which either have not been received or processed, will appear on a later statement.

ALL INVOICES ARE DUE 30 DAYS FROM DATE OF INVOICE UNLESS OTHERWISE EXPRESSLY AGREED BY DORSEY & WHITNEY

CITY OF Fargo

Office of the City Attorney

City Attorney
Erik R. Johnson

Assistant City Attorney
Nancy J. Morris

December 7, 2016

Kent Costin
Finance Director
City of Fargo
200 North Third Street
Fargo, ND 58102

Re: Red River Diversion Project

Dear Kent:

I am enclosing a Summary Invoice dated December 5, 2016 from the Dorsey & Whitney Firm in Minneapolis for their professional services rendered through November 30, 2016 on the Red River Diversion Project. If you have any questions, please feel free to contact me. Please remit payment directly to Dorsey Whitney.

Sincerely,

Erik R. Johnson

ERJ/lmw
Enclosure
cc: Bruce Grubb

GRAY PANNELL & WOODWARD LLP
Attorneys at Law

The Realty Building
24 Drayton Street, Suite 1000
Savannah, GA 31401
(912) 443-4040

One Buckhead Plaza
3060 Peachtree Road, N.W., Suite 730
Atlanta, GA 30305
(404) 480-8899

gpwlawfirm.com

#12345-24

October 14, 2016

City of Fargo
c/o Kent Costin
Director of Finance
200 Third Street North
Fargo, North Dakota 58102

RE: $50,000,000 CITY OF FARGO, NORTH DAKOTA TAX EXEMPT – DIRECT FUNDED LOAN AND $50,000,000 CITY OF FARGO, NORTH DAKOTA TEMPORARY SALES TAX REVENUE NOTE OF 2016

For legal services rendered in acting as co-bond counsel, in association with Erik R. Johnson & Associates, Ltd., in connection with the issuance of the above referenced loans and notes on September 9, 2016, including participation in the preparation of resolutions, closing documents, and the notes; review of other documents including documents associated with Cass County loans of $50 million each; rendering our co-bond counsel opinions; rendering local counsel opinion; and participation in conference calls, including all disbursements, as follows:

Fee of Gray Pannell & Woodward LLP $74,500.00
Fee of Erik R. Johnson and Associates Ltd. 12,500.00

Amount Due:
Fees: $87,000.00
Disbursements* 500.00

Total Amount Due: $87,500.00

Remittance to:

Gray Pannell & Woodward LLP
24 Drayton Street, Suite 1000
Savannah, Georgia 31401

**Includes production of documents, binding of closing transcripts, copying, delivery, travel, and all other out-of-pocket expenses. Fargo will not be responsible for any expenses which exceed this estimated amount nor will any refund be made if actual expenses are less than the estimated amount.*

CASS COUNTY GOVERNMENT

Cass County
Joint Water
Resource
District

November 30, 2016

Diversion Authority
P.O. Box 2806
Fargo, ND 58108-2806

Mark Brodshaug
Chairman
West Fargo, North Dakota

Rodger Olson
Manager
Leonard, North Dakota

Dan Jacobson
Manager
West Fargo, North Dakota

Ken Lougheed
Manager
Gardner, North Dakota

Jacob Gust
Manager
Fargo, North Dakota

Greetings:

RE: Metro Flood Diversion Project
DPAC
Oxbow-Hickson-Bakke Ring Levee Project

Enclosed please find copies of bills totaling $1,845,429.10 regarding the above referenced projects. The breakdown is as follows:

Metro Flood Diversion	$ 233,982.20
DPAC	211.50
Oxbow-Hickson-Bakke Ring Levee	1,611,235.40

At this time, we respectfully request 100% reimbursement as per the Joint Powers Agreement between the City of Fargo, Cass County and Cass County Joint Water Resource District dated June 1, 2015.

If you have any questions, please feel free to contact us. Thank you.

Sincerely,

CASS COUNTY JOINT WATER RESOURCE DISTRICT

Carol Harbeke Lewis
Secretary-Treasurer

Enclosures

Carol Harbeke Lewis
Secretary-Treasurer

1201 Main Avenue West
West Fargo, ND 58078-1301

701-298-2381
FAX 701-298-2397
wrd@casscountynd.gov
casscountygov.com

METRO FLOOD DIVERSION RIGHT OF ENTRY/LAND ACQUISITION COST SHARE INVOICES

Updated 11/30/16

Invoice Paid	Invoice Date	Invoice No.	Project No.	Amount	Vendor	Description
11/21/2016	10/26/2016	14100	19115	11,798.20	Moore Engineering, Inc.	P3 Evaluation Team Member Services
11/10/2016	11/2/2016	NDFE-11022016		2,750.00	Steven J. Herzog	Flowage Easement Consultation
11/10/2016	11/10/2016			469,874.00	The Title Company	Ulstad property purchase
11/18/2016	11/18/2016			(250,440.00)	Cass County Clerk of District Court	Return check
			Total	**233,982.20**		

DIVERSION PROJECT ASSESSMENT DISTRICT (DPAC) INVOICES

Invoice Paid	Invoice Date	Invoice No.	Project No.	Amount	Vendor	Description
11/21/2016	10/31/2016	50325	P11473-2012-000	211.50	AE2S	Financial services - development and implementation
			Total	**211.50**		

OXBOW-HICKSON-BAKKE RING LEVEE INVOICES

Invoice Paid	Invoice Date	Invoice No.	Purchase Order No.	Project No.	Amount	Vendor	Description
11/3/2016	11/2/2016				177,698.66	The Title Company	Goldsmith property purchase
11/3/2016	11/2/2016				26,979.10	The Title Company	Goldsmith replacement property
11/11/2016	11/8/2016				316,599.40	The Title Company	Leake property purchase
11/10/2016	10/27/2016	217767			250.00	The Title Company	783 Riverbend Road escrow set up fee
11/16/2016	10/26/2016	1572			9,500.00	American Enterprises Inc.	Winterizing Oxbow homes on Schnell and Riverbend Dr
11/10/16	10/29/16	5559			893.70	Sentry Security, Inc.	security patrol Services
11/18/2016	11/7/2016			20 invoices	1,109.27	Cass County Electric Cooperative	Service to various addresses
11/21/2016	11/21/2016				24,536.74	Michael T. Bindas	Additional replacement housing
11/30/2016	11/30/2016				930,928.53	The Title Company	Menze property purchase
11/30/2016	11/23/2016				122,740.00	Jerry and Ellen Kautzman	replacement property
				Total	**1,611,235.40**		
				Total	**0.00**		
				Grand Total	**1,845,429.10**		

OHNSTAD TWICHELL, P.C.
ATTORNEYS AT LAW

901 13TH AVENUE EAST, P.O. BOX 458
WEST FARGO, ND 58078-0458
(701) 282-3249

15-1395 JTS Invoice # 146496
Flood Diversion Board
Bond Counsel Work – PPP

DATE: December 5, 2016

To: **Flood Diversion Board**
PO Box 2806
Fargo, ND 58108-2806

AMOUNT REMITTED $_____

Please detach. Return upper portion with your payment.
Payments received after the statement date will be reflected on next month's statement. Thank you.

PROFESSIONAL SERVICES RENDERED

15-1395 JTS Invoice #146496 Flood Diversion Board Bond Counsel Work – PPP Research 1

Attorney	Hours	Rate	Fees
JTS	135.7	$290.00	$39,353.00
CMM	4.4	$290.00	$1,276.00
SNW	.4	$250.00	$100.00
KJB	97.1	$225.00	$21,847.50
TJL	104.2	$175.00	$18,235.00
LWC	6.3	$150.00	$945.00
CBC	86.5	$150.00	$12,975.00
AJM	94.5	$125.00	$11,812.50
Total	**529.1**		**$106,544.00**
Expenses:			
AT & T Conference Calls			$129.20
Westlaw			$500.00
Postage-UPS			$41.79
Grand Total			**$107,214.99**

* Drafting of documents and work streams related to financing, P3, and joint powers agreements.

	Hourly Rate
JTS - John T. Shockley, Partner, Supervising Attorney	$290.00
CMM - Christopher M. McShane, Partner	$290.00
SNW –Sarah M. Wear, Associate	$250.00
KJB - Katie J. Bertsch, Associate	$225.00
TJL – Tyler J. Leverington, Associate	$175.00
LWC – Luke W. Croaker, Associate	$150.00
CBC – Calley B. Campbell, Associate	$150.00
AJM - Andrea J. Murphy, Paralegal	$125.00

North Dakota Water Users Association
P.O. Box 2254
Bismarck, North Dakota 58502
(701) 223-4615

DEDICATED TO THE PROTECTION, DEVELOPMENT, AND MANAGEMENT OF NORTH DAKOTA'S WATER RESOURCES

MEMBERSHIP DUES STATEMENT

DARRELL VANYO
F-M AREA DIVERSION AUTHORITY
PO BOX 2806
FARGO ND 58108

DATE DUE: January 1, 2017

COUNTY	MEMBERSHIP CLASSIFICATION	AMOUNT DUE
CASS	SUSTAINING MEMBER	$5,000.00

The portion of dues paid to the North Dakota Water Users Association, which is attributable to lobbying activities, is 5% or less.

(Please mark address corrections)
DARRELL VANYO
F-M AREA DIVERSION AUTHORITY
PO BOX 2806
FARGO ND 58108

Please return this portion with your check payable to ND Water Users Association.

Mail remittance to:
North Dakota Water Users Association
P.O. Box 2254
Bismarck, ND 58502

Amount Due: $5,000.00

County: CASS

Contact Person: _____

Phone Number: _____

Erik R. Johnson & Associates, Ltd.

Attorneys at Law

City of Fargo-Auditor's Office
Attn: Kent Costin
200 North Third Street
Fargo, ND 58102

Invoice No. 2494

RE: Metro Flood Project-General Legal Matters

For Legal Services Rendered Through November 25, 2016

INVOICE TOTAL

Total for Current Legal Fees	$4407.40
Total for Current Disbursements and Service Charges	$57.59
Total for Current Invoice	**$4464.99**

Summary of Account

*Prior Balance Due	$7436.90 PD.
Total Amount Due	$11,901.89

*If payment has been submitted for prior balance due, please disregard.

We appreciate your business.

505 Broadway Street North • Suite 206 • Fargo, ND 58102
Phone: (701) 280-1901 • • • Fax: (701) 280-1902

Erik R. Johnson & Associates, Ltd
Attorneys at Law
Erik R. Johnson - Nancy J. Morris
505 Broadway - Suite 206
Fargo, ND 58102
(701) 280-1901

Invoice

City of Fargo -- Auditor's Office
Attn: Kent Costin
200 North 3rd Street
Fargo, ND 58102

Date	11/25/2016
Invoice #	2494

Description	Qty	Rate	Amount
METRO FLOOD PROJECT -- GENERAL LEGAL MATTERS: Erik Johnson-Oct 26 thru Nov 25, 2016-itemization enclosed	16.9	211.00	3,565.90
Nancy J. Morris-Oct 26 thru Nov 25, 2016-itemization enclosed	4.5	187.00	841.50
ND Telephone Co. - Conference Call re Diversion Authority		57.59	57.59
We appreciate your business.		**TOTAL:**	**$4,464.99**