

Moorhead - Clay County Joint Powers Authority (MCCJPA)

Thursday, July 22, 2021, 1:00 p.m.

Clay County Courthouse, Third Floor Meeting Rooms
In Person Meeting with Microsoft Teams Option Available

MINUTES

1) CALL TO ORDER

The meeting was called to order by Chair Campbell at 1:00 p.m.

2) ROLL CALL

City of Moorhead: Mayor Shelly Carlson
Council Member Chuck Hendrickson
Council Member Larry Seljevold
Clay County: Commissioner Kevin Campbell, Chair
BRRWD Member VanAmburg

Others Present:

Joel Paulson, Diversion Executive Director
Attorney John Shockley and Attorney Chris McShane, Ohnstad Twichell Law
Eric Dodds, Jessica Warren, and Dean Vetter, AE2S
Bob Zimmerman, Moorhead City Engineer
Ken Helde, HMG SRF
Dale Ahlsten, Prosource
Kylie Beard and Greg Thielman, HMG
John Albrecht, Jacobs Engineering
Darren Brooke, Assistant County Administrator, and Colleen Eck, Clay County

3) APPROVAL OF AGENDA

Mayor Carlson moved and Council Member Seljevold seconded to approve the agenda. Motion carried.

4) APPROVAL OF MINUTES

Mayor Carlson moved and Council Member Seljevold seconded to approve the minutes from June 24, 2021. Motion carried.

5) PROJECT UPDATES

A. Property Acquisition Status Report

Mr. Dodds referred to pages 7-17 of the handouts for the monthly property acquisition status reports. Each month they continue to obtain more parcels with a

current total of 581 properties acquired for the project. There are ongoing negotiations related to the Red River Control Structure and for upstream structure sites. The Environmental Monitoring Easements are for biotic and geomorphic monitoring. They have acquired 60 to 70% of the easement and continue to work on negotiations and additional strategies to reach 100%. The Corps would like to have all the monitoring easements in place by next spring in case there is a spring flood.

B. Red River Control Structure (RRCS) Acquisitions Update

Attorney McShane stated the legal actions for acquisitions for the RRCS have not started yet. He will be filing actions and will then get a date from court. The remaining two properties are owned by Livdahl and Blilie. He is hoping to obtain a resolution with Livdahl but has not had a lot of success with Blilie.

6) APPRAISAL REVIEWS

A. OIN 1792 Anderson Trustee - Appraisal

Mr. Albrecht stated the Anderson property is a 5.86-acre a rural site with a recreational shelter and picnic table. The property is needed because of drainage and flowage. The 5.86 acres were appraised at 8,000 per acre and the improvements were added in for a total compensation of \$105,000. The after value with the flowage easement will be \$20,000.

Council Member Seljevold moved and Mayor Carlson seconded to approve the final appraisal for OIN 1792 at \$105,000. Motion carried.

B. OIN 1793 Heartland Seed - Revised Appraisal

Mr. Albrecht stated this property appraisal was approved by this Board in January 2021 but was brought back after the owner pointed out improvements (driveway and waterline) on the property that were not taken into consideration with the first appraisal. A revised appraisal report was prepared to reflect the improvements with an increase of \$16,000.

Mayor Carlson moved and Council Member Seljevold seconded to approve the updated appraisal for OIN 1973 with an increase of \$16,000. Motion carried.

C. OIN 1635 Buth - Appraisal and Replacement Housing Differential Payment

Mr. Albrecht addressed the appraisal of OIN 1635, a large rural residential site with 58.68-acres. The estimate, with MN Minimum Compensation Statute, was adjusted to \$900,000, including \$725 for the site and buildings and \$95,000 for an after value vacant site.

Mr. Helde addressed the process for determining a replacement housing differential payment (RHDP). He looked at what a typical rural residential lot would be and included comparable prices for three similar properties. This adjusts the offer with a minimum RHDP of \$95,900. The appraised value would be cash and the replacement housing differential payment is an allowance which the clients need to spend it to get it.

Council Member Seljevold moved and Mayor Carlson seconded to approve the appraisal of \$900,000 and minimum Replacement Housing Differential Payment of \$95,900 for OIN 1635. Motion carried.

D. OIN 9234 Crowe - Appraisal & and Replacement Housing Differential Payment

This property (OIN 9234) is a 37.12-acre site with buildings. Mr. Albrecht noted that the minimum compensation value came in higher than the comparable amounts. The value was estimated at \$365,000 and an after value of a vacant site at \$37,000 and just compensation totaling \$425,000

Ms. Ahlsten stated she conducted the RHDP analysis. The best comparable was at \$330,000. From there, some adjustments were needed for the land and the site improvements. The property was considered as a five-acre residential site and the remaining acres to be recreational. The minimum compensation was set at \$425,000 with a zero RHDP.

Mayor Carlson moved and Council Member Seljevold seconded to approve the Appraisal and Replacement Housing Differential Payment for OIN 9234. Motion carried.

E. OIN 9307 Livdahl (Replacement Housing Differential Payment)

Mr. Dodds stated the actual residential site on this property (OIN 9307) is not impacted but its access road into the site is impacted by the Red River Control Structure. A determination was made to buy out the residential property and that appraisal has already been approved. Today the request is for the RHDP. Ms. Ahlsten went over the figures and took their additional accessory structures into account when setting a minimum RHDP amount of \$153,000. She noted they are not required to move the clients but are offering to do so. A new driveway would be needed to access this property. Mr. Dodds added that the farm operation could likely remain in place, but the residential component may need to move to the east side of the parcel. The parcel is north of the Red River Control Structure in the area of Third Street North and the Wolverton Creek.

Mayor Carlson moved and Council Member Seljevold seconded to approve the Replacement Housing Differential Payment of \$153,000 for OIN 937. Motion carried.

7) LAND AGENT REPORTS

Ms. Ahlsten reported that they are beginning to see a few appraisals for the Red River Control Structure properties and are continuing to work with Environmental Monitoring Easement property owners as well. They will be proactive with negotiations when possible.

Mr. Helde added that he is continuing to work with property owners as well and has encountered some disinterest. He received one counteroffer that was three times the appraised amount without a lot of sound justification on an upstream parcel.

Mr. Dodds noted that Crown Appraisals was under contract to do valuations of all the flowage easements and are focusing on tillable land at this time. There are about 500 parcels in that study. John Albrecht will be working with Crown in reviewing the appraisal reports. They are hoping to have it done late fall or early winter before they start presenting offers to the property owners.

8) PROPERTY MANAGEMENT

A. OIN 9169 Bernhardson Cabin Pest Control

Mr. Vetter referred to the historical log cabin located on OIN 9169. There was some damage recently found that was due to Powderpost beetles. Midwest Pest Control is able to fumigate the cabin for \$700 and then provide annual maintenance for \$200 starting in 2022. The Bernhardson Cabin will more than likely be gifted and relocated to the Mn Steam Threshers Reunion site in the future. They will mitigate as much as possible at this time.

Council Member Seljevold moved and Mayor Carlson seconded to approve Midwest Pest Control professionals to treat the Bernhardson Cabin for a cost of \$700 and then provide annual maintenance for the cabin for \$200 starting in 2022. Motion carried.

10) ADJOURN

The meeting adjourned at 1:52 p.m.

Stephen Larson, MCCJPA Secretary