

**MINUTES OF THE MOORHEAD CITY COUNCIL
COMMITTEE OF THE WHOLE MEETING
FEBRUARY 25, 2008**

Members Present: Mayor Voxland, Council Members Otto, Bohmer, Wray Williams; Rowell, Hunt, Winterfeldt-Shanks (5:33 p.m.) Hintermeyer, Lemke

Staff Present: Michael Redlinger, City Manager; Bob Zimmerman, City Engineer; Tom Trowbridge, Assistant City Engineer; Kaye Buchholz, City Clerk; Leigh Wilson-Mattson, Assistant to the City Manager; John Shockley, Assistant City Attorney

Mayor Voxland called the meeting to order at 5:32 p.m.

1. Update on Flood Protection and Floodplain Management

City Engineer Zimmerman distributed and reviewed information relative to the Update on Flood Protection and Floodplain Management Issues. The following is a summary of such.

Comprehensive, Metro-wide Activities:

- The current 100-yr flood stage is 38.3 ft, the proposed is 39.3 ft. The U.S. Army Corps of Engineers (USACE) modeling indicated the 100-yr flood stage should be as high as 40.8 ft.
 - The 100-yr event has a 1% chance of occurring each year (26% chance over a 30-yr mortgage).
 - The 1997 peak stage was equal to 39.6 ft.
- Based on USACE estimates, the average annual flood damages in the metro area exceed \$22M.
- Fargo-Moorhead is the last metropolitan area to have adequate 100-yr flood protection in the US portion of Red River Basin.
- Moorhead lies on relatively higher ground than the City of Fargo, with most of the developed area above the 100-yr flood stage. However, when FEMA adopts the revised maps, the number of properties in the floodplain will increase from 250 to approximately 900. Zimmerman pointed out:
 - both Cities have effective emergency flood plans to protect public infrastructure; and
 - both rely on private measures as part of the line of protection (historically, both cities have expended resources to shore-up private measures).
- The cost associated with a comprehensive, metro-wide flood protection is substantial, Federal funding will be necessary. Federal funding for flood control projects typically falls under USACE authority, who follows a three-step process:
 - reconnaissance study to determine Federal interest (100% Federal funding)
 - feasibility study to select a preferred alternative (50% Federal, 50% local funding)
 - construction (65% Federal, 35% local funding except land acquisition [100% local funding])
- USACE utilizes the benefit-cost analysis/criteria to justify Federal participation; however, in response to Hurricane Katrina, has initiated the risk-based analyses.
- Phase I of the Fargo-Moorhead and Upstream Feasibility Study was initiated in 2004. The basic assumption is that a system of surface water storage sites upstream would reduce flood stages and flood damages downstream and that the water storage can be

accomplished in a manner that restores aquatic ecosystems and increases wildlife habitat. Phase 1 of the study was completed in August 2005:

- The Fargo-Moorhead Metropolitan Area Reconnaissance Study was initiated in 2007 to evaluate the potential for Federal interest in solutions to flooding, ecosystem degradation, and other related water resource problems and opportunities in the vicinity of the metro area. Study objectives were:
 - identify specific projects to fill “gaps” in the current line of protection (levee/floodwall project in Horn Park area and raise/extend the existing USACE-certified dike in Fargo);
 - metro-wide protection (levees/floodwalls, diversion channels, upstream storage);
 - draft study in Spring 2008 needs USACE approval to move to feasibility study; and
 - the feasibility study would take approximately 2½ years to complete and cost \$3-4M with a 50% local cost-share.

Zimmerman requested Council direction on the following:

- Should staff continue to participate in these comprehensive, metro-wide studies (particularly the Fargo-Moorhead Metropolitan Area Reconnaissance Study) and periodically provide the City Council with reports to facilitate Council consideration of future participation and budgetary implications?
- Should the City pursue State funding assistance for future feasibility studies?
- Should the City of Moorhead provide the USACE with a letter of intent to participate in the Fargo-Moorhead Metropolitan Area Feasibility Study?

Mayor Voxland summarized Council consensus, which was to direct staff “to move forward with this first piece.” A resolution authorizing a letter of intent to participate in the USACE Fargo-Moorhead Metropolitan Area Feasibility Study will be forwarded to the Mayor and Council for consideration on March 3, 2008.

Advisory Activities:

Fargo Southside Flood Control Project:

- The Mayor, City Manager and City Engineer represent Moorhead on the advisory committee.
- Zimmerman commented on the various project alternatives and modeled impacts to the 100-yr flood stage. He noted for any alternative, the base project with channel extensions and supplemental storage result in no impact/increase to the 100-yr flood stage north of 60th Avenue South and a decrease in the 100-yr flood stage south of 60th Avenue South.
- The Fargo City Commission has tentatively scheduled a meeting to select a preferred alternative in April, 2008.
- Zimmerman conveyed the City of Fargo has offered to make a presentation to the Mayor and Council, if desired. *It was noted this is not necessary at this time given the information received tonight.*

Oakport Flood Control Project:

- City staff serves on the advisory committee to ensure the improvements are constructed to City standards, as these improvements will become City infrastructure when annexed in the future.
- The Town of Oakport is constructing a dike to protect the areas impacted by flooding. Where required, buyouts will be undertaken to remove homes from the floodway.
- The project is expected to cost approximately \$18.5M. The local share will be capped at an estimated \$400,000 to \$500,000 and will be paid through assessments.
- Construction of the first phase could commence in late 2008.

Red River Basin Mapping Initiative (*Information Only*):

- In 2007, the International Water Institute initiated an effort to generate a freely accessible seamless high-resolution digital elevation model for the US portion of the Red River Basin. This model will help improve flood and drought modeling/forecasting, enhance infrastructure project planning, and produce agricultural sector benefits via precision farming.

City Activities

Adoption of New Flood Insurance Study and Floodplain Maps:

- Following the 1997 flood, FEMA initiated efforts to revise and update the Flood Insurance Studies (FIS's) and floodplain maps. Local agencies have provided significant input on the hydrology study (flood flows) and hydraulic study (floodway/floodplain mapping).
- The new maps will be based on 1999, 2002, and 2006 LIDAR data (Light Detection and Ranging –used to collect topographic data, accuracy is ± 0.5 ft).
- Zimmerman reviewed the following: proposed 100-yr flood profile; process for adopting new FIS/floodplain maps; and properties affected by the new 100-yr floodplain. He pointed out properties in the 100-yr floodplain with a Federally-backed mortgage would be required to purchase flood insurance.
- He briefly commented on the LOMA (Letter of Map Amendment) process. A LOMA would remove the federal requirement for lenders to require flood insurance coverage; however, a lender, at their discretion, may still require flood insurance. The LOMA:
 - removes a parcel/structure from the floodplain based on more detailed survey;
 - no fee for FEMA review/approval, cost to prepare documentation;

Zimmerman added under current City policy, staff provides this service, as time permits, free of charge. However, with the expected increase of properties added to the floodplain, alternatives/policy revisions may be required to address the anticipated requests for this service. He outlined the following scenarios to complete such an effort:

- #1 Status quo - the City responds to requests as time permits at no cost to property owners. Property owners may seek the services of a consultant (estimated cost \$900-\$1,000). This approach creates significant inequities among property owners.
- #2 Prioritize the requests, which require dedication of staff and resources to undertake such an effort. This alternative requires an additional 1.5 FTE per year for an estimated two-year period. Property owners would be required to pay approximately \$300-\$400 for the service.
- #3 Prioritize the requests, which require the dedication of staff and resources in addition to hiring a consultant to assist. This alternative requires an additional 0.8 FTE for approximately two years and would cost the property owner an estimated \$500-\$600.
- #4 Requests are prioritized, which would require the dedication of staff (0.15 FTE) and resources to provide oversight services for the consultant's work. Estimated property owner cost is \$700-\$800. (It was noted it is unknown what the capacity would be for local consultants to complete the work in the projected time period.)

Staff requested Council direction regarding the alternatives outlined above. In response to inquiry, staff suggested exploring #3. It was suggested staff draft a policy regarding such and forward same to the Mayor and Council.

FEMA Community Rating System

The National Flood Insurance Program (NFIP) Community Rating System is a voluntary incentive program designed to recognize and encourage community floodplain management activities that exceed minimum NFIP requirements. The goal of the Community Rating System is to reduce flood losses, facilitate accurate insurance ratings, and promote awareness of flood insurance.

- Class 10 (lowest) to Class 1 (highest)

- flood insurance premium discounts (Class 10 = 0%, Class 1 = 45%)
- floodplain cities in Minnesota qualify for Class 9 (5%)
- City of Fargo is Class 7 (15%)

Zimmerman feels the City should participate in the Community Rating System and indicated staff time would be allocated for such.

Property Buyouts & Private Flood Levee/Floodwall Program

Following the 2006 flood, the City of Moorhead held a public meeting to ascertain interest in buyouts for floodplain properties and a proposed private levee/floodwall incentive program.

- 13 property owners expressed interest in a buyout (3 have since sold) - DNR has indicated that funding would likely be available to the City in 2009.
- 3 of 8 repetitive loss property owners expressed interest (DNR priority is repetitive loss properties)
 - DNR funding will require a 50% local match (could be up to \$1M);
 - repetitive loss properties may qualify for FEMA funding assistance.
- 31 property owners expressed interest in a private levee/floodwall:
 - Federal/State funding is not available under any established program;
 - \$50,000 over 4-5 years would likely provide City match for all requests;
 - market value of properties directly protected exceeds \$6M.

Staff was encouraged to continue working with DNR and FEMA to pursue some FEMA funding and explore possible funding assistance by contacting state agencies.

It was suggested staff propose in the 2009 budget the funding request for the \$50,000 City match. However, Council requested a detailed cost analysis (information as to whether this is an investment worth considering) of the benefit to the City before this is done.

1. City Manager Reports

City Manager Redlinger provided a brief update/report on the following:

- Distribution of an article regarding the override of the Governor's veto of the transportation bill;
- Rail safety program was implemented this morning;
- Park Advisory Board meeting has been scheduled for March 5, at which time the matter regarding the YMCA proposal will be discussed; and
- Staff will be contacting the Mayor and Council Members regarding the development of a 'work plan'.

Meeting adjourned at 7:01 p.m.

APPROVED:

ATTEST:

MARK VOXLAND, Mayor

KAYE BUCHHOLZ, City Clerk