Pursuant to Minnesota Statutes Annotated (M.S.A.) 103D.735, and any other applicable statutes, the Board of Managers, Buffalo-Red River Watershed District (BRRWD) held a hearing regarding Project No. 39, Georgetown Flood Control Levees, on Tuesday, April 17, 2012, in the Georgetown Community Center. BRRWD Chairman Gerald L. Van Amburg called the hearing to order at 8:00 PM. BRRWD Managers present included, Gerald L. Van Amburg, Curtis M. Nelson, Breanna Paradeis Kobiela, Roger G. Ellefson, and John E. Hanson. Others attending included: Bruce E. Albright, BRRWD Administrator and Houston Engineering, Inc. (H.E.); Wade Opsahl, Technician, H.E.; Gabe Bladow, Engineer, H.E.; Rick St. Germain, Engineer, H.E.; Appraisers Arvid Thompson, Lauren Peterson, and Eddie Bernhardtson; Traci Goble, Mayor, City of Georgetown; Don Culp and Trevor Sorenson, Georgetown City Council; and Tami Sather, Georgetown City Clerk. Also attending were Earl Nowacki, Brian Witthoef, Joan and Lester Sorenson, Cindy Culp, Gary Wambach, Fabien W. Francis, Colton Wambach, Cody Wambach, Janet Carson, Rosalie Goble, Herman and Karen Clark, John David Lee, David J. Lee, Gordy Nygard, Jennifer Stordahl, Betty Sorenson, Michael Greywind, Charles Prather, Michael Wietzema, Terry Sebestl, and Victoria Schempp.

Van Amburg informed the audience that the hearing is being recorded to assist in the preparation of the minutes, which will be on file in the BRRWD office. He noted that members of the audience having questions should state their name for the record and that a sign-up sheet was being circulated.

Albright stated this was an actual hearing and outlined the agenda, and invited the audience to ask questions throughout the presentations. Albright then gave a brief history of the area and the project. Water converges on the area from Clay, Becker, Wilkin, and Otter Tail Counties combined with the Red River and the Sheyenne River in North Dakota. He explained the enlargement of the BRRWD based on the 1975 flood and how the focus still needs to be on retention. Studies have been done using Georgetown as a target point, and while work is ongoing, Georgetown cannot wait for flood relief.

The 1997 spring flood brought involvement and funding from the City, the State of Minnesota, the Department of Natural Resources (DNR), the BRRWD, and the Red River Watershed Management Board (RRWMB), and the existing levee was built, though it had limitations. It was built to the approximate height of the 1997 spring flood. The total project costs were $375,000. Easements were obtained from the affected landowners and the levee was completed in 1999. A wet cycle ensued with flooding in 2009, 2010 and major flooding in 2011. After the 2009 flood, communities from the surrounding areas worked with Legislators requesting a better system of protection. Grants were received and promises made to give Georgetown permanent protection. The Fargo-Moorhead diversion project has brought additional discussions for permanent flood protection. On October 5, 2009, the City of Georgetown petitioned the BRRWD for improvements to their existing levee. Albright outlined the legal process and then introduced Gabe Bladow, H.E.

Bladow presented the Engineer’s Report. The first DNR grant was approved November 11, 2009. The initial grant was for $155,000 of which portions went to a geo-technical evaluation, conceptual plans,
the Engineer’s report, an Opinion of Probable Cost, and the process of property appraisals and acquisitions.

During early discussions with the City of Georgetown, a number of elevations were considered, from the Base Flood Elevation (BFE) to the BFE plus 4.5 feet. The BFE is equivalent to the 100-yr flood, which is close to the level of the existing levee. The BFE varies depending on the location but ranges approximately from elevations 883.0 to 883.3. Ultimately, the City decided that they would like to see the existing dike raised 3 feet and allow for another foot of raise if the Fargo/Moorhead diversion project was built.

The major source of funding for the improvement project is the Minnesota DNR. The DNR has agreed to fund similar projects like this in the cities of Perley and Hendrum. The DNR has agreed to fund construction of the levees up to the BFE plus one foot. They also allow for six inches of estimated settlement and six inches of topsoil. This would bring the constructed level up to an elevation that is two feet above the BFE. If the cities desired to go higher, the DNR would pay one-half of the incremental costs.

The primary objective of the project is to safely increase the level of flood protection for the City of Georgetown and reduce future flood damages.

The proposed project will involve construction of an earthen flood control levee around the perimeter of the City of Georgetown. In some areas, the alignment will follow that of the 1999 levee. In other areas, the levee will be relocated as the slope stability dictates. In addition to the earthen flood control levees, the project will also include internal drainage, storage improvement ponds, storm water closure structures, and two PTO powered lift stations.

A significant number of homes and buildings will need to be removed to provide the necessary alignment for a safe and stable levee.

Braun Intertec, Inc. conducted a subsurface exploration and geotechnical review for the project. This included 5 soil borings near the proposed alignment.

A seepage analysis was completed and piping or uplift was not considered a threat to the overall levee integrity.

A settlement analysis was completed and showed a potential for less than 6 inches of long-term settlement. As a result, the constructed top of levee elevation was increased by 6 inches.

During flooding events, the proposed levee will also cut off the internal stormwater and pumps will be necessary to prevent damage from interior stormwater. The interior watershed west of railroad embankment has a size of approximately 56.4 acres. The interior watershed east of railroad embankment has a size of approximately 34.4 acres.

To account for the potential of coincident heavy rainfall and peak flooding, this internal storage areas were designed to have the capacity to hold the runoff expected from a 100-yr, 24-hr rainfall (approx. 6.0" rainfall, 4.3" runoff, 85 CN) below the critical impact elevation assuming no outflow. The DNR will not fund lift stations with permanent motors and control panels for the project so lift stations with PTO pumps are proposed.
The typical levee embankment proposed will have maximum levee slopes landside and floodside of 4:1. The top width will have a minimum of 16-ft width for Option 1 (The BFE plus two feet). This top width was selected so that adequate room would be available to raise the dike another 2 feet in the future. The embankment material will be covered with 6 inches of topsoil and will be protected by permanent grass cover similar to how the existing levees are protected. No significant erosion issues have been experienced on the existing levees.

Prior to placing the levee embankment, topsoil will be stripped and stockpiled. In addition, an inspection trench will be excavated, inspected, and re-compacted with appropriate embankment materials. This trench is proposed to have a trapezoidal section with a minimum bottom width of 4-ft and 1:1 slopes. This section may need to be enlarged depending on the type of construction equipment used. The depth of this trench shall be as follows:

- minimum of 3-ft for embankment less than 3-ft in height,
- equal to the embankment height for embankments of 3 to 6-ft,
- 6-ft deep for embankment heights over 6-ft.

Under the plan, there will be three closure structures located on the proposed culverts that penetrate through the proposed levee. Each closure is provided with a gate well that is a structural part of the lift station. These structures will need to be closed during flooding events to prevent water from entering through the culverts.

In addition, it is recommended that all closures be operated a minimum of once per year to ensure proper operation and for testing and training purposes.

Two lift stations are proposed for the project. The lift stations will be used to pump all internal stormwater that collects during times of flooding when the gravity outlets are closed.

The lift stations consist of gated outlet structure and a vertical lift PTO pump. Access ramps will be provided for the PTO power source.

The stations were designed to work in concert with the internal storage ponding areas. As a result, the pumps were sized to have a maximum pumping rate of 4,000 gpm. The maximum pumping head will be 20 feet.

The operation of the pumps and the closure of the outlet gates will be done manually. The DNR has stated that their funding would include PTO drive pumps.

There are five emergency road closures proposed as part of the project: two on US Highway (T.H.) No. 75 at the north and south edges of the city, one on County State Aid Highway (CSAH) 34 on the east edge of the City, one on County Road (C.R.) 100 at the north edge of the City and one at Mason Street at the west edge of the City.

The plans also show that there are two closures located at the intersection of the Burlington Northern Santa Fe (BNSF) Railway both at the north and south ends of the city. However, the railroad is considering abandonment and thus closures were not included in this plan.

A number of factors will need to be considered when developing the final operating plans for these closures. These factors include the amount of fill required for the closures, the time required to mobilize and install the closures, the expected rate of the rise of the Buffalo River, uncertainty of National
Weather Service (NWS) predicted flood crests, and the capability to install the closures in the available time.

The area protected by the proposed levee includes approximately 162 acres. About 13 acres will be used as stormwater storage ponds.

Currently, the entire City of Georgetown is identified on the preliminary Flood Insurance Rate Maps (FIRM) as being located within a Special Flood Hazard Area (SFHA). SFHAs are defined as the area that will be inundated by the flood event having a 1-percent chance of being equaled or exceeded in any given year. The 1-percent annual chance flood is also referred to as the base flood or 100-year flood.

The project does encroach on the designated floodway identified in the Preliminary Clay County FIS. The encroachment is just above T.H. 75. It appears this area is likely an ineffective flow area and the levee will have no impact. However, the project will be analyzed using the FIS HEC-RAS model to ensure this is the case.

The properties affected by the project are located in, or adjacent to, the City of Georgetown. The properties are located in Sections 29, 30, 31, and 32 of Georgetown Township (T142N, R48W) of Clay County.

Proper operation and maintenance is essential in order to ensure the overall integrity and functionality of levee systems during flood events. This will primarily involve routine maintenance activities, such as brush clearing and mowing. In addition, periodic inspections, flood damage repairs, and operation of the different components (i.e. closure structures, lift station) will also be required.

Bladow ended by stating there are several items that need to be completed prior to beginning the project: property acquisitions, finalizing the plans and specifications, the final Opinion of Probable Cost, a permanent Operation and Maintenance Plan (O&M), permit applications, bid letting, and finally the construction administration of the project. The total project costs are estimated at $3,716,060.

Van Amburg called for audience questions. John David Lee asked about the chances for a 6 inch rainfall in any given year. Bladow stated the chance was about 1%. Albright added that the criteria is much the same as other communities to the north; using the base flood elevation or flood of record plus 4 feet. The dikes are being built with storm water ponds internally to catch run-off and act as a source for materials to build the levees. Bladow stated earthwork analysis has recently been done on the proposed project. The ponds are minimized to match the amount of material needed. St. Germain said the plan was to use some existing dike material and to fill in the hole (baseball diamond) that was made to form the temporary dike in 2011.

Terry Sebestl asked about the cost of the project. Bladow stated the costs in his presentation were estimates although property acquisitions are based on appraisal values, which are generally set by the appraiser. Albright added that some properties outside of the project perimeters have also been bought out. Albright then discussed the financial aspect of the project. The Board will advertise for construction bids in the Construction Bulletin and the Fargo Forum. The law states that bids may not exceed 30% of the engineer’s estimate and if there is a difference greater than 30%, the process must begin again. Albright explained that there would be no additional costs to the City because of the Median Household Income (MHI) calculations from 2009. The MHI then was about $30,000, which is a fixed number. The expense to the City of Georgetown after the 2010 census was then calculated to be $72,400 regardless of project cost.
Gary Wambach asked about the buyouts affecting the remaining landowners share of the project cost. Albright acknowledged that fewer share the same cost. He continued by explaining where the $3.5 million in funding has come from. The DNR has said that once bids are open, the project cost should be finalized. If there is a need, the DNR will evaluate additional funding for the project. Albright acknowledged the burden of the assessments and explained that the Board could levy the project over a number of years or could consider a bond sale for this and several other projects. Albright continued by saying the cost to the City over the past 3 years from building temporary dikes is $1.7 million. This is basically a cost to protect the town, every time there is a flood, Albright stated.

The Appraisers’ Report was then read by Eddie Bernhardson.

Benefits Statement

In accordance with Minnesota Statutes Annotated (M.S.A.) 103D.725, and any other applicable statutes, we herewith submit the following Appraisers’ Report:

This report covers the determination of benefits for the Project No. 39, 2012 Georgetown Levee Improvements, which is being developed by the BRRWD in accordance with Minnesota Watershed Law. We did not determine any damages for the project for right-of-way (r-o-w), as we were informed that the BRRWD will acquire the r-o-w needed to construct the project through negotiation with the affected landowners (buyouts/easements). The basis for determining our benefits is a comparison of the conditions with the proposed project versus those that exist today.

Over the past several years, with the abnormal rainfall/runoff events, Georgetown has had a history of flooding problems. The BRRWD held numerous meetings with the affected landowners and City, and informational meetings on 04/22/09 and 8/11/11 to discuss these problems and possible solutions. The appointed engineer, Houston Engineering, Inc. (H.E.), filed their initial study of the project in August 2010.

We (Lauren Peterson, Arvid Thompson, and I, Eddie Bernhardson) were appointed by the BRRWD to determine the benefits for the project. We took our Oath of Office and held our first meeting on May 18, 1999. On that same date, we toured the project area. We conducted several other reviews of the project, and filed our report on 3/12/12. The proposed project has been described earlier by Rick St. Germain and Gabe Bladow, Engineers, H.E., and this is the project for which we determined benefits. Supporting documentation for our analysis and conclusions of the Report are contained in our files and are available for inspection.

The figures stated within our Report are based on a full and fair consideration of all pertinent facts and information that we were aware of at the time of our work. The following aids were used during our review process:

1. Clay County soil survey manuals and maps
2. FSA aerial photographs
3. USGS topographical maps
4. Sales data from the Clay County Assessor’s Office
5. Visual inspections of the project properties
6. Market values as determined by the Clay County Assessor’s Office

7. International Water Institute LiDAR data

8. H.E. Engineer's Report

Our first basis for benefits looked at all properties inside the proposed improved levee. For these properties, we assigned a benefit value based on the County's current market value. The County furnished us with land and building values. These direct protection benefits/property values total $3,099,177.

We also looked at indirect benefits for the City of Georgetown, which includes a larger area than what will be protected by the levee. In figures we obtained from the City, the past 3 years (2009, 2010, 2011) spring flood costs have been in excess of $1.7 million. With the proposed project, these costs should be eliminated for future floods. While some of these costs have been borne by the federal and state governments (taxpayers), there has always been a local share match. We placed benefits of $1.7 million (31% of the total) on all property within the City's jurisdictional boundaries.

We also contacted the Clay County Highway Department for costs related to past floods and damages to their roads (C.R. No. 100 and C.R. No. 34). The numbers furnished by the County for both roads total $658,000, which we listed as benefits for the proposed project (12% of the total benefits).

We understand that local costs ($72,400) for the project will be assessed against benefited properties. The Minnesota Department of Natural Resources (DNR) Flood Damage Reduction Program will pay the balance, less any expenditures not covered by the grant. Historically, local assessments have been financed either by the BRRWD (2–3 years) or through a bond sale that could run over a 7-10 year period. We were told that the total estimated project costs are $3.6 million. In our report, we found total benefits of $5,457,177. The local share of the project costs are $72,400, or a multiplier of 1.357% of the benefits.

The benefit values are based upon an increase in a property's value as a result of constructing the levee project and reconciled with sales value increases. All present land use was evaluated under estimated best land management practices. Special consideration was given to areas that were considered to be in a native/non-converted condition, based on the appraised value.

We would be happy to answer any questions you may have regarding our work or findings, and we are pleased to be of service to the Board in this regard.

Albright reviewed Watershed Law stating the cost of the project cannot exceed the benefits. For a small community such as Georgetown, it can be difficult to find those benefits, which are $72,400, and it needs protection in order to grow. Ellefson asked whether the determination included the buyout properties. Bernhardson and Albright confirmed that the buyouts were not included. Rosalie Goble asked about special assessments. Albright explained that these are estimated assessments but should be very close because of the MHI cap of $72,400. Lester Sorenson questioned losing more citizens and Albright explained that the assessment stays with the property in the event of sale. Joan Sorenson asked for a copy of the Appraisers’ Report summary. Albright explained that inside the levee, about $3.1 million of property exists. Additionally, a lump sum benefit to the City of Georgetown was proposed which includes a one square mile area around the town. The costs associated from temporary dikes, as
in the past 3 years, should go away. A question from the audience prompted Albright to explain that the benefit amount is based on the county’s market value of the property.

Ellefson questioned whether a notice had been sent to the elevator. Albright confirmed the mailing address to which it was sent and stated the BRRWD did not get it returned. The market value for the elevator property is $284,400; the estimated cost for the project is $3,783.

David Lee spoke about not owning a house in Georgetown but that he is losing property along T.H. No. 75 for the levee. He believes this to be a good deal for the residents even though the cost for maintenance is unknown. Bladow commented that with 4:1 slopes, it should be relatively easy to maintain. Van Amburg said it will be inspected annually. Terry Sebestl said the dike will not be certified. St. Germain and Bladow added that with certification there is substantial cost due to permanent road closures. Van Amburg said the dike should have the integrity of a certified dike. Albright added that the DNR does not care whether the dike is certified and any costs associated with certification would have to be covered locally. Certification would have an effect on lowering homeowners’ flood insurance premiums.

Earl Nowacki questioned the 4:1 slopes when he had been told it would be 3:1. Bladow clarified saying on the inside of the levee the concern was not as significant. Nowacki also asked about a property swap. Albright said it would have to be a fair and equal process and that it could be discussed. He added that 12 easements also need to be obtained and these landowners concerns also need to be heard. Commercial and land values have changed recently and it is hoped there will be successful negotiations. Albright spoke of Chuck Anderson, ARC Appraisals, Barnesville, who has been appraising the properties. If the landowner is dissatisfied with the appraisal, Albright encouraged that they get another appraisal. If the two are within 10% of each other, the higher value is paid without question. If there is a larger difference, the two appraisers will meet to discuss the difference. If a property owner refuses to cooperate, the Board does have the right of condemnation. He also said adjustments could be made if there were differences from earlier negotiations. Bladow followed by asking for those who have not yet signed their easements to see him after the hearing.

Don Culp, Georgetown City Council, stated the project needs to be done and he feels it is good deal. Van Amburg commented that time is of the essence and easements need to be settled so the project can move forward. Don Culp asked about current expenses if the Board declined the project. Albright explained that the cost of $72,400 would remain the same. Ellefson commented on the disappointment of not having more signed easements. The development of the project slows if condemnation is necessary.

John David Lee said he has not been contacted and challenged Ellefson and others to make a personal visits. Gary Wambach said he also has not received information or had any personal contact. Michael Greywind also stated he has no contact. Bladow clarified that Greywind was on the buyout list. He had been contacted for that and there was no need for him to receive an easement packet. Joan Sorenson spoke about the discrepancy between what they were told earlier and what was actually outlined in the easement package. She has contacted Van Amburg, Albright, and Bladow and identified her concerns. Except for one follow up call from Albright, she had not been contacted.

Nelson suggested the hearing be continued so land acquisition questions can be answered. Van Amburg supported the suggestion. Ellefson stated it was important to have the majority of the easements and contacts made with the property owners prior to completing the final hearing. Mayor Goble stated that even though the City Council advised contacts before stakes were placed, it was not done. This was a
poor reflection on the City Council. Ellefson commented on the need for the Board to address internal communication problems.

Van Amburg asked for additional questions or concerns. The Sorenson’s voiced concerns about understanding the easement documents and having unanswered questions. Albright addressed concerns about the easement form, adding that a similar form had been used for the Oakport project. Albright also said the Board had yet to meet to review the letter sent by Sorenson. Earl Nowacki also commented on the lack of communication. Van Amburg said efforts would be made to answer questions and address concerns. Terry Sebestl asked when H.E. would be talking with the Georgetown residents and that there is a need to get the project going. St. Germain commented that some issues need decisions from the Board. Arrangements can be made for Board members to visit to assist in the acquisition process.

Van Amburg encouraged those who had easements to sign to connect with Bladow or St. Germain after the hearing. He referenced a final hearing in two weeks and called for final questions. Albright said a postcard notice would be mailed. There was a request from Traci Goble for an apology for the lack of communication; Van Amburg acknowledged her request on behalf of the Board. Herman Clark was frustrated with the amount of soil used from his property the 2011 temporary diking, and that he hasn’t received an apology either. Van Amburg said there were numerous reasons for apologies but that it was time to move forward. There were no additional questions or comments and the hearing was recessed at 9:38 PM.

Respectfully prepared and submitted by

Bruce E. Albright, BRRWD Administrator