

RED LAKE WATERSHED DISTRICT
Board of Manager's Minutes
August 24, 2017

President, Dale M. Nelson, called the meeting to order at 9:00 a.m. at the Red Lake Watershed District Office, Thief River Falls, MN.

Present were: Managers Dale M. Nelson, Les Torgerson, Terry Sorenson, Allan Page and Brian Dwight. Absent: Manager Gene Tiedemann and LeRoy Ose. Staff Present: Myron Jesme and Tammy Audette and Legal Counsel Sparby.

The Board reviewed the agenda. Manager Torgerson requested the addition of site selection for the RRWMB office and the purchase of iPads for District Board meetings. A motion was made by Sorenson, seconded by Torgerson, and passed by unanimous vote that the Board approve the agenda with the addition of the RRWMB office and purchase of iPads. Motion carried.

Motion by Torgerson, seconded by Page, to dispense reading of the August 10, 2017 Board meeting minutes and approve them as printed. Motion carried.

The Board reviewed the Financial Report and Investment Summary dated August 23, 2017. Motion by Sorenson, seconded by Dwight, to approve the Financial Report and Investment Summary dated August 23, 2017 as presented. Motion carried.

Staff member Arlene Novak stated that First National Bank Bemidji requested a Release of Pledged Collateral. Motion by Sorenson, seconded by Page, to approve the Release of Pledged Collateral with First National Bank Bemidji. Motion carried.

Staff member Arlene Novak stated that a Certificate of Deposit will mature on September 11, 2017. Motion by Sorenson, seconded by Page, to approve the investment of the maturing Certificate of Deposit into the CDARS Program with Unity Bank North at a rate of 1.15% for six months. Motion carried.

The 2018 Proposed Special Revenue Project levies were presented by Staff member Arlene Novak and discussed by the Board. Questions of different ditch systems were fielded. Motion by Dwight, seconded by Page, to approve the following Special Revenue Assessments for 2018: State Ditch No. 83, RLWD Project No. 14, \$50,000; Pine Lake Maintenance, RLWD Project No. 35, \$4,000; RLWD Ditch No. 8, RLWD Project No. 36, \$1,000; J.D. No. 72, RLWD Project No. 41, \$9,000; Burnham Creek, RLWD Project No. 43B, \$20,000; Wild Rice Allocation, RLWD Project No. 45, \$9,000; J.D. 2, Branch A & B, RLWD Project No. 48, \$1,000; J.D. 2B & C, RLWD Project No. 49, \$2,500; Main J.D. 2-Eck Petition, RLWD Project No. 51, \$5,000; Krostue Petition, RLWD Project No. 53, \$7,500; J.D. 4, RLWD Project No. 101, \$500.00; J.D. 5 (4 Legged Lake), RLWD Project No. 102, \$1,000; Winsor-Hangaard, RLWD Project No. 113, \$5,000; Polk County Ditch Improvement, RLWD Project No. 119, \$5,000; Scott Baatz Petition, RLWD Project No. 123, \$1,000; RLWD Ditch No. 10, RLWD Project No. 161, \$5,000; RLWD Ditch No. 12, RLWD Project No. 169, \$10,000; RLWD Ditch No. 13, RLWD Project No. 170A, \$500.00; RLWD Ditch No. 14, RLWD Project No. 171, \$2,000; and TRF Flood Damage

Reduction Project, Water Management District, RLWD Project No. 171A, \$25,000. Motion carried.

Administrator Jesme stated that eight landowners signed-up for EQIP funding for installation of side water inlet culverts for construction of the Black River Impoundment, RLWD Project No. 176. A Project Work Team meeting will be held on September 8, 2017 at 9:30 a.m. at the District office to review the preliminary project design. Engineer Tony Nordby, Houston Engineering, Inc., stated that he would like to have soil borings completed in early October, after the soybeans are harvested. Nordby attended the Flood Damage Reduction Work Group meeting, where they awarded the project a \$5,000 Project Acceleration Grant, with the potential of an additional \$5,000. A Step II funding submittal will be presented to the RRWMB in September. State funding will be pursued in 2018. Nordby will continue to work on the final design and permitting, with a project hearing held in late winter, early spring.

The Board reviewed a draft rebuttal to an email received from the Department of Natural Resources regarding the Board's decision at the July 27, 2017 Board meeting, to lower the outlet culvert of J.D. No. 5, RLWD Project No. 102, to original elevation of 1423.8 to allow for needed maintenance of the public drainage system. Administrator Jesme stated that after having conversations with several MnDNR staff, the MnDNR is re-evaluating their response. Manager Torgerson discussed his concern with the amount of funding expended. Jesme stated that expenses for the J.D. No. 5, RLWD Project No. 102, are paid through benefitted area of the ditch system. Legal Counsel Sparby discussed the need to clarify to the MnDNR that the proposed work is not to be considered an improvement, rather restoring the system back to what was constructed. Jesme stated that he has provided MnDNR staff with elevations back to 1921, further indicating that we can defend what the elevations were prior to 1999. In recent conversation with MnDNR staff, it was apparent, that this particular MnDNR staffer did not realize there was a benefitted area established for the east portion of Four Legged Lake. Sparby stated that the District should have in writing information that has been provided the MnDNR. It was the consensus of the Board, to hold-off on submitting the rebuttal until the September 14, 2017 Board meeting.

At 9:30 a.m., President Nelson recessed the general meeting and called the 2018 General Fund Budget Hearing to order. President Nelson noted that the hearing was properly advertised and is on videotape and available for viewing at the RLWD office. The Board reviewed the proposed General Fund Budget and opened the hearing for public comment. Hearing no public comment, the hearing closed at 9:35 a.m. A motion was made by Sorenson, seconded by Torgerson, and passed by unanimous vote that the Board approve the following 2018 General Fund Budget:

	2018
	BUDGET
Manager's fees and salaries	\$ 20,000.00
Board of managers' expense	20,000.00
Staff salaries	461,000.00
Payroll taxes	35,266.50

Employee benefits	108,368.50
Travel and meetings	5,000.00
Audit	9,000.00
Legal	15,000.00
Office supplies	15,000.00
Office equipment	18,000.00
Appraisers and Viewers	2,000.00
Professional services	20,000.00
Dues and subscriptions	10,000.00
Insurance and bonds	25,000.00
Repairs and maintenance-building	15,000.00
Utilities	10,000.00
Advertising and publications	4,000.00
Telephone	11,000.00
Vehicle expense & maintenance	14,000.00
Engineering supplies	3,000.00
Engineering equipment	40,000.00
TOTAL	\$ 862,635.00
LESS: ESTIMATED OVERHEAD	(691,500.00)
LESS: MISCELLANEOUS REVENUE	(7,000.00)
2018 GENERAL FUND BUDGET	\$ 164,135.00
2018 GENERAL FUND TAX LEVY	\$ 0.00

Administrator Jesme stated that he participated in a Red Lake River 1W1P, RLWD Project No. 149, teleconference with the Planning Committee and BWSR to implement the plan in the priority areas. Manager Dwight encouraged the funding to be spent in the targeted areas, as funding is performance based, which should bring in additional funding.

Discussion was held on the August 18, 2017, Thief River 1W1P, RLWD Project No. 149A, meeting to introduce the planning process to the Policy and Advisory Committees. Administrator Jesme stated that there was good attendance at the meeting. There was question amongst the group if there should be additional representation from the Marshall County Ditch 20 area needed? Manager Dwight discussed the draft outline of the plan, requesting that each of the Managers review the document. Dwight discussed the need for additional information in the plan outline for drought production, drainage aspects, wild rice operations, etc. The next meeting has been scheduled for September 13, 2017 to be held in Grygla.

Administrator Jesme and Manager Torgerson attended the J.D. 72 Joint Board meeting, RLWD Project No. 41 on August 24, 2017 in Crookston. The Joint Board hired Jerry Bennett, Roger Beiswenger and Rob Wagner, to proceed with the viewing for the redetermination of benefits for the J.D. 72 system. Jesme stated that a verbal quote, in the amount of \$28,000 with assistance from the County and District staff was submitted to the Joint Board. Manager Torgerson discussed a landowner that objected to the valuations of the benefitted area by grouping the acreage and not dividing it out as it pertains to the land use.

The Board reviewed correspondence from Rinke Noonan regarding procedural requirements for adopting ordinances and rules for the new Buffer Law. Administrator Jesme stated that BWSR completed the draft documents for enforcement under MN State Statute 103F.48. Discussion was held on what kind of documentation will the District need to provide to BWSR, since the District may not use enforcement as outlined in 103F but rather use 103E. Manager Dwight stated that BWSR contracted with Smith Partners and Associates to draft guidance materials for Watersheds. Rinke Noonan reviewed the information and found some inconsistencies as it relates to Watersheds. Legal Counsel Sparby stated that the District should look at the buffer strip provisions as to enforcement and incorporate that into the District's rules. Dwight discussed an expedited rule process to allow for the District's rules to be updated and in-place in a timelier manner.

The Board reviewed the Red Lake County SWCD Buffer Cost-Share Policy for the installation of buffer strips or alternative conservation practices as it pertains to the 2015 Buffer Law.

Administrator Jesme stated that the Erskine Memorial Park Project, RLWD Project No. 164, was nominated for the MAWD Project of the Year. The Board reviewed the 2017 MAWD Annual Resolution Process and the 2018 Dues Structure. Jesme stated that he was asked to participate in the MAWD Strategic Plan search committee. Interviews for the MAWD Executive Director will be held on September 15, 2017.

The Board reviewed the City of Crookston Wellhead Protection Plan, Part. 1.

The Board reviewed the permits for approval. Motion by Torgerson, seconded by Page, to approve the following permits with conditions stated on the permit: No. 17101, Douglas Peterson, Esther Township, Polk County; No. 17103, Daniel Weber, Kertsonville Township, Polk County; No. 17107, Eugene Mattson, Esther Township, Polk County; No. 17108, Fairfax Township, Polk County; No. 17109, Ronald McKercher, Black River Township, Pennington County; No. 17110, Nick Knott, Polk Centre Township, Pennington County; No. 17111, Nick Knott, Polk Centre Township, Pennington County; No. 17112, Jeremy J. Nelson, Grand Plain Township, Marshall County; No. 17113, Dean Koskela, Emardville Township, Red Lake County; No. 17114, Eric Nymann, Emardville Township, Red Lake County; and No. 17115, Pennington County Highway Department, Bray Township, Pennington County. Motion carried.

Manager Torgerson discussed the RRWMB meeting he attended, in the absence of Manager Ose. Torgerson discussed his dis-satisfaction with the RRWMB Strategic Planning process and lack of identifying a location for the RRWMB office. Advertising for the Executive Director position have been posted, without a detailed plan as to where the office for the position will be located. The Board discussed ramifications of housing the RRWMB outside of the members' boundaries or out of State. Administrator Jesme stated that the RRWMB has called a Special Meeting on August 28th at the RLWD office, specifically to discuss the location of the office. Motion by Torgerson, seconded by Dwight, to request the RRWMB that an office shall be located in Minnesota, within the RRWMB members' boundaries; and that the District would be willing to assist the RRWMB in the establishment of an office in Thief River Falls, which could be located within the RLWD office upon development of additional office space. Motion carried. Further discussion was held on the LIDAR program that was funded through the RRWMB, State of Minnesota and North Dakota. Jesme stated that the LIDAR viewer website, managed by the

International Water Institute (IWI) is not available for use as there is no maintenance fund set up for updates. International Water Institute (IWI) has indicated they would continue to manage the site but only if funding for maintenance was addressed. They also indicated that if someone else wanted to host the site, that it would be fine with them. LIDAR needs updating, with no funding available for updates. Jesme indicated that it was discussed at a past RRWMB meeting whether a user fee system could be implemented to cover the costs of maintenance of the program.

Manager Torgerson stated that after attending a Polk County Commissioners meeting where the Board uses iPads versus paper packets, the District should consider the purchase of iPads for the Board of Manager's to use during the District Board meetings. Motion by Torgerson, seconded by Sorenson, to authorize District staff to research the costs of purchasing iPads for the Board of Managers and report back to the Board. Motion carried.

The Board reviewed the Amendments to the Petition for RLWD Ditch 16, Project No. 177. Legal Counsel Sparby recommended comparing the signatures on the amendment to the signatures on the original petition. It was Sparby's opinion that in order to have a valid petition, that the required percentage of petitioners who signed the petition must also sign the amendment.

Administrator's Update:

- Jesme and Manager Torgerson participated in the August 15th, RRWMB meeting held in Ada.
- Staff member Novak attended the Northwest Service Cooperative Advisory Meeting on August 15th which coordinates the Blue Cross Blue Shield Insurance Pool. At this meeting, the Advisory Committee acted on the potential premium increases and other insurance items each entity can expect in the 2018 calendar year. The final meeting for insurance rates will be held August 28th.
- Included in the packet was the Red River Basin Commission upcoming events and announcements.
- Included in the packet are various days that have been set aside for Community Paddle events which is part of a 50 Year celebration of the Red Lake River being designated as a state water trail.
- Jesme and Staff member Hanson participated in a Red Lake River 1W1P conference call with the planning partners and staff from BWSR to discuss upcoming funding. The meeting was intended to get the Planning Group thinking about which projects should be prioritized and presented to the Policy Committee when funds become available.
- Jesme, Engineer Pribula, Manager Tiedemann and NRCS staff participated in a meeting on August 11 at the Sullivan Township Hall for the petition of RLWD Ditch 16, RLWD Project No. 176.
- Christina Slowinski informed Jesme that she will begin work for the District on September 18th.
- Included in the packet was a Water Quality Report dated May 2017.

Legal Counsel Sparby discussed the MAWD Resolution Dues Structure and the procedure in place to determine future dues based on budget needs.

Motion by Sorenson, seconded by Page, to adjourn the meeting. Motion carried.

A handwritten signature in blue ink that reads "LeRoy Ose". The signature is written in a cursive style and is positioned above a horizontal line.

LeRoy Ose, Secretary