

RED LAKE WATERSHED DISTRICT
Board of Manager's Minutes
August 26, 2004

President Orville Knott called the meeting to order at 9:00 a.m. at the Red Lake Watershed District office at 102 North Main Avenue, Thief River Falls, MN.

Present were: Managers Orville Knott, LeRoy Ose, Lowell Smeby, Gene Tiedemann, Allan Carlson, and Vernon Johnson. Absent: Dale M. Nelson Staff present were Myron Jesme and Arlene Novak, and Legal Counsel Delray Sparby.

The board reviewed the agenda. A motion was made by Johnson, seconded by Carlson, and passed by unanimous vote that the Board approve the agenda.

Arlene Novak read the minutes of August 12, 2004. A motion was made by Tiedemann, seconded by Smeby, that the Board approve the minutes as corrected. Motion carried unanimously.

President Knott recessed the regular board meeting and called the Final Payment Hearing for Lunke Construction, Inc., BWSR Flood Storage Easement Site 1, RLWD Proj. No. 133C to order at 9:15 a.m. Legal Counsel Delray Sparby reviewed the hearing process by stating that the legal notices for the final payment hearing had been printed. Hearing no objections, a motion was made by Ose, seconded by Tiedemann, to approve final payment to Lunke Construction, Inc. for FSE Site 1, RLWD Proj. No. 133C in the amount of \$9,700.85. Motion carried unanimously.

The regular board meeting was reconvened.

The board reviewed the Financial Report and investment summary. A motion was made by Johnson, seconded by Carlson, and passed by unanimous vote that the Board approve the Financial Report dated August 25, 2004.

The Findings of Fact and Order of the Red Lake Watershed District in regard to the matter of the repair petition for State Ditch 83 was discussed. Motion by Ose to approve the Findings of Fact and Order, seconded by Carlson, and passed unanimously.

For fund accounting purposes, a project number needs to be set-up for the funding/cost sharing of erosion control projects. Motion by Smeby, seconded by Ose, to assign Project No. 164 and name the project RLWD Erosion Control Projects. Motion carried unanimously.

At 9:30 a.m. President Knott recessed the regular board meeting and called to order the final payment hearing for Lunke Construction, Inc. for North Parnell Flood Storage Easement Site 2, RLWD Proj. No. 154. Legal Counsel Sparby explained the process and that the final payment hearings had been advertised. Hearing no objections, motion by Johnson, seconded by Tiedemann, to approve final payment to Lunke Construction, Inc.

for the final payment of North Parnell Flood Storage Easement Site 2, RLWD Project No. 154 in the amount of \$5,339.23. Motion carried unanimously.

The regular board meeting reconvened.

Permits for approval were reviewed by the Board. A motion was made by Smeby, seconded by Carlson, to approve the following permits: No. 04099* from Potucek Farms, Inc., Jim Potucek, Northwood Township, Beltrami County; No. 04101* from the Milton S. Brumwell, Badger Township, Polk County; No. 04102 from City of East Grand Forks, Grand Forks Township, Polk County; Nos. 04103 and 04104 from Joe Stroot, Jr., Belgium Township, Polk County; No. 04105* from Steve Goodwin, Keystone Township, Polk County; No. 04106* from Robert Cournia, Fairfax Township, Polk County; No. 04107 from Russell Wilson, Woodside Township, Polk County; and accept the withdrawal of Permit No. 04100, Earl Proulx, Parnell Township, Polk County. Motion carried unanimously. *With conditions stated on permit.

A cost for repair of Louisville/Parnell south berm was presented. Motion by Tiedemann, seconded by Carlson, and carried unanimously to authorize HDR, Inc. to proceed with preparing the Plans and Specifications for the repair. Administrator Jesme is to seek additional funding for the completion of the repair.

A letter from the Red Lake DNR regarding draining into the Winsor-Hangaard Ditch system, RLWD Proj. No. 113, was discussed. Consensus of the board was to have Administrator Jesme submit a letter to them acknowledging their correspondence.

President Knott recessed the meeting at 10:00 a.m. and called the General Fund Budget hearing to order and turned the hearing over to Legal Counsel Sparby. Legal Counsel Sparby reviewed the Budget. The hearing had been properly advertised and is on videotape and available for viewing at the Red Lake Watershed District office at 102 Main Ave. North, Thief River Falls, MN. Hearing no objection from the public, the hearing closed at 10:08 a.m. A motion was made by Smeby, seconded by Ose, and passed by unanimous vote that the board approve the following budget for 2005:

2005 BUDGET	
Manager's fees, salaries	\$19,000.00
Board of managers' expense	17,000.00
Staff salaries	265,000.00
Payroll taxes	21,000.00
Employee benefits	63,000.00
Travel and meetings (inc. mileage & exp.)	5,000.00
Legal	10,000.00
Audit	5,000.00

Office equipment	7,000.00
Engineering Equipment	45,000.00
Engineering supplies	2,500.00
Rent	1,000.00
Telephone	10,000.00
Dues and subscriptions	3,000.00
Insurance and bonds	25,000.00
Repairs and maintenance	17,000.00
Utilities	7,500.00
Professional services(inc. Eng. fees)	2,000.00
Advertising and publications	2,500.00
Interest	3,000.00
Vehicle expense & maintenance	<u>9,000.00</u>
TOTAL	\$552,500.00
LESS OVERHEAD	<u>(397,500.00)</u>
2005 GENERAL FUND LEVY	\$155,000.00

Jim Hest, Northwestern Minnesota Joint Powers Board Engineer presented Option 2 to the RLWD Ditch No. 10 Engineer's Report. Consensus of the Board was to host an informal meeting with the petitioners and have Mr. Hest and Mr. Weber present these options, and give them an opportunity to withdraw the petition or accept the changes to the Engineer's Report. Manager Knott will arrange the meeting at the earliest possible date. The Board will act on the petition following the meeting. Wayne Weber, Red Lake SWCD, also presented information to the Board on the wetlands in the project area.

Administrator Jesme presented his report to the Board. In addition to his written report, Administrator Jesme stated that the permits from Agassiz National Wildlife Refuge will be tabled further as a representative from Agassiz has not had the opportunity to meet with the Judicial Ditch 11 Board.

Legal Counsel Sparby stated that with the Board's action of the Findings of Fact and Order on State Ditch 83 the appeal period of 30 days has commenced. The Bagley Urban Runoff Project land proceedings/recordings are completed and an agreement with the City of Bagley for the land transfer and responsibilities of the completed project needs to be completed. Legal Counsel Sparby will complete the agreement and present at the September 9, 2004 board meeting.

A motion was made by Ose, seconded by Tiedemann, that the meeting adjourn. Motion carried.

Signed LeRoy Ose
LeRoy Ose, Secretary