

RED LAKE WATERSHED DISTRICT  
Board of Manager's Minutes  
July 22, 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, Lowell Smeby; Gene Tiedemann; Dale M. Nelson, Allan Carlson, Vernon Johnson, and LeRoy Ose. Staff present were Myron Jesme and Arlene Novak and Legal Counsel Delray Sparby.

The board reviewed the agenda. Manager Nelson added an Executive Session on agenda. A motion was made by Johnson, seconded by Smeby, and passed by unanimous vote that the Board approve the agenda.

Arlene Novak read the minutes of July 8, 2004. A motion was made by Nelson, seconded by Carlson, that the Board approve the minutes as corrected. Motion carried unanimously.

The board reviewed the Financial Report and investment summary. A motion was made by Nelson, seconded by Smeby, and passed by unanimous vote that the Board approve the Financial Report dated July 21, 2004.

A letter from Charlson & Jorgenson representing the City of Goodridge on a drainage dispute with Leon Iverson was reviewed. After considerable discussion, the consensus of the board was to have Legal Counsel Delray Sparby respond to Charlson & Jorgenson's letter by stating that the obstruction does not appear to be a dike, but it does appear that it is a plug in a private ditch. This situation does not fit under our Permit Rules and Regulations and that their recourse may be to pursue legal action to determine if the City of Goodridge has the legal right to drain into the existing field ditch.

Permits for approval were reviewed by the Board. Manager Carlson was concerned about a drainage issue on No. 04083, Detroit Lakes Wetland Management District. Motion by Nelson, seconded by Ose, to table Permit No. 04083 until Manager Carlson and Engineer Assistant Loren Sanderson are able to review the permit and approve the following permits: No. 04066\* from Albert Plante, Lessor Township, Polk County; No. 04078\* Lessor Township, Jerome Voxland, Supervisor, Polk County; No. 04079\* from Kevin Ross, Andover Township, Polk County; No. 04077 from Lessor Township, M. Jerome Voxland, Supervisor, Polk County; No. 04080 from Dennis Schulz, Euclid Township, Polk County; No. 04081 from Thomas Glanzer, Windsor Township, Clearwater County; and No. 04085 from J. D. Knox, Fisher Township, Polk County.  
\*With conditions stated on permit.

Nate Dalager, HDR, Inc., gave a history of the Louisville/Parnell Impoundment Project. Several options to repair the project were given. Motion by Tiedemann, seconded by

Johnson to have watershed staff survey the project and HDR Engineer Dalager proceed with a cost estimate to reconstruct the south berm with clay. Motion carried.

Administrator Jesme informed the board of a project inspection he, Nate Dalager, and Loren Sanderson had to Sites 1 and 2 of the Flood Storage Easement Project on July 21, 2004. Administrator Jesme stated the construction of these sites had not yet been completed and the contractor has left the site. Motion by Smeby, seconded by Nelson, and passed unanimously, that Administrator Jesme write a letter to Don Lunke, formerly Lunke Construction, to negotiate a settlement or complete the work by August 12 or be subject to the original penalty of non-completion of work at \$500 per day per site (\$1000 per day).

Administrator Jesme presented his update to the Board. In addition to his written report, he stated he had attended the Red River Watershed Management Board meeting on July 20 and they had approved setting the RRWMB/Construction Fund levy to the member watershed districts at 100%.

The board was given an update by Administrator Jesme on Red Lake Watershed District Ditch No. 10. After an explanation of the hearing process, a motion was made by Nelson, seconded by Tiedemann, to rescind the motion of July 8, 2004 which read as follows: Motion by Ose, seconded by Carlson, and passed by unanimous vote that the RLWD schedule a public hearing for August 12, 2004, for RLWD Ditch No. 10. Motion carried unanimously. Motion to rescind the previous motion carried unanimously. The hearing will be scheduled, at a later date, upon receipt of the DNR Final Advisory Report.

Due to a discrepancy of acres that were provided by the Red Lake County Assessor in the assignment of valuation of land in the benefited area of Red Lake Watershed District Ditch No. 10, the cost of the project will most likely exceed the benefits. Motion by Nelson, and seconded by Tiedemann, and passed unanimously, that the Board authorize Jim Hest, NW MN Joint Powers Board Engineer, redesign the Red Lake Watershed District Ditch No. 10 from a 10 year frequency to a design that Engineer Hest deems affordable yet maintaining the integrity of the proposed ditch system.

Administrator Jesme, Loren Sanderson, Manager Johnson, Clearwater County Commissioner Tom Anderson, and interested members of the Red Lake Band of Chippewa Indians met to discuss an area of land that was draining into Red Lake Watershed District Project No. 113, Winsor-Hangaard Project, yet not in the benefited area. Legal Counsel Delray Sparby suggested different legal alternatives. Motion by Smeby, seconded by Nelson, to have Administrator Jesme draft a letter to the landowner stating that they are in violation of draining into the ditch system for which they are not paying benefits and if not rectified, the District will be forced to block or remove all the structures that now drain into the legal drain. Motion carried.

Legal Counsel Sparby gave an update of progress of the wetland banking for Greenwood 27.

Manager Johnson reported on the court case and funding of Bois de Sioux North Ottawa Project from the RRWMB meeting he had attended.

The Board met in Executive Session to discuss the July 13 meeting of the Budget and Salary Committee. LeRoy Ose read the committee's recommendations. Motion by Smeby, seconded by Tiedemann, to approve the recommendations of the 2005 Budget and Salary committee. Motion carried unanimously.

The following 2005 General Fund Budget was presented to the Board:

PROPOSED 2005 GENERAL FUND BUDGET

	<b>Proposed 2005 BUDGET</b>
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 supplies	13,000.00
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	9,000.00
TOTAL	<u>\$ 552,500.00</u>
LESS OVERHEAD	<u>397,500.00</u>
2005 GENERAL FUND LEVY	\$ 155,000.00

Motion by Nelson, seconded by Carlson, and passed unanimously to set the 2005 General Fund Budget hearing for 10:00 a.m., August 26, 2004 at the Red Lake Watershed District, Thief River Falls, MN.

The following salary recommendations were approved:

Myron Jesme, Gary Lane, Tammy Audette, Arlene Novak and Loren Sanderson-\$1.00 per hour.

Corey Hanson-\$30,000 per year, based on hourly salary at \$14.423 per hour

Jim Blix-\$1.00 per hour after his 6 month review

The Board instructed Administrator Jesme their wishes to lay off Secretary/Receptionist Sandy Radniecki effective September 1, 2004, due to lack of projects, and if she wishes, she may return to part-time employment again during the summer of 2005.

Legal Counsel has notified the Board of an increase in his legal services fee from \$110 to \$120 per hour, effective January 1, 2005.

The Board also indicated to Administrator Jesme that they be informed of the increase in premiums of staff insurances, when and if such increases are recognized.

A motion was made by Nelson, seconded by Smeby, that the meeting adjourn. Motion carried.

Signed \_\_\_\_\_  
LeRoy Ose, Secretary