

RED LAKE WATERSHED DISTRICT
Board of Manager's Minutes
December 28, 2006

Vice-President Gene Tiedemann called the meeting to order at 9:00 a.m. at the Red Lake Watershed District office, Thief River Falls, MN.

Present were: Managers Lee Coe, Arnold Stanley, Orville Knott, Gene Tiedemann, and Allan Carlson. Absent: Vernon Johnson and Dale M. Nelson. Staff present: Myron Jesme and Arlene Novak and Legal Counsel Delray Sparby.

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

Arlene Novak read the minutes of December 14, 2006. A motion was made by Knott, seconded by Carlson, and passed unanimously that the Board approve the minutes as read.

The board reviewed the Financial Report as of December 27, 2006. A motion was made by Coe, seconded by Stanley, and passed by unanimous vote that the Board approve the Financial Report dated December 27, 2006.

Pay estimate No. 2 in the amount of \$31,356.00 for Schmitz Builders for the construction of the new RLWD building was presented for approval. Motion by Stanley, seconded by Knott, and passed unanimously to accept the pay request #2 in the amount of \$31,356.00. Administrator Jesme updated the Board on the considerable progress that has been made on the building and by the first week of the New Year, it is expected the roof will be sheeted up and ready for shingling. Mr. Schmitz had requested color selection of the shingles, brick, fascia and soffits and the selections have been made.

Staff member Loren Sanderson addressed the additional request from Steve Olson, Olson Construction TRF, Inc. for the additional 6" added to the catwalk of the Seeger Dam as had been presented at the December 14, 2006 Board meeting. Steve Olson verbally stated to Mr. Sanderson that he will be not submitting an additional bill for the work. A motion was made by Coe, seconded by Stanley, to approve the final payment of \$1,600 to Olson Construction TRF, Inc. Motion carried.

Requests from landowners Gene Tiedemann in the amount of \$774.38 and Ron Salentine in the amount of \$2,386.42 for payment of crop damages done during the Brandt and Euclid East Impoundment construction were presented for payment. Administrator Jesme stated that the Board had, at their June 8, 2006 Board meeting, approved Ron Salentine maintaining the embankment area of weeds prior to construction at a rate of \$7.00 per acre for a total of \$1,318.80. A motion was made by Knott, seconded by Coe, to approve the payment of the crop damages to Gene Tiedemann in the amount of \$774.38 and crop damages and maintenance of the weeds in the amount of \$3,075.22, contingent upon receiving a signed billing from Ron Salentine. Motion carried with Manager Tiedemann abstaining from any discussion or voting on this motion.

Administrator Jesme stated that solicitations for a gate tender for the Brandt and Euclid East Impoundment sites had been sought. The District received a letter from Robert Zammert Euclid, Minnesota, expressing his interest in the position as gate tender for the Brandt and Euclid

Impoundment sites. Question from the Board was asked as to what amount we are paying other gate tenders for the district. On a motion by Carlson, seconded by Knott, and passed unanimously, to accept Robert Zammert as the gate tender for the two impoundment sites with the contracted rate of \$20 per hour, or consistent with other contracted gate tenders in the RLWD.

Administrator Jesme reported on the flowage easement needed for the Brandt Outlet Channel Project, RLWD Project 60E. Administrator Jesme indicated that the easement area would be located in the Northeast Quarter of Section 12, Euclid Township, and would include a line somewhat parallel to the existing coulee. Administrator Jesme and Manager Tiedemann have met with the landowner, Jeanette Kliner, to discuss the project. Mrs. Kliner asked what kind of compensation she could expect. The Project Engineer, Nate Dalager of HDR, Inc., provided an explanation of the land area and location of the easement stating that the Brandt Outlet Channel is an old straightened channel that continues to flood during spring and summer events. The project is designed to restore the original, meandering course of the channel between the levees. Following discussion of the area needed for the easement, funding sources, future maintenance needs and sources of funding for the maintenance, a motion was made by Knott, seconded by Coe to offer \$850 per acre with the total acres to be determined by the landowner and the Engineer for the project. Construction is anticipated to be completed the spring of 2007 as the grant from the Board of Water and Soil Resources (BWSR) will expire on June 30, 2007. Motion by Carlson, seconded by Stanley, and passed unanimously, to instruct Mr. Dalager to determine the acres of the easement and report back to the Board at the January 11, 2007 Board meeting.

A Grand Marais Project Work Team (PWT) meeting was held on December 21, 2006. Discussion was held on the restoration of the Grand Marais Outlet. Four additional local landowners in the area participated in the PWT meetings. Following the meeting, HDR Engineer Nate Dalager hosted a tour of the project area with the landowners and others. The Preliminary Engineer's Report for this project is estimated at \$40,000. Manager Stanley asked that this item be tabled until the absent Board members could participate in the discussion and also requested to be informed of the PWT meeting so he can attend.

A petition has been received for an improvement and establishment of an outlet to Polk County Ditch No. 53. A tabular form has not yet been received from Polk County in order to compare the lands and names on the parcels with the signatures on the petition. Administrator Jesme indicated that we have not yet received the bond but has had conversation with the petitioner's legal counsel. Administrator Jesme stated that he has attended various meetings concerning this project over the past 3 ½ years and that this project was identified in the District Ten Year Overall Plan. Administrator Jesme also indicated that he would like to form an advisory committee with agencies, RLWD, and landowners in order to get a consensus of what direction this project would have to go, as part of the petitioned project includes protected waters.

Administrator Jesme stated that he had been contacted by a local landowner regarding repairs made to the newly constructed RLWD Ditch No. 10 and that they wish to attend the January 11, 2007 Board meeting. Manager Stanley inquired of a warranty of the contractor on completed work. Mr. Jesme noted that when final payment hearing had been held in October 2005, payment had been made to the contractor; therefore the contractor has no obligations to the project. Administrator Jesme added that FEMA paid for approximately \$6,000 of the repairs with the

remaining \$14,000 charged back to the system. Manager Stanley also inquired of the dike elevation on the east side and its height variation. Mr. Jesme noted that the dike for this ditch system did not have a planned elevation and that the dike was not used as part of the hydraulic design capacity of the ditch.

Administrator Jesme and staff member Arlene Novak reviewed the Capital Project Funds account balances and recommended transfers. A motion was made by Carlson, seconded by Coe, and passed unanimously to transfer funds from the Capital Projects Funds to individual projects as recommended.

The net sale of the Lessor Township land in the amount of \$227,229.32 was credited to the Maple Lake Project account, RLWD Proj. No. 28, bringing the balance in that project to \$478,330.43, prior to the year end interest allocation. The project account balance for the Emergency Maintenance Project, RLWD Proj. No. 37, was also discussed. At prior Board meetings, the possibility of transferring the proceeds from the Lessor Township land sale into the RLWD New Building account had been discussed. Following discussion of the balance in the accounts and the history/purpose of the Emergency Fund, a motion was made by Coe, seconded by Knott, to approve the transfer of the balance in the Maple Lake Project account, a Capital Projects Fund project, to the RLWD New Building account, a General Budget Fund project. Motion carried.

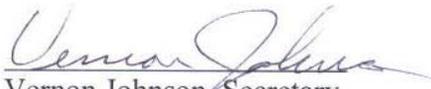
Administrator Jesme read his written report:

- The stem for the gate at the Brandt Impoundment site has been delivered and should be assembled and installed by the end of the year. Gates at both Brandt and Euclid East Impoundments should also be operable by the end of the year.
- Construction for the improvement of RLWD Ditch No. 11, RLWD Proj. 166, has seized for 2006. Phase I, consisting of sloping and grading 4 miles of ditch, has been substantially completed with temporary seeding. The first pay request to the contractor is scheduled for the first week in 2007. Permanent seeding will take place next spring and after growth of the seeding has started on Phase I, construction may begin on Phase II.
- The RLWD survey crew, consisting of Gary Lane and Loren Sanderson, has surveyed two of the four ring dikes that are proposed to be constructed in the next two years. The remaining two dikes should be surveyed within the next two weeks with the cost proposal available for the Red River Watershed Management Board (RRWMB) by their January 9, 2007 deadline. The grant agreements for the 2007 and 2008 construction season for ring dikes have been received, signed, and returned to the MN Department of Natural Resources, (MnDNR) for their signature. When the signed State copy is received, the RLWD can proceed with the plans and specifications of the two dikes that will be constructed in 2007.
- The Federal allowable mileage rate beginning January 1, 2007, will be 48.5 cents per mile, up from 44.5 cents per mile in 2006.
- The RRWMB regularly scheduled January meeting will be held in conjunction with a legislative briefing on January 16, 2007 from 1:00 to 5:00 p.m. at the Kelly Inn, St. Paul, MN.

Legal Counsel Sparby reported that Paul and Ruby Sundberg, Grygla, MN, have requested the property be deeded from the RLWD to them in return for an easement from them to the RLWD.

They wish to show that the land ownership is in their name and they wish pay the taxes on the parcel. It is only 3 rods of the 40 acre parcel. The consensus of the Board was to approve the deeding of the property to the Sundbergs in exchange for an easement and approve the signature of Vice President and Treasurer on the document.

Motion by Stanley, seconded by Carlson, with motion carried to adjourn the meeting.


Vernon Johnson, Secretary