

RED LAKE WATERSHED DISTRICT
Board of Manager's Minutes
September 14, 2006

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, Lee Coe, Arnold Stanley, Orville Knott, Vernon Johnson, Gene Tiedemann, and Allan Carlson. Staff present: Myron Jesme and Arlene Novak and Legal Counsel Delray Sparby.

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

A motion was made by Coe, seconded by Johnson, and passed unanimously to dispense with the reading of the minutes and approve the minutes as printed.

The board reviewed the Financial Report as of September 13, 2006. A motion was made by Johnson, seconded by Stanley, and passed by unanimous vote that the Board approve the Financial Report dated September 13, 2006.

Ron Seaworth appeared before the Board to request removal of the remaining personal property and possibly the buildings on RLWD property purchased from John A. Weiland of Orofino, Idaho. Administrator Jesme stated that Debi Hawkinson, sister to John A. Weiland, had been to the farmstead in the previous week to remove the property that her family wished to keep and had indicated she would reply with an e-mail confirming her completion of that removal. Administrator Jesme requested that Mr. Seaworth coordinate the removal of property with him in order to avoid conflict with construction/construction equipment and staff. The consensus of the Board is to grant Mr. Seaworth permission to remove the remaining personal property and the existing homestead as long as he provides a written waiver of liability, the homestead is moved by a licensed and bonded house mover, and all property is removed prior to October 31, 2006.

Nate Dalager and Keith Winter of HDR Engineering appeared before the Board to present the survey results of the Grand Marais outlet. With this information, a meeting could be arranged with adjacent landowners to the Grand Marais to provide them with the survey and potential project information. The Board requested Administrator Jesme arrange a meeting with the landowners, Middle-Snake-Tamarac Rivers Watershed District, along with Mr. Dalager as soon as possible to get their input of the potential project and report the findings at the next Board meeting following this informational meeting.

Bryan Malone, Pennington Soil and Water Conservation District (SWCD), gave a presentation regarding the failed slope on the Thief River Falls Golf Club and requested additional cost sharing for the repair. Mr. Malone stated that Houston Engineering had been hired by the TRF Golf Course to design repair plans. He stated that Pembina Trails RC & D had also been included in the planning to arrive at a solution. Jeff Langan, Houston Engineering, reviewed with the Board the plans for repair and gave an estimated cost of repair of \$60,000. Following discussion of the Board's previous financial commitment of \$5,000 from 2005 and the yearly funding commitments to SWCD's, a motion was made by Coe, seconded by Tiedemann, to honor the budget commitment of \$5,000 from 2005 and commit additional funds of \$12,500 from the Erosion Control Project Fund, RLWD Proj. No.164. Motion carried.

Bryan Malone, Pennington SWCD, also gave a history of a potential project across from Hartz Park, with a group called the Jerome Street Group, and requested if the RLWD would partner in an application to the State of Minnesota's Clean Water Legacy Act for this project. The grant application needs to be completed by September 30, 2006.

At 10 00 a.m., President Nelson recessed the general meeting and called the General Fund Budget hearing to order and turned the hearing over to Legal Counsel Sparby to explain the hearing process. The hearing was properly advertised and is on videotape and available for viewing at the RLWD office. Hearing no public comment, the hearing closed at 10:02 a.m. A motion was made by Stanley, seconded by Knott, and passed by unanimous vote that the Board approve the following 2007 General Fund Budget:

	PROPOSED 2007 BUDGET
Manager's fees, salaries	\$20,000.00
Board of managers' expense	17,000.00
Staff salaries	294,000.00
Payroll taxes	23,100.00
Employee benefits	67,500.00
Travel and meetings (inc. mileage & exp.)	5,000.00
Legal	10,000.00
Audit	6,000.00
Office supplies	10,000.00
Office equipment	10,000.00
Engineering Equipment	15,000.00
Engineering supplies	2,500.00
Telephone	10,000.00
Dues and subscriptions	3,000.00
Insurance and bonds	33,000.00
Repairs and maintenance-Building	66,500.00
Utilities	8,000.00
Professional services(inc. Eng. fees)	2,000.00
Advertising and publications	2,000.00
Interest	3,000.00
Vehicle expense & maintenance	<u>12,000.00</u>
TOTAL	\$619,600.00
LESS OVERHEAD	<u>(441,000.00)</u>
PROPOSED 2007 GENERAL FUND LEVY	\$178,600.00

The regular meeting reconvened.

Potential Special Revenue Assessments for 2007 were presented and discussed. Approximately 800 feet in Section 7 of Winsor Township located within the Winsor-Hangaard ditch system, RLWD Proj. No. 113, has been damaged by unidentified person(s) and Administrator Jesme has sent a letter to the landowner who owns the real property where the damages occurred, requesting any information they may have in regard to this issue. After discussion of the

possible payment of the damages, Legal Counsel Sparby stated that it is a misdemeanor and criminal investigation could be pursued. The consensus of the Board is to have Administrator Jesme contact the authority that have jurisdiction of this matter to report the violation/damage in the RLWD's legal drainage system. Following discussion of the potential repair cost of those damages, the levy for the Winsor-Hangaard, RLWD Proj. No. 113, was reduced to \$5,000 and the repairs to the approximately 800 feet of the system will be billed to the responsible party(s). Motion by Knott, seconded by Johnson to approve the following Special Revenue levies: State Ditch 83, RLWD Proj. No. 14, \$50,000; J.D. No. 72, RLWD Proj. No. 41, \$13,000; J.D. 2 Main & Branch B & C, RLWD Proj. No. 49, \$3,500; Main J.D. 2 (Charlie Eck Petition), RLWD Proj. No. 51, \$1,000; Krostue Petition, RLWD Proj. No. 53, \$1,000; Winsor Hangaard Petition, RLWD Proj. No. 113, \$5,000; Challenger Ditch, RLWD Proj. No. 122, \$500; Polk County Ditch No. 63, RLWD Proj. No. 134, \$11,000; and Polk County Ditch No. 33, RLWD Proj. No. 135, \$3,000. Motion carried.

The request from the Pennington SWCD for partnership with the Clean Water Legacy Act Project for the Jerome Street Group was readdressed. Administrator Jesme addressed the Marshall-Beltrami SWCD's request for a similar project and directed the Board to a sample resolution letter in their packets. Following discussion of other SWCD's requesting cost-sharing funds for similar Clean Water Legacy Act projects, a motion by Coe, seconded by Johnson, that the RLWD approve the partnership with the Pennington and Marshall-Beltrami SWCD's and any other SWCD within the District requesting cost sharing funds for a Clean Water Legacy Act project, with consideration being given to funding requests of up to \$12,500 per SWCD. Motion carried.

Correspondence from the Minnesota Association of Watershed Districts (MAWD) regarding the timeline for the 2006 Resolutions for the MAWD annual meeting was reviewed. Resolutions are due to MAWD by October 13, 2006.

The Board reviewed permits for approval. A motion was made by Tiedemann, seconded by Knott, to approve the following permits with conditions stated on the permits: Nos. 06092, 06093, 06094, and 06095 from Euclid Township, Polk County; No. 06096 from Kevin Yaggie, Poplar River Township, Red Lake County; Nos. 06097 and 06098 from Marshall County Highway Department, Eckvoll Township, Marshall County; No. 06099 from Darby Barron, Cedar Township, Marshall County; No. 06100 from Radi Brothers, c/o Dave Radi, Fanny Township, Polk County; 06101 from George Hanson Inc., Fairfax Township, Polk County and No. 06102 from Michael B. Hanson, Fairfax Township, Polk County. Motion carried.

Tom Jones of Jones Architectural Engineering of Clearbrook, MN presented the Final drawings for the Red Lake Watershed District office building and garage and described the requested changes. Proposed bid date is on October 12 at 10:30 a.m. Mr. Jones explained the bidding proceedings. The contractors are to get their own subcontractors. All bid requests will be directed to Jones Architectural firm. Motion by Knott, seconded by Carlson, to order Tom Jones to prepare the final plans and specifications for the RLWD building and set the bid opening for Thursday, October 12, 2006 at 10:30 a.m. at the RLWD. Motion carried.

Jerry Pribula, Pribula Engineering, presented the Final Plans and Specs for RLWD Ditch No. 11, RLWD Proj. No. 166, to the Board and reviewed the potential construction schedule. Mr. Pribula stated that he had not utilized the information from a non-appointed engineer for RLWD Ditch

No. 11 for which the petitioners had submitted a bill, therefore the bills for the legal services and the non-appointed engineer will not be billable to the ditch system, but the bond costs are a billable cost to the RLWD Ditch No. 11 Ditch system and will be reimbursed to the petitioners. Motion by Tiedemann to accept the Final Plans and Specifications as prepared by Jerry Pribula, Pribula Engineering, and set the bid opening date for October 12, 2006 at 10:00 a.m. Motion seconded by Carlson and unanimously carried.

The Petitioners' bond and the status of the petitions for RLWD Proj. Nos. 158 and 163 (Polk County Ditch No. 19), were discussed by the Board. The issue will be scheduled for the September 28, 2006 Board meeting.

Administrator Jesme read his written report:

- Gene Tiedemann was appointed by Governor Pawlenty to serve on the Board of Water and Soil Resources (BWSR). Gene also informed the Board that he had been appointed to the Wetland Committee and had attended that Committee meeting the previous day, September 13, 2006.
- A Weekly Diary and Statement of Working Days for the Euclid East and Brandt Impoundment Sites are included in the Manager's packet. Administrator Jesme reviewed the percentages of construction completed on each site.
- As of September 8, 2006, approximately \$45,000 has been expended of the \$50,000 yearly commitment to clean the sediment and slough areas along State Ditch 83, RLWD Proj. No. 14. The remaining \$5,000 will be used for Sentence to Service to clean when and if weather permits.
- A Water Quality Report for the month of August, from staff member Corey Hanson, is included in the Manager's packet.

Manager Knott inquired of the repairs to Seeger Dam. Administrator Jesme stated that a \$12,500 quote had been received from R. J. Zavoral & Sons to repair the additional failure, per the request of Dan Zwilling of the Dam Safety Division of the MN DNR.

The real property owned by the RLWD land in Lessor Township was discussed. Administrator Jesme suggested selling the land via an auction setting rather than a written bid setting. Managers Stanley, Knott, and Tiedemann spoke on their experiences with land auctions. Following discussion on the pros and cons of auctioneering the land, Administrator Jesme contacted Pifer's Auction & Realty, Moorhead, MN, during the Board meeting to inquire about percentage of fees, etc. Additional discussion was held on the timeframe for selling the land and consensus was to appoint a committee to assist in the process. President Nelson appointed Managers Coe and Tiedemann, along with himself, to the land committee. A motion was made by Coe, seconded Carlson, to engage the Pifer's Auction and Realty as the auctioneers for the land, and authorize Administrator Jesme to negotiate a rate, sign the documents, and set a minimum bid price of \$900 per acre. Motion carried.

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


Vernon Johnson, Secretary