

RED LAKE WATERSHED DISTRICT
Board of Manager's Minutes
September 28, 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 Tiedemann, seconded by Carlson, and passed by unanimous vote that the Board approve the agenda.

Arlene Novak read the minutes of September 14, 2006. A motion was made by Coe, seconded by Stanley, and passed unanimously that the Board approve the minutes as amended.

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

Gary Lee of East Polk Soil and Water Conservation District (SWCD) and Terry Wolfe, MN Department of Natural Resources (DNR)-Wildlife, appeared before the Board to request Clean Water Legacy cost-share funds for structures to help protect Maple Lake. They are receiving both cash and in-kind cost shares from the Maple Lake Improvement District, East Polk SWCD, and the Local Water Plan and are requesting from the RLWD \$3,000 in cash and \$2,000 in-kind in order to complete an engineer's report for the project. Staff member Corey Hanson stated that there are records of water monitoring for that area and they could utilize that information as part of the in-kind for the project. A motion was made by Johnson, seconded by Stanley, to approve cooperating with the East Polk SWCD and the DNR, should they receive their grant through the Clean Water Legacy. Motion carried.

Terry Wolfe also requested information on the land auction of the RLWD land in Lessor Township, Polk County. He felt that the DNR would be very interested in bidding on the land as it adjoins current DNR land but felt the time frame would not be conducive for the DNR to follow through with their protocol that would make it impossible for them to participate in the bidding for the property. The consensus of the Board is that in accordance with the contract that we have with Pifer's Auction & Realty, Moorhead, MN, we would lose \$3,000 to \$5,000 if we delayed the auction. The decision of the Board was to proceed with the auction on October 24, 2006.

Administrator Jesme stated that at the Grand Marais Project Work Team (PWT) meeting held on September 21, 2006, the PWT members requested a Clean Water Legacy grant application be completed for a 2 mile stretch downstream of the Brandt Impoundment for RLWD Proj. No. 60E, Brandt Impoundment Outlet. Nate Dalager, HDR Engineering, will be completing the application which is due September 30, 2006. A motion was made by Tiedemann, seconded by Coe, to apply for the Clean Water Legacy grant. Motion carried.

Staff member Corey Hanson appeared before the Board to update them on the Marshall-Beltrami SWCD's Clean Water Legacy grant application for an erosion project along a portion of the Moose River located in Beltrami County. Mr. Hanson also stated that letters of support from the Board were given to SWCD's in the RLWD area to assist with their application process.

Corey Hanson also presented a Thief River Watershed Sediment Investigation application and explained the program. The study will perform investigative water quality monitoring up to 11 sites throughout the Thief River subwatershed to verify the impairments. The investigation will help develop impaired waters studies for the listed reaches, create a common understanding of the true causes of water quality problems in the watershed, improve management of the impoundments for wildlife, and protect drinking water. December 15, 2006, is the grant application's due date.

A Clearwater River Dissolved Oxygen and Fecal Coliform Total Maximum Daily Load (TMDL) Project Work Plan and Project Summary were reviewed by staff member Corey Hanson. The project is a watershed based water quality impairment study in the Red River Basin in Minnesota. The study will assess the impairment, define sources of pollution and where the impairment is verified, define current loads of pollutants, estimate total daily maximum load of pollutants, and propose strategies to achieve the desired load. The work will be coordinated by the RLWD and funded by the Minnesota Pollution Control Agency. Mr. Hanson reviewed the rivers and streams on the TMDL list and which ones he is working on to be declassified.

The Red River Corridor Enhancement did not get bonding money in the previous two legislative sessions and Corey Hanson indicated that from the last meeting held, there was discussion on whether or not to continue holding meetings.

Paul Hoff, renter of land in the Louisville/Parnell Impoundment, had recently contacted Administrator Jesme regarding the re-enrollment of certain CRP acreages which were due to expire in 2007. Discussion ensued on the lease agreement as to whether re-enrollment was allowed for expired CRP contracts. The Board tabled the issue to later in the meeting in order to allow the next scheduled speaker his time to present.

Jeff Langan, Houston Engineering, Inc., presented a preliminary report concerning the City of Clearbrook Flood Damage Reduction Project, RLWD Proj. No. 160A. Dan Sauve, Clearwater County Engineer, was also in attendance. Mr. Langan explained the proposed storage sites for the proposed project. He explained that a survey and wetland inventory need to be completed and approval from the Pipeline Company for a flood storage site to be constructed on their property. Mr. Langan indicated that we may not know until sometime in November if we would receive a flowage easement from the Pipeline Company for this project. It was suggested that Mr. Langan contact Nate Dalager of HDR Engineering, Inc. to use the hydrologic models prepared for the Ten Year Comprehensive Plan to model the sites with different rainfall events to determine what the outcome would be with additional rainfall.

The bonds for RLWD Project Nos. 158 and 163, Polk Co. Ditch 19 petitions, were discussed by the Board. Legal Counsel Sparby is drafting letter to Kurt Deter, attorney for the petitioners, to inquire whether the lack of bonding for the erosion control project may necessitate a need for dismissal of the project petitions.

The Board reviewed permits for approval. A motion was made by Johnson, seconded by Knott, to approve the following permits with conditions stated on the permits: No. 06103 from Joe and Dan Stroot, Belgium Township, Polk County; and No. 06104 from Dario Dupont, Rocksbury Township, Pennington County. Motion carried.

Manager Tiedemann questioned RLWD Permit No. 06106, applied for by Polk County Highway Department, and the benefited area of the permit. A motion was made by Tiedemann, seconded by Coe, to table RLWD Permit No. 06106 from Richard Sanders, Polk County Highway Department, Belgium Township, Polk County, until Polk County completes their re-determination of benefits in the permit application area and due to the fact that there may be waters that presently drain into a legal system to which the property is not currently paying benefits. Motion carried.

Tabled RLWD Permit No. 06041, applied for by Kam Harstad, was approved with conditions stated on permit, on a motion by Tiedemann, seconded by Carlson, and passed unanimously.

RLWD Permit No. 06091, applied for by John Erickson, was tabled until further review of the drainage area on a motion by Knott, seconded by Carlson, and passed unanimously.

Administrator Jesme read his written report:

- The pads have been poured on both Euclid East and Brandt Impoundment sites and R.J. Zavoral & Sons, Inc. is in the process of forming walls for the structure. It is anticipated that both structures will be completed within a three week period. 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 added that Ron Seaworth has moved leftover, abandoned personal property from the former John A. Weiland property. The house mover has deemed the house to be stable to move.
- Enclosed in the Manager's packet is a pamphlet advertising a two day seminar held October 23 and 24, 2006 at the University of Minnesota-Crookston. The seminar is intended to focus on the potential for ecotourism in northeast North Dakota and northwest Minnesota. At this event, a special tribute will be featured for retired Minnesota Director of The Nature Conservancy, Ron Nargang.

In addition to his written report, Administrator Jesme stated that two representatives from the Leaning Oaks Hutterian Brethren, Inc. had been in to visit regarding a letter sent to them on the damages incurred in the Winsor-Hangaard Ditch system due to unauthorized excavation on portions of the ditch system. The Brethren has agreed that when the repairs to the damaged areas are completed, the District will submit a bill to them and they will pay all cost incurred for the repair of the ditch system. Jesme also reported that presently 15 contractors have purchased plans for RLWD Ditch No. 11, RLWD Proj. No. 166. Seeger Dam repairs have been completed with 15 yards of concrete installed making the final repair amount more than the original quoted amount. The bids for the erosion control project near Thief River Falls Golf Club will be opened at 2:30 p.m., Friday, September 29, 2006.

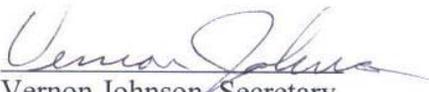
The Lessor Township land sale is on the Pifer's Auction & Realty's website, is currently being advertised, and posted. The auction will take place on October 24, 2006 at 1:00 p.m. at the RLWD Board room. Administrator Jesme stated that the contract is a 5% commission fee and if

for any reason the auction is canceled, it will cost the District a minimum of \$1,500 plus 100% of all expenses incurred. Jesme also indicated that there is a clause in the contract which would either cause the Realtor to pay all costs of advertising or at a minimum; the District would split the advertising fee 50/50. The estimated cost to the RLWD for advertising is believed to be approximately \$1,500.

Discussion continued on the Paul Hoff CRP contracts and lease agreement. Legal Counsel Sparby suggested amending the lease date for an additional 10 years as to newly enrolled CRP acreage and setting a reasonable rental fee for the newly enrolled CRP acreage. Following considerable discussion on the contract amendment and rates of rental per acre, a motion was made by Knott, seconded by Coe to amend the lease agreement to allow re-enrollment of expired CRP acres and require a \$15 per acre land rent in regard to the newly enrolled CRP acreage. Motion carried.

Motion by Coe, seconded by Carlson to rescind the motion of the Board meeting of September 14, 2006 which indicates the minimum bid amount of \$900 per acre for parcels of land located in Lessor Township; it being the intent of the Board not to have a minimum bid amount, but still preserve the right to reject any or all bids. Motion carried.

Motion by Knott, seconded by Johnson, motion carried to adjourn.


Vernon Johnson, Secretary