

RED LAKE WATERSHED DISTRICT
Board of Manager's Minutes
May 10, 2007

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, Allan Carlson and Gene Tiedemann. Staff present: Myron Jesme and Tammy Audette and Legal Counsel Delray Sparby.

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

Tammy Audette read the minutes of April 26, 2007. A motion was made by Knott, seconded by Tiedemann, and passed unanimously that the Board approve the minutes.

The board reviewed the Financial Report as of May 9, 2007. A motion was made by Johnson, seconded by Stanley, and passed by unanimous vote that the Board approve the Financial Report dated May 9, 2007.

Kim Durbin from Drees, Risky, and Vallager, Ltd. presented the 2006 Audit Report and discussed the Statement on Auditing Standards 112. After various suggestions by Durbin concerning compliance of SAS 112 and questions by the Board, a motion was made by Tiedemann, seconded by Knott and passed by unanimous vote that the Board approved the 2006 Audit Report as presented.

Pay Estimate No. 7 in the amount of \$71,669.65 and Change Order No. 3 in the amount of \$8,097.00 for Schmitz Builders, Inc. for construction of the new RLWD Building were presented for approval. A motion was made by Johnson, seconded by Coe, to approve Pay Estimate No. 7 in the amount of \$71,669.05 and Change Order No. 3 for \$8,097.00. Motion carried.

Permit #07005 from Claire Berberich, Poplar River Township, Red Lake County, was discussed. A motion was made by Knott, seconded by Tiedemann to deny Permit #07005 from Claire Berberich. Motion carried.

Permit #06091 from John Erickson, Black River Township, Pennington County, was discussed. A motion was made by Carlson, seconded by Coe, to deny Permit #06091 from John Erickson. Motion carried.

Permit #07020 from David Thompson, Thompson Brothers Farms, Grand Forks Township, Polk County, was discussed. Motion by Tiedemann, seconded by Knott to table permit #07020 until an additional survey can be completed. Motion carried.

The Board reviewed permits for approval. A motion was made by Stanley, seconded by Carlson to approve the following permits with conditions stated on the permits: #06131 from Marshall County Highway Department, Moylan Township; #07023 from David Lian, Eckvoll Township, Marshall County; #07024 from Richard Yonke, Sanders Township, Pennington County; #07025 Kyle Djernes, Columbia Township, Polk County; #07027 from Great Lakes Gas Transmission, Gully Township, Polk County; and #07028 from Great Lakes Gas Transmission, Excel Township. Motion carried.

Administrator Jesme and Manager Stanley attended a meeting with representatives from Marshall County and Middle Snake Tamarac Rivers Watershed District regarding FEMA mapping. Marshall

County is required to have an in-kind match of \$50,000 for the grant application which they have asked both watersheds to be partners with. Mr. Stanley indicated that he understood that we could use information that we currently have towards the grant match. The cities of Newfolden, Middle River and Grygla will receive special consideration as there is limited floodplain information in these areas.

Discussion was held on the Hearing for the Abandonment of the Jensen Petition, RLWD Project #106 held on May 9, 2007. Legal Counsel Sparby stated that the Nature Conservancy will provide the RLWD with the plans and specifications in regard to wetland replacement in the near future. A continuation of the hearing will be held on May 24, 2007, at 11:00 a.m. during the regularly scheduled RLWD Board meeting.

Administrator Jesme and Legal Counsel Sparby discussed the JD 72 Joint Ditch meeting they attended on May 9, 2007. Administrator Jesme stated he will review the Winsor-Hangaard Ditch, RLWD Project #113 benefited area, to determine benefits paid by township roads and report back to the board at a future meeting.

Petitioners for the Tynsid Township Erosion Control Project, RLWD Project #163, and Polk County Ditch 19 Improvement, RLWD Project #158, were present to discuss the withdrawal of the respective petitions. Legal Counsel Sparby discussed the MN State Statutes for petitioned projects. Petitioners in attendance discussed funding for both projects with an estimated shortfall of \$750,000. The Tynsid Township Erosion Control Project, RLWD Project #163, has expenses to April 30, 2007 of \$11,209.92. Polk County Ditch #19, RLWD Project #158, has expenses to April 30, 2007 of \$10,612.89. Legal Counsel Sparby indicated that since costs exceed the bond by \$612.89 that portion will not be able to be collected. Polk County Commissioners and Petitioners requested an extended time frame for payment towards the costs incurred. It was also requested by the petitioners that the Board stop all interest and expense debt on the petition as of May 10, 2007 and that the District recalculate the interest and expenses through May 10, 2007.

Manager Stanley asked if funding had been obtained for the Preliminary Engineering of the Grand Marais Outlet Restoration. Administrator Jesme stated that we are waiting to hear from the MnDNR.

Manager Tiedemann attended a BWSR meeting in held in Brainerd in regards to the Warroad Watershed District.

A motion was made by Johnson, seconded by Coe, to withdraw the petitions for the Tynsid Township Erosion Control Project, RLWD Project #163, and Polk County Ditch 19 Improvement, RLWD Project #158, and that all expenses and interest incurred through May 10, 2007 be recalculated and be paid by the Petitioners by September 1, 2007. Motion carried.

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


Vernon Johnson, Secretary