

RED LAKE WATERSHED DISTRICT
Board of Manager's Minutes
November 8, 2012

Present were: Managers Orville Knott, Dale M. Nelson, LeRoy Ose, Les Torgerson, Albert Mandt, Gene Tiedemann and Lee Coe. Staff Present: Myron Jesme and Tammy Audette and Legal Counsel Sparby.

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

Motion by Knott, seconded by Mandt, to dispense reading of the October 25, 2012 Board meeting minutes and approve them as printed. Motion carried.

The Board reviewed the Financial Report and Investment Summary dated November 7, 2012. Motion by Ose, seconded by Torgerson, and passed by unanimous vote that the Board approve the Financial Report and Investment Summary dated November 7, 2012. Motion carried.

The Board reviewed Change Order No. 7, for R.J. Zavoral & Sons, Inc. for the Grand Marais Creek Cut Channel, RLWD Project No. 60FF in the amount of \$139,150.90, to allow further construction to take place. Motion by Tiedemann, seconded by Ose, to approve Change Order No. 7 for R.J. Zavoral & Sons, Inc. for construction of the Grand Marais Creek Cut Channel, RLWD Project No. 60FF. Motion carried.

Administrator Jesme stated that construction on the Clearbrook Stormwater Retention Pond, RLWD Project No. 160 has been completed. Jesme discussed the concern of the local elevator and the drainage of their parking lot. The Engineer for the project has recommended that the structure should be observed for a year and if necessary a seepage pipe could be installed. Jesme stated that a Change Order will be forthcoming for rock fill that was required under the pipe for bedding.

Administrator Jesme stated that the forms were poured for the diversion structure for Ditch 14/Thief River Falls Flood Damage Reduction Project, RLWD Project No. 171/171A. The Contractor also has some repairs to complete along County Road 7.

The Board reviewed Pay Estimate No. 7 for Spruce Valley Corporation for construction of RLWD Ditch 14, Project No. 171. Jesme indicated that as part of the specifications, a 10% retainer will be held until final approval of the project. Based on the retainage of 10%, total payment owed for Pay Estimate No. 7 is \$1,688.40. Motion by Mandt, seconded by Ose, to approve payment in the amount of \$1,688.40 to Spruce Valley Corporation for construction of RLWD Ditch 14, Project No. 171. Motion carried.

The Board reviewed Pay Estimate No. 7 for Spruce Valley Corporation for construction of the Thief River Falls Flood Damage Reduction Project, Project No. 171A. Jesme indicated that as part of the specifications, a 10% retainer will be held until final approval of the project. Based on the retainage of 10%, total payment owed for Pay Estimate No. 7 is \$30,683.75. Motion by Coe, seconded by Knott, to approve payment in the amount of \$30,683.75 to Spruce Valley

Corporation for construction of Thief River Falls Flood Damage Reduction Project, Project No. 171A. Motion carried. Jesme stated that \$5,000 was deducted from the pay estimate as reflected in Change Order No. 1 for damage to the pavement on Edgewood Drive attributable to the Contractor.

The Board reviewed Change Order No. 4 for Spruce Valley Corporation for the Thief River Falls Flood Damage Reduction Project, RLWD Project No. 171A in the amount of \$14,151.20 for miscellaneous items along County Road 62, Edgewood Drive and Hydroseeding. Motion by Coe, seconded by Ose, to approve Change Order No. 4, for Spruce Valley Corporation for the Thief River Falls Flood Damage Reduction Project, RLWD Project No. 171A in the amount of \$14,151.20. Motion carried. Jesme stated a that portion of the change order will be paid for by the City of Thief River Falls for miscellaneous work requested by the city.

Administrator Jesme stated that the Findings of Fact and Order for the Brandt Channel, RLWD Project No. 175, was received from Kurt Deter, Legal Counsel for the Petitioners. Jesme stated that he wished to remove the wording: "Public Ditch 15", as the Board has not officially given the project a ditch number. It was the consensus of the Board to approve the Order with the removal of the wording "Public Ditch 15", to reflect language consistent with that of the hearing notice, prior to the signature of President Nelson. Jesme stated that he had met with Viewers for the project, and they will begin in the near future upon receipt of the increased bond.

The Board reviewed Pay Estimate No. 1 for Wright Construction, Inc. for construction of the Flage Erosion Control Project, RLWD Project No. 174. Jesme indicated that as part of the specifications, a 10% retainer will be held until final approval of the project. Based on the retainage of 10%, total payment owed for Pay Estimate No. 1 is \$54,158.85. Motion by Knott, seconded by Coe, to approve payment in the amount of \$54,158.85 to Wright Construction, Inc. for construction of the Flage Erosion Control Project, RLWD Project No. 174. Motion carried.

The Board reviewed correspondence from the Polk County Administrator stating that the Polk County Commissioners have taken action to save interest costs on outstanding bonds issued on behalf of the District. The current available interest rates for Polk County Bonds are much more favorable then when the debt was originally sold. The following District projects are affected by the reduction in interest rates: Kenneth Johnson Petition, RLWD Project No. 117, Polk County Ditch Improvement Nos. 104, 61, 47 and 94, RLWD Project No. 119 and Scott Baatz Petition, RLWD Project No. 123.

Administrator Jesme requested the installation of a wire weight gage on the Marshall County Road 7 Bridge located on State Ditch No. 83, RLWD Project No. 14. The cost of the gage is approximately \$1,000.00 and will assist the District to better monitor flows of the river near Agassiz National Wildlife Refuge. Motion by Tiedemann, seconded by Torgerson, to approve the purchase and installation of a wire weight gage on the Marshall County Road 7 Bridge located on State Ditch No. 83, RLWD Project No. 14 at an estimated cost of \$1,000. Motion carried.

Administrator Jesme and staff member Tammy Audette discussed the Clearwater River Wild Rice Allocation Program, RLWD Project No. 45. Audette stated that a request from the wild rice growers may be forthcoming requesting the re-measurement of their pumping stations.

The Board reviewed the 2012 MAWD Proposed Resolution recommendations.

Motion by Knott, seconded by Tiedemann, to grant a one year extension on Permit No. 11161, Emardville Township, Red Lake County. Motion carried.

The Board discussed Permit No. 12065, Dean Philipp, Agder/Silverton Township, Marshall/Pennington County, that was denied at the June 28, 2012 Board meeting. Administrator Jesme stated that after the permit was denied, the Marshall County Engineer further reviewed ditch records for Branch 1, Marshall County Ditch 20. Upon the review, it was determined that the legal system did not end where it was previously determined. Therefore since Mr. Philipp does pay ditch tax into the Judicial Ditch 30 system in Pennington County and also into Branch 1 of County Ditch 20 system in Marshall County, it would be allowable for Mr. Philipp to drain his water south as requested in the previous petition. Neither Pennington nor Marshall County has an objection to the approval of the permit application. Motion by Knott, seconded by Tiedemann, to rescind the motion made at the June 28, 2012 Board meeting denying Permit No. 12065, Dean Philipp. Motion carried. Motion by Ose, seconded by Mandt, to approve Permit No. 12065, Dean Philipp, with conditions stated on the permit. Motion carried.

The Board reviewed the permits for approval. Motion by Mandt, seconded by Knott, to approve the following permits with conditions stated on the permit: No. 12152, Jon Wilson, Mayfield Township, Pennington County; No. 12158, Charles S. Simpson, Emardville Township, Red Lake County; No. 12159, Roger Johnsrud, River Falls Township, Pennington County; No. 12160, Erick Sirek, Wylie Township, Red Lake County; No. 12161, Tyler Solberg, Cloverleaf Township, Pennington County; No. 12162, Gary Novak, River Falls Township, Pennington County; No. 12163, Tracee Bruggeman, Goodridge Township, Pennington County; No. 12164, Vatthauer Farms, Terrebonne Township, Red Lake County; No. 12165, Michael L. Hanson, Moylan Strip, Marshall County; No. 12166, Craig Sander, Queen Township, Polk County; No. 12167, Ralph Wilde, Rocksbury Township, Pennington County; No. 12168, Dean Wolff, Silverton Township, Pennington County; and No. 12169, Arlene Peterson, Wyandotte Township, Pennington County. Motion carried.

Administrators Update:

- Jesme and Manager Knott will attend the RRWMB meeting on November 20, 2012 in Ada.
- Jesme attended the 4th Annual BWSR Academy held in Brainerd on October 22-24, 2012.
- An offer is pending for the Coordinator position for FDRWG previously held by Paul Wannarka.
- Included in the packet is a September 2012 Water Quality Report.

Legal Counsel Sparby provided a short review of the 2012 MAWD Proposed Resolutions.

Administrator Jesme discussed the bond for Ditch 14/Thief River Falls Flood Damage Reduction Project, RLWD Project No. 171/171A. Jesme stated that a Tax Exempt Bond would cost approximately \$16,000, where a Non Tax Exempt Bond would be approximately \$169,000. Legal Counsel Sparby stated that the bonding company is requesting a resolution from the District in regard to the Board's intent to pursue bonding for both projects, prior to the start of construction. Sparby stated that there was Board discussion about the potential of bonding for both projects through Pennington County at a meeting on September 13, 2011 with Attorney, John Kolb, that was held prior to the project hearing. Sparby stated that the bonding company is requesting this information in order to comply with IRS regulations. Discussion was held in regard to amending the September 13, 2011 Board meeting minutes to reflect fact of the discussion in regard to the intent to pursue funding of the projects through bonding with Pennington County, if the projects were approved. Motion by Knott, seconded by Tiedemann, to amend the September 13, 2011 to reflect the Board discussion with Mr. John Kolb regarding the future financing and bonding by Pennington County Commissioners in regard to Ditch 14, RLWD Project No. 171 and Thief River Falls Flood Damage Reduction Project, RLWD Project No. 171A. Motion carried.

Manager Torgerson discussed the Clearwater River canoe route project that he had been working on. Torgerson asked if the District would be able to assist in anyway. Legal Counsel Sparby indicated that taking a financial lead in trying to obtain grants or funding for the project would not be advisable, but suggested that the District could pass a resolution in support of that project, stating that the District believes it to be a good and beneficial project for the area.

Motion by Coe, seconded by Mandt, to adjourn the meeting. Motion carried.



Orville Knott, Secretary