

RED LAKE WATERSHED DISTRICT
Board of Manager's Minutes
January 10, 2013

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

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

Motion by Knott, seconded by Coe, to dispense reading of the December 27, 2012 Board meeting minutes and approve them as printed. Motion carried.

The Board reviewed the Financial Report and Investment Summary dated January 9, 2013. Motion by Mandt, seconded by Torgerson, and passed by unanimous vote that the Board approve the Financial Report and Investment Summary dated January 9, 2013. Motion carried. It was the consensus of the Board to renew the Certificate of Deposit that will mature on January 15, 2013 with Unity Bank North.

Polk County and Pennington County have confirmed the reappointments of Manager Mandt and Manager Nelson, respectively, to another 3-year term on the Board. Red Lake County has not yet notified the District regarding the appointment of Manager Knott.

Election of officers was conducted with President Nelson turning the meeting over to Secretary Orville Knott. Manager Knott called for nominations for president. Manager Coe, seconded by Mandt, nominated Dale M. Nelson. Upon calling for further nominations three times, no further nominations were made. Motion by Coe, seconded by Ose, for nominations to cease, and that the secretary cast a unanimous ballot for Dale M. Nelson for president of the Board. Motion carried.

Secretary Knott turned the meeting over to President Nelson to conduct elections for the remaining Board positions.

Nominations were opened for vice-president. Manager Knott, seconded by Torgerson, nominated Gene Tiedemann. Upon calling for further nominations three times, no further nominations were made. Motion by Mandt, seconded by Coe, for nominations to cease, and that the secretary cast a unanimous ballot for Gene Tiedemann for vice-president of the Board. Motion carried.

Nominations were opened for Secretary. Manager Knott, seconded by Mandt, nominated LeRoy Ose. Upon calling for further nominations three times, no further nominations were made. Motion by Knott, seconded by Coe, for nominations to cease, and that the secretary cast a unanimous ballot for LeRoy Ose for secretary of the Board. Motion carried.

Nominations were opened for treasurer. Manager Mandt, seconded by Ose, nominated Lee Coe. Upon calling for further nominations three times, no further nominations were made. Motion by Knott, seconded by Mandt, for nominations to cease, and that the secretary cast a unanimous ballot for Lee Coe for treasurer of the Board. Motion carried.

The Overall Advisory Committee and specific watershed area Advisory Committee members were discussed by the Board. A motion was made Torgerson, seconded by Coe, to approve the Overall Advisory Committee and Advisory Committee as listed. Motion carried.

The position of Delegate and Alternate to the Red River Watershed Management Board (RRWMB) was discussed. Manager Knott just completed serving his third year of a 3-year term, with Manager Ose as the Alternate. Motion by Mandt, seconded by Coe, to appoint Knott to a 3-year term as Delegate and LeRoy Ose, Alternate to the RRWMB. Motion carried.

Delegates and Alternate to the Minnesota Association of Watershed Districts were discussed. Motion by Mandt, seconded by Knott, to appoint Manager Coe and Tiedemann as Delegates and Manager Ose as an alternate. Motion carried.

The committees for the JD 2 and JD 72 Joint Ditch Boards were reviewed. Motion by Ose, seconded by Knott, to appoint Managers Mandt and Torgerson to the JD 2 and JD 72 Joint Ditch Boards. Motion carried.

The Budget/Salary Committee was discussed by the Board. A motion was made by Mandt, seconded by Knott, to appoint Managers Nelson, Coe and Tiedemann to serve on the Budget/Salary Committee. Motion carried.

The Board discussed representatives on the Grand Marais Creek Joint Powers Board. A motion was made by Coe, seconded by Ose, to appoint Managers Nelson, Tiedemann and Knott to the Grand Marais Creek Joint Powers Board, with Manager Mandt as an alternate. Motion carried.

A motion was made by Knott, seconded by Mandt, and passed by unanimous vote that the regularly scheduled Board meetings continue to be held on the second and fourth Thursdays of each month for 2012.

A motion was made by Mandt, seconded by Ose, that the following institutions be designated as depositories for the RLWD: Northern State Bank, Border State Bank, Unity Bank North, Citizens State Bank, American State Bank, First National Bank of Bemidji, and Ultima Bank with the following signatures on the signature cards at the financial institutions: Dale M. Nelson, Gene Tiedemann, LeRoy Ose, Lee Coe, Myron Jesme and Arlene Novak. Motion carried.

The Board reviewed the Conflict of Interest Policy. Administrator Jesme stated that the Auditors require a yearly review of the Conflict of Interest Policy.

Staff member Arlene Novak reviewed the 2012 General Fund Budget as of December 31, 2012. After discussion by the Board, motion by Knott, seconded by Coe, to approve the General Fund Budget Transfers as of December 31, 2012 and to use the remaining surplus balance towards the District Building Fund. Motion carried.

Administrator Jesme stated that the District received the signed Amended Grant Agreement from the State of Minnesota for the Thief River Falls Flood Damage Reduction, RLWD Project No. 171A , granting an extension of the project funding to June 30, 2013.

Discussion was held on how to handle landowners that have not provided tax identification numbers that received compensation from the District for project easements and/or right of way. The District is required to report payments to the Internal Revenue Service. Jesme stated that several requests have been made to about three landowners for their tax identification number but to date we have not received them. Legal Counsel Sparby stated that we have proof that we made efforts, with due diligence, to obtain the information.

Administrators Update:

- Jesme and Manager Knott will attend the RRWMB meeting at the District office on January 15, 2013. The November 20, 2012 minutes were included in the packet.
- The 2013 Agricultural Drainage Design and Water Management Workshops will be held in Moorhead and Mankato, MN and Aberdeen, SD.
- The District was approved for a BWSR Grant for the Burnham Creek Project and are ranked very high on the USFWS and MnDNR grant application process. A meeting has been set for the afternoon of January 10th at the District office to gather all the partners to assure all issues are addressed and moving in the right direction.
- The Minnesota Viewers Association will hold a seminar on January 17, 2013 at the Jackpot Junction, Morton, MN.
- As of January 1, 2013, the employee's Social Security withholdings will increase from 4.2% to 6.2%.
- Included in the packet was a December 2012 Water Quality Report.

At 9:30 a.m., the final payment hearing for Spruce Valley Corporation concerning the construction of the Improvement to Pennington County Ditch 1/RLWD Ditch 14, RLWD Project No. 171 was called to order. Present at the hearing was Engineer Nate Dalager, HDR Engineering, Inc. President Nelson stated that the hearing had been properly advertised. Discussion regarding the final payment request was had and the opportunity for public comment was given. There was no one in attendance objecting to the final payment. Motion by Coe, seconded by Ose, to approve the final payment in the amount of \$51,270.41 to Spruce Valley Corporation for the construction of the Improvement to Pennington County Ditch 1/RLWD Ditch 14, RLWD Project No. 171. Motion carried. The hearing was videotaped and is on file at the RLWD office.

The Board discussed the history of the Improvement to Pennington County Ditch 1/RLWD Project No. 14 and Thief River Falls Flood Damage Reduction Project, RLWD Project No. 171/171A. Discussion was held on the drainage issues along the Highway 59 corridor.

The Board and Engineer Nate Dalager, HDR Engineering, Inc. discussed the 20% Flood Retention within the Red River Valley. Dalager stated that Chuck Fritz, International Water Institute, is working on a tool to assist the RRWMB with the 20% Flood Retention. It was the consensus of the Board to authorize Dalager to continue with prioritizing the District sites.

Staff member Corey Hanson and Lori Clark, RMB Laboratories, discussed civic engagement opportunities for watershed restoration and protection projects. Local landowners will be invited to a community discussion about the Thief River, on January 29th at the Black Cat Sports Bar & Grill. The event and meal are free to the public. However, attendance must be confirmed by making a reservation with the District office. This is a four year project, with the MPCA being the lead agency. Civic engagement is when they want landowners involved throughout the entire process of the project.

Motion by Knott, seconded by Coe, to adjourn the meeting.


Secretary