

RED LAKE WATERSHED DISTRICT
Board of Manager's Minutes
December 11, 2014

Vice President Gene Tiedemann called the meeting to order at 9:00 a.m. at the Red Lake Watershed District Office, Thief River Falls, MN.

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

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

Motion by Ose, seconded by Knott, to dispense reading of the November 25, 2014 Board meeting minutes and approve them as presented. Motion carried.

The Board reviewed the Financial Report and Investment Summary dated December 10, 2014. Motion by Knott, seconded by Mandt, to approve the Financial Report and Investment Summary dated December 10, 2014. Motion carried.

Engineer Nate Dalager, HDR Engineering, Inc. stated that he attended a meeting along with Administrator Jesme and Kevin Davidson, Davidson Construction, Inc. to review the final punch list of construction items to be completed on RLWD Ditch 15, Project No. 175. Dalager stated that as of November 6, 2014, the liquidated damages would be suspended at 16 days and would be reflected on the next pay estimate. Dalager stated that Davidson questioned the amount of quantities. Dalager indicated that at this time no additional quantities will be paid to the Contractor. Dalager stated that the retainer will be held until it is determined if any additional seeding or erosion repairs will be required, prior to making the final payment.

Administrator Jesme stated that he met with Legal Counsel Sparby and Engineer Nate Dalager, HDR Engineering, Inc. to discuss procedures for the legal drainage system known as JD 5 (Four Legged Lake), RLWD Project No. 102, and the potential Flood Damage Reduction (FDR) Project. Sparby stated that dependent upon the Engineers proposal for the FDR Project Team, an abandonment hearing could be held to hear evidence to any objection for the possible abandonment of the legal drainage system and creation of an FDR Project. Sparby indicated that once a hearing is held, the abandonment process could be tabled, contingent on the FDR project moving forward and then completing the abandonment if it is still the wishes of the public. If the FDR Project does not proceed, Sparby indicated that an abandonment probably would not be accepted by the public as there was concern with who would maintain the beaver dams, etc. Discussion was held on the alternatives/recommendations presented by Dalager.

Sam Umlauf, Houston Engineering, Inc. stated that Davidson Construction, Inc. has completed the channel excavation on the Grand Marais Creek Channel Restoration Project, RLWD Project No. 60F. Umlauf stated everything but some minor touch up work and seeding will be completed this winter, along with a punch list items to be completed in the spring. The Contractor has completed the installation of live stakes as well as Toe Wood Sod Mats as

requested by the MnDNR channel design. Houston Engineering will request that the Contractor submit a written plan for the seeding process to take place next spring. Jesme indicated to Umlauf that temporary right of way easements on agricultural lands have expired for the project and inquired if the landowners can farm the fields. Umlauf stated that he surveyed the area that can't be farmed and estimated that approximately 10 acres will not be farmable next spring. It was discussed that the landowner(s) will be notified and that an additional rental payment will be paid by the District and charged back to the Contractor prior to final payment.

Engineer Tony Nordby, Houston Engineering, Inc. presented Pay Estimate No. 1 for R.J. Zavoral and Sons, Inc. for the construction of the Grand Marais Creek Channel Restoration Diversion Channel, Project No. 60F. Nordby stated that the pay estimate is for material on hand and partial mobilization. Nordby stated that the Contractor is unsure if they will haul quarry riprap this winter or wait until Spring. Administrator Jesme stated that there is not enough room in our right of way for storage of the riprap, therefore we would need to work with the landowner to obtain an additional temporary easement. Nordby stated that the damage to the site would be minimal if hauled in this winter. Motion by Coe, seconded by Mandt, to approve Pay Estimate No. 1 in the amount of \$61,612.95, to R.J. Zavoral and Sons, Inc. for construction of the Grand Marais Creek Channel Restoration Diversion Channel, Project No. 60F. Motion carried.

Staff member Loren Sanderson discussed the survey he completed for a drainage concern located in River Township, Red Lake County. Sanderson stated that the original ditch was built by the previous landowners with a gentlemen's agreement. Sanderson stated that one of the current landowners filled in a portion of the ditch without a District permit application. Legal Counsel Sparby stated that if the District determines it's a dike, then a permit would be required for the work completed. It was the consensus of the Board, to authorize Sanderson to work with the two landowners in an effort to come to a consensus and report back to the Board at a later date.

Administrator Jesme and Legal Counsel Sparby reviewed with the Board the changes they made to the Model Watershed District Rules and Guidance Document as it would relate to the District's permitting rules and regulations. Sparby suggested that the Board review the recommended changes for future discussion. Once approved by the Board, this document will be presented to BWSR and if they feel there is a need for a public hearing, they would notify the public. Discussion was held on the TSAC Paper #3 which is a scientific paper drafted for subsurface drainage. Sparby suggested using this paper as a guidance document. .

Discussion was held on representation of landowners on the Pine Lake Area Project Work Team. Administrator Jesme stated that landowner Larry Olson is unable to participate and that Terry Sorenson has indicated that he would be willing to participate. Motion by Coe, seconded by Ose, to replace Olson with Sorenson, on the Pine Lake Area Project Work Team. Motion carried.

Staff member Arlene Novak reviewed the Bond Insurance renewal quote from Allied Insurance in the amount of \$566.00 for \$50,000 of coverage. Novak stated that Bond insurance covers the risk of Employees or Board Members misappropriating funds or property from the District. Novak further stated that the League of Minnesota Cities offers Bond Insurance, from which the

District could purchase \$400,000 in coverage at a cost of \$577 per year. Motion by Knott, seconded by Mandt, to approve the purchase of Bond Insurance through the League of Minnesota Cities at a cost of \$577 per year. Motion carried.

Staff member Arlene Novak discussed the 2014-15 League of Minnesota Cities coverage changes, rates and dividends. Novak stated that the District's property/casualty rates will decrease, but it will have an increase in the Workers Compensation rates. The District will be receiving a dividend within the next several weeks for the property/casualty insurance.

Discussion was held on the purchase and trade-in for one of the District's vehicles. Administrator Jesme stated that the 2011 Chevrolet Silverado 1500 has exceeded 100,000 miles and new tires are needed. Jesme indicated that the District budgeted for a new truck in the 2014 General Fund Budget and wondered if this would be a good time to replace the vehicle. After considerable discussion on the subject, motion by Coe, seconded by Mandt, to approve the solicitation of quotes and give Administrator Jesme the authority to purchase a new vehicle to replace the 2011 Chevrolet Silverado 1500 from the 2014 budget. Motion carried.

The Board reviewed the permits for approval. Motion by Coe, seconded by Ose to approve the following permit for approval with conditions stated on the permit: No. 14231, Benville Township, Beltrami County. Motion carried.

The Board reviewed correspondence from Enbridge Energy for the Line 3 Replacement Project.

Administrators Update:

- Jesme and Manager Knott will attend the RRWMB meeting in Fertile on December 18th. Included in the packet was the November 18, 2014 RRWMB meeting minutes.
- Jesme will attend a Minnesota Public Drainage Manual stakeholders meeting at UMC on December 16th. Included in the packet was the agenda and other information for the meeting.
- An LGU Staff committee meeting for the 1W1P was held on November 26th to review RFP's to hire a consultant as instructed by the Policy Committee. It was determined that additional information was needed to assist with the decision to hire. After the review, it was determined by the LGU staff to hire HDR Engineering, Inc. to assist with the development of the Red Lake River Watershed Plan.
- Included in the packet was a copy of the Cattail Consortium meeting minutes held between the stakeholders for using cattails as a bio-filter to slow down Phosphorus inputs into Lake Winnipeg and progressing to other values specifically the use of cattails as a biofuel in capturing Phosphorus in ash.
- The Clearwater River WRAP Public Forum was held on December 2, 2014 in Clearbrook. Staff members Hanson and Hitt attended along with Managers Coe and Mandt.
- A July 2014 Water Quality Report was included in the packet.

Manager Coe discussed the Clearwater River WRAP public forum he attended along with his neighbor. Coe stated that they both enjoyed the presentation and it was well worth the trip.

Discussion was held regarding the retirement of Staff member Jim Blix. Staff will plan an Open House to follow the December 30th Board meeting.

Albert Mandt discussed his desire to attend the Pine Lake Area Project Work Team meeting to be held on December 19, 2014. Mandt would like to attend to listen to the process and planning of the meeting. Discussion was held that the Board can recess today's meeting until the December 19th meeting to allow all Board Members to attend if they desire to.

Manager Coe stated that he was elected Chairman of the Minnesota Association of Watershed Districts. The first meeting is to be held January 12, 2014. Coe stated that a subcommittee has been formed to complete a succession plan for staff, as Ray Bohn will be tapering off of his duties over the next two years.

Motion by Knott, seconded by Ose, to recess the meeting until December 19, 2014 at 9:30 a.m. to allow the Board to attend the Pine Lake Area Project Work Team to be held at the District Office. Motion carried.



LeRoy Ose, Secretary