

RED LAKE WATERSHED DISTRICT
Board of Manager's Minutes
December 30, 2014

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 Lee Coe, Albert Mandt, Orville Knott, LeRoy Ose and Gene Tiedemann, 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 Ose, seconded by Mandt, and passed by unanimous vote that the Board approve the agenda. Motion carried.

Motion by Coe, seconded by Ose, to dispense reading of the December 11, 2014 Board meeting minutes and approve them as presented. Motion carried.

Motion by Knott, seconded by Mandt, to dispense reading of the December 19, 2014 Board meeting minutes and approve them as presented. Motion carried.

The Board reviewed the Financial Report and Investment Summary dated December 29, 2014. Motion by Tiedemann, seconded by Knott, to approve the Financial Report and Investment Summary dated December 29, 2014. Motion carried. Administrator Jesme discussed three options for terms of investments for future Certificates of Deposits. It was the consensus of the Board to continue investing Certificate of Deposits for a one year maturity date.

Staff member Arlene Novak reviewed the 2014 General Fund Budget as of December 29, 2014. Novak stated that payroll and any outstanding bills prior to year end will be paid. Motion by Coe, seconded by Tiedemann, to approve the 2014 General Fund Budget as of December 29, 2014. Motion carried.

Novak reviewed the proposed Capital Project Fund Transfers as of December 29, 2014. After discussion by the Board, motion by Tiedemann, seconded by Torgerson, to approve the Capital Project Fund Transfers as of December 29, 2014, as proposed. Motion carried.

The Board reviewed the disposal of property list. Motion by Knott, seconded by Mandt, to declare the listed property as surplus and of no value to the District, and to properly dispose of the property listed. Motion carried.

Engineer Nate Dalager, HDR Engineering, Inc., reviewed Pay Estimate No. 6 for construction of RLWD Ditch 15, Project No. 175. Dalager stated that Davidson Construction, Inc. requested a reduction in the retainer held. Dalager stated that Pay Estimate No. 6 reflects the reduction of retainer held from 10% to 3%. The 3% retainer is to assure that the Contractor returns to the project to complete any necessary seeding. Motion by Tiedemann, seconded by Ose, to approve Pay Estimate No. 6 in the amount of \$48,919.02 for construction of RLWD Ditch 15, Project No. 175 with reduction of retainer to 3%. Motion carried.

Engineer Jeff Langan, Houston Engineering, Inc. updated the Board on construction of the Grand Marais Creek Channel Restoration, RLWD Project No. 60F. Langan stated that construction of the project has been suspended for the winter. Langan stated that the project costs are in-line with the original budget. Additional bio-engineering methods for bank stabilization were installed which included additional toe wood sod mats and willow stakes. Langan indicated that all construction to the channel is complete. Langan will request the Contractor to do some clean-up of debris this winter, while there is limited snow at the site. Final construction items in 2015 will consist of additional clean-up, seeding and items listed on the punch list. Langan requested that the Contractor submit a written plan, in January, on how the site will be prepped for seeding and equipment that they intend to use. Deadline for construction is June 2015. Langan recommend a reduction in retainer from 10% to 7.5%. Langan also indicated that if the contractor provides him with a seeding schedule for next spring as well as picking up debris, he would consider recommending another reduction in retainage. Motion by Ose, seconded by Knott, to approve the reduction in retainer withheld for the construction of the Grand Marais Creek Channel Restoration, Project No. 60F, from 10% to 7.5%. Motion carried. Langan reviewed Pay Estimate No. 9 in the amount of \$253,860.57, which includes the requested reduction of retainage. Motion by Tiedemann, seconded by Coe, to approve Pay Estimate No. 9 in the amount of \$253,860.57, to Davidson Construction, Inc. for construction of the Grand Marais Creek Channel Restoration Project No. 60F. Motion carried.

Legal Counsel Sparby reviewed the Indemnification and Hold Harmless Agreement that he drafted up for the installation of railings on the bridges/railroad flat car for the Grand Marais Creek Channel Restoration, Project No. 60F. Discussion as held on if the District should require each landowner to sign the document. Legal Counsel Sparby recommended that if a landowner refuses to sign said document, then the District should proceed with the installation of the railings. Motion by Knott, seconded by Tiedemann, to approve the Indemnification and Hold Harmless Agreement as presented for the Grand Marais Creek Channel Restoration Project No. 60F, and if a landowner is not willing to sign said document, railings will then be installed. Motion carried.

Engineer Jeff Langan, Houston Engineering, Inc. stated that there has been no activity on the Grand Marais Creek Channel Restoration-Diversion Channel, Project No. 60F. The Contractor, R.J. Zavoral and Sons, Inc. would have liked to haul the quarry riprap near the project site this winter but since the adjacent landowner refused to cooperate, it is assumed they will haul next spring. Langan also indicated that working days for this project has been suspended until next spring.

The Board reviewed a Progress Report from Dan Svedarsky, Northwest Research and Outreach Center, University of Minnesota-Crookston regarding Cattail Management for Wetland Wildlife Habitat and the Bioenergy Potential at the Parnell Impoundment, Project No. 81.

Discussion was held regarding changes to the District's Permit Rules and Regulations. Manager Coe reviewed several recommended changes. It was the consensus of the Board to add this item to the January 8, 2014 agenda.

Manager Torgerson stated that he felt the Pine Lake Area Project Work Team meeting went very well, with all parties involved willing to listen to concepts that would help all interests. Administrator Jesme discussed Project Acceleration Grants through the Flood Damage Reduction Workgroup, which could assist in the costs associated with preliminary engineering studies. It was the consensus of the Board, to authorize Jesme to apply for Project Acceleration Grants for both the Pine Lake Area Project Work Team and the Four Legged Lake Project Work Team.

Managers Torgerson and Coe both stated that they felt there could be a potential Flood Damage Reduction sites above Clearwater Lake.

The Board reviewed the Minnesota DNR Dam Safety report for the Parnell Impoundment, Project No. 81.

Administrator Jesme stated that Thibert's Chevrolet in Red Lake Falls was the low quote received for the trade in of the 2011 Chevrolet Silverado 1500 for a 2015 Chevrolet Silverado 1500. Purchase price of new truck which included trade-in, tax, license and accessories totaled \$18,413.02.

Manager Tiedemann stated that he has an interview with the Polk County Board on January 5, 2015, regarding reappointment to his position on the Board.

Administrator's Update:

- Jesme and Manager Knott attended the RRWMB meeting in Fertile on December 18th. The next RRWMB meeting will be held January 13th at the Courtyard by Marriott in Moorhead from 1:00 – 4:00.
- Jesme attended a Focus Group meeting for the Minnesota Public Drainage Manual on December 16th in Crookston. The meeting was helpful in assisting BWSR and their consultants to better focus on the needs of the public as they move into update of this document.
- Jesme participated in a 1W1P meeting with Nate Dalager and Chuck Fritz to discuss logistics for contracts and various other items as we move forward with the development of the Red Lake River Watershed 1W1P.

Manager Knott discussed the drainage dispute between two landowners in River Township, Red Lake County. Knott and Staff Member Loren Sanderson met with one of the landowners and will schedule a meeting in the near future with the land manager for the other property.

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



LeRoy Ose, Secretary