

RED LAKE WATERSHED DISTRICT
Board of Manager's Minutes
January 9, 2014

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

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

Motion by Mandt, seconded by Ose, to dispense reading of the December 30, 2013 Board meeting minutes and approve them as printed. Motion carried.

The Board reviewed the Financial Report and Investment Summary dated January 8, 2014. Administrator Jesme stated that the CD that will mature at Unity Bank North, Red Lake Falls, on January 15, 2014 will renew at .75%. Motion by Coe, seconded by Torgerson, and passed by unanimous vote that the Board approve the Financial Report and Investment Summary dated January 8, 2014. Motion carried.

Beltrami County confirmed the reappointment of Manager Coe to another 3-year term on the Board.

Election of officers was conducted with President Nelson turning the meeting over to Vice President Gene Tiedemann.

Manager Tiedemann called for nominations for president. Manager Ose, nominated Dale M. Nelson. Upon calling for further nominations three times, no further nominations were made. Motion by Knott, seconded by Torgerson, for nominations to cease, and that the secretary cast a unanimous ballot for Dale M. Nelson for president of the Board. Motion carried.

Vice President Tiedemann turned the meeting over to President Nelson to conduct elections for the remaining Board positions.

Nominations were opened for vice-president. Manager Coe nominated Gene Tiedemann. Upon calling for further nominations three times, no further nominations were made. Motion by Mandt, seconded by Ose, 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 nominated LeRoy Ose. Upon calling for further nominations three times, no further nominations were made. Motion by Coe, seconded by Tiedemann, 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 Tiedemann 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.

President Nelson reviewed the Advisory Board members. It was noted to remove Don Barron, deceased, and Gilbert Weber as he no longer lives in Burnham Creek area from the Advisory Committee. Manager Torgerson recommended seeking advisory members in the Pine Lake Area as there may be some work done in the area in the future. Motion by Ose, seconded by Coe, to approve the Advisory Committee members with the recommended changes. Motion carried.

The position of Delegate and Alternate to the Red River Watershed Management Board (RRWMB) was discussed. Manager Knott is currently serving his first year of a 3-year term, with Manager Ose as the Alternate. Motion by Coe, seconded by Mandt, for Knott to remain as the Delegate and Ose, to remain as Alternate to the RRWMB. Motion carried.

Delegates and Alternate to the Minnesota Association of Watershed Districts were discussed. Motion by Mandt, seconded by Torgerson, 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 Knott, seconded by Tiedemann, 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 Knott, seconded by Tiedemann, to appoint Managers Nelson, Coe and Tiedemann to serve on the Budget/Salary Committee. Motion carried.

It was the consensus of the Board that the recently appointed Tile Drainage Committee members consisting of Managers Knott, Tiedemann and Coe, shall remain as is.

The Board discussed representatives on the Grand Marais Creek Joint Powers Board. A motion was made by Coe, seconded by Mandt, 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 Coe, seconded by Torgerson, 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 2014.

A motion was made by Mandt, seconded by Tiedemann, 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 Conflict of Interest policy was reviewed and each Board member was requested to sign the Conflict of Interest policy and return it to staff member Arlene Novak.

The Consideration of Fraud in a Financial Statement Audit request from the 2013 Auditors Brady Martz was reviewed and discussed extensively by the Board. It was the consensus of the

Board to submit their comments and Legal Counsel Delray Sparby will meet with staff and compile answers to the questions and the request will be presented to the Board at the January 23, 2014 meeting.

Administrator Jesme stated that the Thief River Hydrologic Simulation Program-FORTRAN Model had previously been submitted to the Board in an electronic format and if they wished to have a printed copy to notify the office.

The 2013 MN Viewers Association dues request was submitted to the Board. Motion by Knott, seconded by Tiedemann, and passed unanimously that the RLWD submit annual dues in the amount of \$125 to the MN Viewers Association.

Correspondence from the Minnesota Power-Great Northern Transmission Line was reviewed by the Board.

The notification of the proposed City of Bagley water and sanitary sewer system improvement correspondence from Widseth Smith Nolting was reviewed by the Board.

Staff Loren Sanderson presented three after-the-fact permits from Pederson Brothers, RLWD Permit Nos. 14001, 14002, and 14003. Permit Nos. 14001 and 14003 for culvert installation have been reviewed and approved by Winsor Township. Winsor Township did not approve Permit No. 14002, for excavation of the ditch system. Sanderson recommended that this permit be addressed in the spring of 2014. Since this is the second violation of applying for after-the-fact permits, discussion was held on adhering to the \$500 penalty rule set in the RLWD Rules and Regulations. Motion by Tiedemann, seconded by Knott, to approve Permit No. 14001 and 14003, contingent upon payment of a one-time after-the-fact permit fee of \$500. Motion carried with Torgerson abstaining.

Motion by Tiedemann, seconded by Coe, to table Permit No. 14002, Pederson Brothers until conditions allow for the inspection of the ditch system, 60 days, or longer, if agreed to by Pederson Brothers. Motion carried with Torgerson abstaining.

Administrators Update:

- Jesme and Manager Knott will attend the RRWMB meeting in Ada on January 21, 2014.
- Jesme was asked by MAWD to represent Watershed Districts in the upcoming One Watershed One Plan (1W1P) organizational meeting concerning BWSR's implementation of 1W1P. Most of the meetings will be held via computer or telephone conference.
- The Red River Basin Commission conference will be held January 14-16, 2014.

It was the recommendation of the Board to invite tiling contractors, drainage experts, etc. to the next Tile Drainage Committee meeting that will be held following the January 23, 2013 Board meeting.

In addition to his report, Administrator Jesme stated the Manager's Handbook is out-of-date and wishes to have staff update it. It was the consensus of the Board to direct Administrator Jesme to complete the update.

Discussion was held on flood Damage Reduction Projects in the RLWD (20%), as well as another potential site, and the inclusion of new and current Advisory Committee members in the process. The Retention Committee has an upcoming tour of potential sites and will review the recommended sites.

Motion by Knott, seconded by Tiedemann, to adjourn the meeting. Motion carried.



LeRoy Ose, Secretary