

RED LAKE WATERSHED DISTRICT
Board of Manager's Minutes
August 27, 2015

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 Dale M. Nelson, Orville Knott, Les Torgerson, Lee Coe, and LeRoy Ose. 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 Torgerson, seconded by Knott, and passed by unanimous vote that the Board approve the agenda. Motion carried.

Motion by Knott, seconded by Ose, to dispense reading of the August 13, 2015 Board meeting minutes and approve as printed. Motion carried.

The Board reviewed the Financial Report and Investment Summary dated August 26, 2015. Motion by Torgerson, seconded Ose, to approve the Financial Report and Investment Summary dated August 26, 2015. Motion carried. Discussion was held as to whether the Board should consider purchasing several Certificate of Deposits (CD). Staff member Arlene Novak presented quotes she solicited for the purchase of a CD from various financial institutions. Discussion was held on the availability of securities. It was the consensus of the Board, to purchase a 24 month CD from Edward Jones, Agent Vanessa Martell; an 18 month CD from American State Bank, Erskine; and a 12 month CD from Ultima Bank, Fosston. Novak will confirm the required amount of securities with the financial institutions.

The 2016 Proposed Special Revenue Project levies were presented by Staff member Arlene Novak and discussed by the Board. Questions of different ditch systems were fielded. Motion by Coe, seconded by Ose, to approve the following Special Revenue Assessments for 2016: RLWD Ditch No. 3, RLWD Project No. 7, \$5,000; State Ditch No. 83, RLWD Project No. 14, \$50,000; Pine Lake Maintenance, RLWD Project No. 35, \$3,000; RLWD Ditch No. 8, RLWD Project No. 36, \$9,000; J.D. No. 72, RLWD Project No. 41, \$5,000; Burnham Creek, RLWD Project No. 43B, \$50,000; Wild Rice Allocation, RLWD Project No. 45, \$9,000; J.D. 2, Branch A & B, RLWD Project No. 48, \$1,000; J.D. 2B, RLWD Project No. 49, \$2,000; J.D. 4, RLWD Project No. 101, \$500.00; Winsor-Hangaard, RLWD Project No. 113, \$6,000; Polk County Ditch Improvement, RLWD Project No. 119, \$7,000; Scott Baatz Petition, RLWD Project No. 123, \$1,000; Polk County Ditch 33, RLWD Project No. 135, \$2,500; RLWD Ditch No. 10, RLWD Project No. 161, \$3,000; RLWD Ditch No. 12, RLWD Project No. 169, \$15,000; and Improvement to Pennington County Ditch 1, RLWD Project No. 171, \$3,000. Motion carried.

The Board discussed the Permits Rules and Regulations hearing held on August 13, 2015. Legal Counsel Sparby stated that notices may need to be filed with counties/auditors offices, and a summary form for publication. Motion by Coe, seconded by Knott, to adopt the Permit and

Rules and Regulations effective September 30, 2015 to allow time for publication and filing.
Motion carried.

Staff member Nick Olson stated that four side water inlet culverts with traps will be installed on State Ditch. 83, RWLD Project No. 14 located in Section 32, East Valley Township, Marshall County. 75% of the cost will be paid for through the Marshall County SWCD, with the remaining costs assessed to the ditch system. Installation of the pipes should be completed within the next several weeks. With high summer water levels and Agassiz National Wildlife Refuge currently releasing water, no cleaning will be done on the system this year. Olson stated that mowing along the ditch system was completed the first week of August.

Staff member Nick Olson stated that mowing on the District ditch systems has virtually been completed with some minor mowing continuing.

Administrator Jesme reviewed an Amended memorandum of Agreement with the Clearwater SWCD for the JD 72 Ditch Stabilization Project, RLWD Project No. 164. Jesme stated that the SWCD will provide 75% of the cost, up to a maximum cost share of \$61,875, and \$16,500 for buffer strip establishment along 1 ½ miles of the system. The District will fund the remaining 25% using our Project 164 Erosion Control funding. Motion by Coe, seconded by Ose, to approve the Amended Memorandum of Agreement between the District and the Clearwater SWCD. Motion carried.

The Board discussed making a Final Payment to Wright Construction of Thief River Falls, Inc. for construction of the JD 72 Ditch Stabilization Project, RLWD Project No. 164. Administrator Jesme stated that the Clearwater SWCD is unable to pay Wright Construction of Thief River Falls, Inc. for construction of the project until they receive their funding from the State of Minnesota. Jesme requested of the Board, that the District pay the Contractor with the understanding that the District will be reimbursed by the Clearwater SWCD upon their receipt of State funding. Motion by Knott, seconded by Torgerson, to approve the Final Pay Estimate in the amount of \$82,816.80 to Wright Construction of Thief River Falls, Inc. for construction of the JD 72 Ditch Stabilization Project, RWLD Project No. 164, with said payment to be reimbursed according to the Memorandum of Agreement between the District and the Clearwater SWCD. Motion carried.

At 9:30 a.m., the final payment hearing for Davidson Construction, Inc. concerning the construction RLWD Ditch 15, RLWD Project No. 175 was called to order. 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. The hearing was closed. Motion by Torgerson, seconded by Knott, to approve the final payment in the amount of \$39,287.43 to Davidson Construction, Inc. for the construction of RLWD Ditch 15, RLWD Project No. 175. Motion carried. The hearing was videotaped and is on file at the RLWD office.

Engineer Nate Dalager, HDR Engineering, Inc. presented the Pine Lake Concept Feasibility Report, RLWD Project No. 26 to the Board. Dalager discussed the landowner meeting that was held on August 17, 2015, stating that there was some opposition and concern. Manager

Torgerson questioned whether site C1 should be abandoned, with Sites D, E and F still in discussion. Dalager stated that not all the sites are on the same channel. Sites D and E are in the same watershed with Site F on a different watershed. Manager Coe asked if it would help to meet with landowners one on one to help them better understand the project concept and how it would affect their property. At the Landowners' meeting payments received by the pipeline were discussed. A meeting will be held on September 3rd with staff from the NRCS to initiate the PL566 funding process for both the Pine Lake Project, RLWD Project No. 26 and Four Legged Lake Project, RLWD Project No. 102A. Once a contract is signed with the NRCS, those can be used to assist in the funding of engineering and design.

At 9:40 a.m., President Nelson recessed the District Board meeting to allow for the Grand Marais Creek Joint Powers Board meeting to call their meeting to order to hold the Final Payment Hearing regarding Davidson Construction, Inc. for construction of the Grand Marais Creek Channel Restoration Project, RLWD Project No. 60F. The final payment pending is in the amount of \$96,541.48.

President Nelson re-convened the District Board meeting.

Further discussion was held on the potential for NRCS funding for the Pine Lake Project, RLWD Project No. 26 and Four Legged Lake Project, RLWD Project No. 102A. Discussion was held about possible permitting requirements. Engineer Nate Dalager stated that he foresees the Pine Lake Project taking 3-5 years for construction completion, if a proposed project were to be established, with the Four Legged Lake proposed project potentially sooner, if established. Discussion was held on the NRCS PL566 funding process. Administrator Jesme stated that if these proposed projects ultimately qualify for PL566 funding, the NRCS will pay for 70% of the pre-engineering, with the remainder to be paid by the District. Expenses cannot be incurred until the contract documents are signed with the NRCS. Motion by Torgerson, seconded by Knott, to authorize Administrator Jesme to sign the agreement with the NRCS to implement the funding for pre-engineering for the proposed Pine Lake Project, RLWD Project No. 26 and the proposed Four Legged Lake Project, RLWD Project No. 102A. Motion carried.

At 10:00 a.m., President Nelson recessed the District Board meeting to allow for the Grand Marais Creek Joint Powers Board meeting to call their meeting to order to hold the Final Payment Hearing to R.J. Zavoral & Sons, Inc. for construction of the Grand Marais Creek Channel Restoration Project-Phase 2-Diversion Structure, RLWD Project No. 60F. The final payment pending is in the amount of \$12,083.68.

President Nelson re-convened the District Board meeting.

Engineer Jeff Langan, Houston Engineering, Inc. reviewed a cost breakdown and final project funding for construction of the Grand Marias Creek Channel Restoration Project, RLWD Project No. 60F. Langan stated that the Final Project Cost was \$6,183,092, with current total available of \$5,930,267, for a total additional funding to consider in the amount of \$252,825. Administrator Jesme questioned whether the Board would like him to request additional reimbursement from the RRWMB towards the \$252,825 additional funding needed. Jesme indicated that if the District pays the remaining balance, it would be very close to a 50/50 cost share in funding between the Red Lake Watershed District and the Red River Watershed

Management Board. Motion by Knott, seconded by Coe, that the District would pay the remaining balance of \$252,825. Motion carried.

Further discussion was held on the Pine Lake Project, RLWD Project No. 26 and Four Legged Lake Project, RLWD Project No. 102A. Engineer Nate Dalager stated that a Four Legged Lake Project Team meeting was held on August 21st, where details were tentatively agreed upon for elevations and structures. Two operable structures are being proposed, which would meet the needs of the Clearwater County Highway Department. With the potential funding access through the NRCS, consideration of holding a hearing for the project will be given in the near future. Legal Counsel Sparby recommended that the Board initiate a project, appoint the engineer and direct the engineer to complete the final plans and specifications. Motion by Torgerson, seconded by Coe, to initiate the Four Legged Lake Project, RLWD Project No. 102A, appoint Engineer Nate Dalager, HDR Engineering, Inc. as the Engineer for the project and direct him to move forward with the final Plans and Specifications upon notification of an executed agreement between the District and the NRCS. Motion carried. Manager Torgerson requested that Dalager provide him with a drawing of how the project will affect a landowner that is currently using the Four Legged Lake system for crop irrigation.

Administrator Jesme discussed the Altered Hydrology Tool Development Grant that the International Water Institute (IWI) has applied for through the Board of Water and Soil Resources (BWSR). This grant will help further develop a tool within the PTMApp that will measure on channel stream erosion as well as measuring downstream effects. If this grant is approved it has been determined that we would focus on the Red Lake River Watershed in conjunction with the development of the Red Lake River 1W1P. Jesme stated that the grant is in the amount of \$207,000, with the IWI asking for approximately five organizations to help contribute \$15,000 each towards the grant. The District would be allowed to do some in-kind work towards the \$15,000. Engineer Jeff Langan stated that the PTMApp tool will allow the District to go out into our watershed and help to quickly quantify things that can be used in future grant applications in prioritizing sites. Motion by Coe, seconded by Ose, to approve a \$15,000 cash/in-kind contribution towards a grant through the BWSR for the development of the PTMApp for the Red Lake River 1W1P, RLWD Project No. 149. Motion carried.

Administrator Jesme and Engineer Jeff Langan, Houston Engineering, Inc., stated that the NRCS pulled funding for repairs on the Odney Flaot Impoundment. Langan stated funding through the NRCS is appreciated, but it also required additional detail requirements as part of the design process. Langan stated that approximately 80% of the engineering is complete, with the potential of construction in the Fall of 2015. Motion by Knott, seconded by Torgerson, to authorize Engineer Jeff Langan, Houston Engineering, Inc., to complete the Plans and Specifications for repairs to the Odney Flaot Impoundment, and to report back to the Board with an approximate cost of the project. Motion carried.

The Board reviewed a letter from the Department of Natural Resources regarding the inspection of the Schirck Dam, RLWD Project No. 25.

The Board reviewed an agreement between the District and the Clearbrook-Gonvick Independent School District for the River Watch Program. Motion by Coe, seconded by Torgerson, to

authorize President Nelson to sign the River Watch Agreement with the Clearbrook-Gonvick Independent School District. Motion carried.

Discussion was held on nuisance beaver removal expenses on District projects. Administrator Jesme stated that currently the District pays local trappers \$40 per beaver, for the removal of nuisance beaver in District projects. Jesme stated that it is harder to find trappers, as it is not worth their time for the amount they are paid. Jesme stated that the District could pay mileage or choose to increase the amount of the bounty in order to secure more trapper's services. The District's current policy requires the trapper to provide the tip of the beaver tail, prior to reimbursement. Motion by Ose, seconded by Knott, to raise the bounty fee from \$40 per beaver, to \$75 per beaver, for the removal of nuisance beaver on District projects. Motion carried. Jesme said that all costs are assessed back to each project.

The Board reviewed a renewal quote from ESRI for District Staff to a GIS Technical Help Desk in the amount of \$1,334.38. Motion by Torgerson, seconded by Knott, to approve the renewal quote from ESRI in the amount of \$1,334.38 for a GIS Technical Help Desk access. Motion carried.

The Board reviewed information regarding the development of the Erskine Wellhead Protection Program.

The Board reviewed the 2015 MAWD Annual Meeting Resolution Process and Time Line.

Motion by Knott, seconded by Ose, to approve a one year permit extension for Permit No. 14137, Randy Weiss, Lake Pleasant Township, Red Lake County. Motion carried. The expiration date will be September 10, 2016.

The Board reviewed the permits for approval. Motion by Torgerson, seconded by Ose, to approve the following permits with conditions stated on the permit: No. 15100, Badger Township, Polk County; No. 15101, Mike Tiedemann, Belgium Township, Polk County; No. 15102, Mike Tiedemann, Sanders Township, Pennington County; No. 15103, Tim & Jewel Fultz, Rocksbury Township, Pennington County; No. 15104, Lawrence Berberich, Poplar River Township, Red Lake County; No. 15105, Parnell Township, Polk County; No. 15107 and 15109, Brent & Don Strickler, Euclid Township, Polk County; No. 15108, Euclid Township, Polk County; No. 15110, Lessor Township, Polk County; and No. 15111, Gene Trontvedt, Mayfield Township, Pennington County. Motion carried.

Administrator's update:

- Jesme and Manager Knott attended the RRWMB on August 18th in Fertile. Included in the packet was the RRWMB meeting minutes from June 16, 2015 and July 21, 2015.
- A Red Lake River 1W1P Planning meeting will be held on September 9th at the District office. The TAC will meet at 9:30 a.m., followed by the CAC/Policy Committee meeting at 1:00 p.m.
- Jesme and Staff Members Olson and Sanderson along with staff from the West Polk County SWCD met on August 25th, concerning head cutting which is occurring on a natural channel downstream of Polk County Ditch #63, RLWD Project No. 134. District staff will survey the project area, and the SWCD will contact JPE Jim Hest for review

and to determine a probable cost for repair. The SWCD will investigate grant opportunities.

- District staff and Engineer Dalager, HDR Engineering, Inc., will participate in a meeting on September 3rd with NRCS staff for potential PL566 funding for the Pine Lake and Four Legged Lake proposed Projects.
- Included in the packet was the July 2015 Water Quality Report.

Administrator Jesme stated that he and Arlene Novak are working with Polk County to provide final costs related to the Bond for the construction of RLWD Ditch 15, RLWD Project No. 175. Jesme stated that in accordance to statutes, where both damage and benefits were determined and benefits to a property owner exceeded damages, the ditch authority will not pay damages, but such damages would be deducted from benefits assessed against the property owner. Jesme indicated that when damages exceeded benefits, checks were issued to landowners for the remainder of the balance. Polk County has suggested that the District pay all damages to the landowners, but Jesme indicated that there would be an issue with cash available and where it would come from. Legal Counsel Sparby stated that the statutes protects the District and the legal drainage system should a specific landowner get paid for damages then default on their lien assessment, leaving a deficit in balance owed.

Manager Knott stated that Ron Harnack will be stepping down as the Project Coordinator for the RRWMB in 2016, and that it appears that Chuck Fritz will take over his duties.

Motion by Ose, seconded by Coe, to adjourn them meeting. Motion carried.



LeRoy Ose, Secretary