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BUFFALO-RED RIVER WATERSHED DISTRICT

BARNESVILLE, MINNESOTA 56514

114 FRONT STREET SOUTH

MINUTES FOR MANAGERS' MEETING **February 27, 2012**

The Board of Managers, Buffalo-Red River Watershed District (BRRWD), held a regular meeting on Monday, February 27, 2012, at 7:00 PM in the Barnesville office. BRRWD Managers present were Breanna L. Paradeis Kobiela, Roger G. Ellefson, Curtis M. Nelson, and John E. Hanson. Others attending included: Bruce E. Albright, BRRWD Administrator, Erik S. Jones, Engineer, and Julie Jerger, Resident Secretary, Houston Engineering, Inc. (H.E.); and Mona Barker, BRRWD Administrative Assistant.

Vice Chairman Paradeis Kobiela called the meeting to order at 7:00 PM. She announced that the proceedings were being recorded to aid in preparation of the minutes.

Secretary's Report. The Board reviewed draft minutes for the 11/14/11 and 2/13/12 regular meeting minutes. Paradeis Kobiela noted corrections to the 2/13/12 minutes. **Motion** by Nelson to approve the minutes, subject to correction. **Seconded** by Hanson. **Approved.**

Treasurer's Report. The Board reviewed the BRRWD's financial status and current funding shortfall. Since the 2/13/12 meeting we have received \$240,882.87, and cash on hand is \$141,481.32. The total of tonight's bills is \$390,508.09, so Albright will work with Midwest Bank to draw on our operating loan. The office will prepare pay requests to the Minnesota Department of Natural Resources (DNR) for reimbursement for Georgetown project house buyouts scheduled later this week.

Other business brought before the Board included:

Permit No. 11-149, Spring Prairie Colony. Applicant proposes to install pattern tiling in Sections 2 and 12, Deerhorn Township, and Section 7, Atherton Township, Wilkin County. The project will outlet to Wilkin County Ditch No. 13 and the South Branch of the Buffalo River. The office is currently waiting for a drainage plan from the applicant.

Minch Lawsuit. Based on attorney/client privilege, and in accordance with Open Meeting Law, the Board went into closed session at 7:17 PM to discuss the status of this issue. At 7:23 PM, the Board reopened the meeting.

Permit Software. Albright plans to schedule a special Board meeting with Brian Fischer, Maple Grove H.E., to review a permit data management software suite.

Rodke Channel Restoration. Clay Soil and Water Conservation District (SWCD) is working with Steve Rodke to install a proposed intermittent stream re-routing project in Section 32, Eglon Township to restore a DNR protected waterway where erosion has created a new channel. The Board reviewed the project plans.

Ryan Nelson EQIP Bank Stabilization. The Board briefly discussed an Environmental Quality Incentives Program (EQIP) erosion control project in Section 3, Kragnes Township, Clay County, on a field outlet to the Buffalo River. The Board reviewed the project plans.

Project No. 73, Country Heritage Ditch. The office forwarded the project petition to Oakport Township for their signature. The Township will be meeting on 3/16/12. They plan to sign and submit the petition to the BRRWD.

Project No. 72, Wilkin County Ditch No. 22, Lateral No. 3-Improvement. The BRRWD held the Preliminary Hearing on 2/16/12. The Board approved the Preliminary Order to move forward with the project at the hearing. Jones filed the Detailed Survey Report at tonight's meeting. The agency comments we received at the hearing were included in the Report. The Appraisers will meet on Thursday to continue their work on this project.

Project No. 70, Crystal Creek/McCann's Addition. Jones reported on the status of his preliminary investigation for the flood protection project for the Crystal Creek area/McCann's Addition. He will have the cost estimate ready for the 3/12/12 meeting. The Appraisers will assess the project costs. The Board briefly discussed other properties that could potentially be protected from flooding in this project area. After the Appraisers file their report, the Board will schedule a hearing.

Project No. 68, Lake Jacobs Outlet. As soon as the Appraisers review the questions raised at the 9/08/11 hearing and complete their work, the Board will continue the hearing and can make the Final Order. Due to downstream icing concerns, H.E. stopped the project on 2/03/12. The lake elevation on 2/14/12 was 1308.11. Jones noted that the lake hasn't bounced since H.E. stopped the project.

Project No. 67, HRBP Outlets. The final hearing has been scheduled for Monday, March 19, 2012, at 7:00 PM, in Hildebrand Hall, Assumption Catholic Church, Barnesville. The office will prepare the hearing notices.

Ellefson suggested that to save money, we could consider finding a smaller, less expensive meeting venue for hearings that might have smaller audiences instead of paying \$200/meeting for Hildebrand Hall.

Project No. 66, Tansem/Ranum Lakes Outlet. The office has sent a billing to Wynne Consulting for reimbursement for the Hersch home buyout. Clay County will list the house on their Website along with the County's March auction properties. If the structure doesn't sell, we may be able to offer the structure to local fire departments for training. The Hersches have moved to their new house, and they have completed their salvage efforts.

Project No. 65, County Line Outlet. The Final Hearing is scheduled for Thursday, March 15, 2012, at 7:00 PM, in Hildebrand Hall, Assumption Catholic Church, Barnesville. The hearing notice will be mailed this week. Jones will check with Larry Martin, United States Fish and Wildlife Service (USFWS), on the status of his review of the Operation and Maintenance (O&M).

Project No. 64, LaBelle/Boyer Lake Outlets. Becker County notified Albright that the Minnesota Department of Transportation (MNDOT) hasn't paid their 2011 project assessment. Albright will forward information that MNDOT requested regarding the project and their assessment (approximately \$65,000).

Project No. 61, Clay County Ditch No. 11. After receiving the letter our attorney, John Boulger, sent to him on 1/27/12, Marie Leseth forwarded a check for their full share of the culvert costs for their farmstead access road.

Project No. 56, Manston Slough Restoration. Albright reported that H.E.'s survey crew was on site last week and completed their work. H.E. is now working on the easement drawings. The Board discussed the status of the easement acquisition and the 2012 state bonding bill. Albright reported that Minnesota Board of Water and Soil Resources (BWSR) and the Natural Resources Conservation Service (NRCS) are still in

the process of determining if they can provide funding from the Wetlands Reserve Program (WRP) and Reinvest In Minnesota (RIM) for the project. With this additional money (\$682,365), the state funding level would be at 75%.

Project No. 50, Cromwell Township Outlet. Albright reported that landowner Koby Pennick called to thank the BRRWD for the project. He said that the area water levels have receded, and Cromwell Township will be ready to raise Cemetery Road this spring with help from the Federal Emergency Management Agency (FEMA). Albright noted that the project operation and drier weather this fall/winter combined to help lower the area wetland elevations. Wade Opsahl, Technician, H.E., plans to work with the Appraisers to wrap up their Report in the next few weeks regarding questions raised at the project hearing on 8/30/10.

Project 49, Oakport Flood Mitigation. The Board reviewed worksheets detailing budgets for DNR and local funding contributions. To complete the existing contracts for the project, we will need \$999,443.86 from the DNR. We will need approximately \$4,940,000 to complete Phase 4. Albright explained the local share of the costs for the existing contracts is \$217,882.34. The current project account is negative \$265,890.09. The total local funding needed to match the current DNR financial commitment to the project is \$483,772.43. Opsahl anticipates approximately \$167,000 from FEMA for the 2011 flood damage claims. With the 2012 project assessment (\$75,000) and various miscellaneous income and house/garage sales, Albright anticipates that we will need to raise approximately \$220,000 in local funds to finish construction. The Board discussed the local assessment for a possible annual \$100,000 levy or bond sale to help pay the local share. Albright will send this information to our State Legislators. Kris Carlson, Ulteig Engineers, Inc. (UEI), will be ready to go to bid on Phase 4 in April 2012. The Board questioned if we should wait until we have funding before we go to bid or if it would be helpful to know the actual cost of the final phase. The Board agreed to discuss this issue with the Legislators at the Minnesota Association of Watershed Districts (MAWD) Legislative Reception to be held March 7-8, 2012, in St. Paul.

Project No. 39, Georgetown Levee-Improvement. Rick St. Germain, Engineer, H.E., has completed the easement drawings, and Gabe Bladow, Project Manager, H.E., will distribute the easement options this week. The Board discussed the status of the appraisal process. Appraisers are working on their Report. Opsahl has taken the Report as far as he can and is waiting until St. Germain provides the final dike alignment.

Project No. 38, Ringdike. Albright reported that the office is current with the landowner billings, except for the Jason Wang EQIP ringdike. We have requested approximately \$17,000 for the Wang ringdike from the Red River Watershed Management Board (RRWMB), who has funding left over from 2011 and funding they received from BWSR.

Albright explained that we have set up the Anderson Acres and Kragnes Ringdikes as separate project accounts. This way, if there are maintenance expenses for these projects, the costs can be assessed to the benefited landowners, instead of the general Farmstead Ringdike account.

Project No. 32, Hawley EDA Diversion. Nelson and Ellefson visited recently with John Young, Jr., City of Hawley, regarding the repair of the deteriorated concrete pipe. Currently, the Board feels that the four parties who are willing to participate should solicit bids from a contractor to repair the deteriorated pipe this spring. Jones is working on the repair specifications with Hancock so that we could advertise for bids this spring. The Board discussed repair options. When the Appraisers finalize their Report, the Board will schedule a continuation of the 8/30/10 Final Hearing.

Project No. 29, Buffalo River Log Jams. Landowner Casey Leach has requested that the Board consider authorizing Gust Johanson, G&G Farms, Inc., to remove a log jam on his property, which was one of the

sites H.E. listed on their original 2010 log jam study. The Board reviewed photographs of the referenced log jam and discussed the proposal. Johanson submitted a \$5,200 bid to work on the Leach property (SB10). **Motion** by Hanson to accept Johanson's bid of \$5,200 for removing the log jam at Site SB10. **Seconded** by Ellefson. **Approved.**

Project No. 19, Becker County Ditch No. 21. Jones has completed the DNR permit application to clean a portion of the Buffalo River downstream of Becker County Ditch No. 21 outlet. The Board discussed developing a larger project for this area. The Board decided that Albright and Manager Hanson should schedule a meeting with the affected landowners to discuss the proposed project before Jones submits the application.

Mediation Project Team (PT). The next PT meeting is scheduled for 3/22/12 at the MSUM Science Center. St. Germain and Brenda Elmer, Project Coordinator, Red River Basin Commission (RRBC), will make presentations regarding the RRBC's Long Term Flood Control Solutions (LTFS).

14th Annual Red River Basin Flood Damage Reduction Work Group (RRBFDRWG) Conference. The RRBFDWRG/RRWMB Annual Conference is scheduled for March 13-14, 2012, at the Moorhead Marriott Conference Center. Albright provided the Managers with conference agendas.

Watershed District Enlargement. BWSR held a hearing on 2/23/12 in Barnesville to review a Petition, submitted by Otter Tail County, Wilkin County, and the BRRWD, to enlarge the BRRWD to include the central part of Wilkin County and parts of western Otter Tail County and to increase the number of Managers from 5 to 7. The Board reviewed Albright's summary of the hearing discussion concerning the options for increasing the number of Managers. One option could increase the number of Managers from 5 to 7, with Otter Tail County getting one representative. **The second representative, who would be appointed by Clay County,** and could come from Clay or Wilkin County. Discussion at the hearing was that this might to be the simplest solution, favored by some of the hearing attendees. The Board had an extended discussion regarding Manager appointments. Ellefson wanted the Board to approve a resolution that the Petition should state that Wilkin County would appoint the Wilkin County Manager. He didn't feel that Clay County should have the right to appoint a Manager from another County. **Albright pointed out that the Petition calls for increasing the number of Managers, but it does not specify which County would appoint them.** According the Minnesota Statutes Annotated (M.S.A.) 103D.301, Sub. 1, if more than one county is affected by a watershed district, BWSR must appoint Managers distributed by "residence" among the Counties affected by the watershed district. He added that all the petitioners must approve any changes to the Petition language unanimously. Ellefson said he had assumed that Otter Tail and Wilkin Counties would appoint their own Managers. He felt that BWSR should know how the BRRWD Managers feel about the appointment. Paradeis Kobiela noted that she felt that Ellefson and Nelson made their positions regarding county Manager appointments quite clear at the hearing. After further discussion, the Board agreed that individual Managers could submit their own comments to BWSR regarding this issue.

The Board also reviewed a worksheet comparing the existing watershed to the enlarged watershed tax values, drainage area, and population. In the proposed new Watershed District, Clay County would have 72.7% of the land value (\$40,710,504), 44.1% of the drainage area, and 82% of the population. Wilkin County would have 15.9% of the land value (\$8,893,158), 30.6% of the drainage area, and 7.5% of the population. Becker County would have 8.7% of the land value (\$4,860,120), 16% of the drainage area, and 8.4% of the population. Otter Tail County would have 2.7% of the land value (\$1,496,598 estimated), 9.1% of the drainage area, and 2.1% of the population.

Clay County Ditch No. 32 Repair. Jones presented the results of his investigation for the repair or improvement of County Ditch No. 32 with his recommendations. The ditch begins near Sabin, MN in the NE¼, Section 18, Elmwood Township, and travels west along County Road (C.R.) No. 67 for

approximately 6.2 miles before outletting in the Red River. A limited repair to remove sediment to provide protection for a 5-year event would cost approximately \$50,000-\$65,000. With the installation of bufferstrips and side inlets, the repair costs would increase to \$234,500 to \$249,500. A Clean Water Fund (CWF) grant might be available this fall to help cover the costs of the inlets and bufferstrips. An improvement project to increase the ditch capacity to handle a 10-year event would cost approximately \$1,125,000 to \$1,225,000. A landowner petition would be needed to initiate further investigation for an improvement project. Landowners have requested information so that they could decide if the project should be a ditch repair or an improvement. The BRRWD would like to schedule a landowner informational meeting before spring fieldwork starts.

Hawley Buffalo River Restoration. Jones submitted an FDR Grant application for 50% funding for the Buffalo River Restoration project in the City of Hawley. Pat Lynch, Financial Coordinator, DNR Waters, has indicated that funding is not currently available. He asked for further information regarding the project for future reference. If approved, the grant would have been used to analyze the levees on the north side of Trunk Highway (T.H.) No. 10.

COE F-M Diversion. The Army Corps of Engineers (COE) is interested in the Hawley Buffalo River Restoration project as a possible mitigation site for the proposed Fargo-Moorhead Diversion Project. The Board discussed this possibility last week with John Young, Jr., Hawley City Council.

Anderson Wetland Restorations. All four landowners have signed their easement options. The abstracts have been forwarded to Attorney Corey Elmer, Vogel Law Firm, for review. Albright suggested that H.E. could stake the sites this spring, so landowners wouldn't crop the areas. Hopes are to start the work as soon as weather conditions permit. Albright will notify Mark Aanenson, H.E., to start the wetland banking process.

Wolverton Creek/Comstock Coulee Clean Water Fund (CWF). Albright suggested that the BRRWD schedule another Steering Committee informational meeting in the near future.

PRAP. The Managers are working on the BWSR Performance Review and Assistance Program (PRAP) report. Albright provided the Managers with an instruction handout so they can complete the report and a sheet with the taxing districts' proceeds, showing their total annual levies. Albright also provided copies of our draft Public Data Request Policies for the Board's review. Albright hoped we would have time at the 3/12/12 meeting to finish the PRAP questionnaire.

WRP/RIM Program. Manager Hanson and Albright plan to meet with the landowners associated with the Reep Lake site in Becker County to discuss possible participation in the program.

MAWD Legislative Breakfast. MAWD has scheduled their annual Legislative Breakfast and Day at the Capitol for March 7-8, 2012. The office mailed invitation to our local Legislators. A number of the Legislators have already returned their RSVP.

Albright noted that the BRRWD has a meeting scheduled with Representative Morrie Lanning on 3/08/12 in his office. The Board discussed Representative Lanning's decision not to submit the BRRWD's request for our administrative levy increase, based on the Board's 2/13/12 vote not to rejoin the RRWMB.

New Office. The Board had an extended discussion regarding funding alternatives. Carolyn Drude, Ehlers Associates, submitted a proposal for a BRRWD bond sale to finance the building project. We could send Requests for Proposals (RFPs) for a bond sale or for a standard local bank loan. Albright and VanAmburg have already discussed financing options with a State Bank of Moorhead representative.

Aquatic Invasive Species (AIS) Summit. The Becker County Coalition of Lakes sent the BRRWD a Thank You note for our \$150 contribution to co-sponsor the 2012 AIS Legislative Summit, held on 1/14/12 in Detroit Lakes.

Project No. 46, Turtle Lake Outlet. Opsahl submitted a \$2,500 quote to replace the siphon compressor for the Turtle Lake siphon. **Motion** by Nelson to approve the expenditure. **Seconded** by Hanson. **Approved.** Jones reported that Turtle Lake is currently at elevation 1361.82, and Long Lake is at elevation 1361.87. The DNR amended OHW elevation for Turtle Lake is 1361.3 and 1360.1 for Long Lake.

The following bills were presented for approval:

Accounts Payable	Description	Account	Amount
Assumption Catholic Church	Hildebrand rental fees	Pj. Nos. 65/67	\$ 400.00
Barnesville Phone Co.	2/25/12 billings	Admin	\$ 303.76
Bruce E. Albright	Office Max-secretarial supplies	Admin	\$ 171.46
Charles D. & Tammy Anderson	Easement Option	Wetland Restorations	\$ 100.00
City of Barnesville	12/30/11-1/29/12 utilities (2)	Admin	\$ 477.26
Don Culp	Deposit release	Pj. 39, Georgetown	\$ 500.00
Doris Brundage	March office rent	Admin	\$ 750.00
G&G Farms, Inc.	#2966/2967-SB6/SB9 log jams	Pj. 29, Buffalo River	\$ 7,000.00
G&G Farms, Inc.	#2968-SB11 log jam removal	Pj. 29, Buffalo River	\$ 4,500.00
Harlan D. & Shirley Manston	Easement Option	Wetland Restorations	\$ 100.00
HES, Inc.	Asbestos inspections/removal (6)	Pj. 49, Oakport	\$ 11,650.00
Joel Carlson	March Lobbyist billing	Admin	\$ 850.00
Josephine A. Lamb	Easement Option	Wetland Restorations	\$ 100.00
Mattson Excavating, Inc.	#398, beaver dam removal	Pj. Nos. 23, 16, 27, 24, Wilkin 40/43	\$ 3,080.00
Mid States Storage	March storage rent	Admin	\$ 74.00
Moorhead Public Service	1/06/12-2/02/12 (2)	Pj. 49, Oakport	\$ 68.94
Petty Cash	Postage, supplies, etc.	Admin	\$ 200.00
Robert J. & Mary E. Poehls	Easement Option	Wetland Restorations	\$ 100.00
RRVCPA	01/10/12-02/10/12 service (7)	Pj. 39, Georgetown	\$ 272.28
RRVCPA	01/10/12-02/10/12 service (7)	Pj. 49, Oakport	\$ 239.50
Salber & Associates, Inc.	#1908, 2011 1099s/W-2s	Admin	\$ 363.00
Tarah Goehring	Release house deposit	Pj. 49, Oakport	\$ 4,500.00
Vogel Law Firm	#80171, January billing	Admin	\$ 164.00
Vogel Law Firm	#80172, January billing	Pj. 49, Oakport	\$ 102.50
Vogel Law Firm	#80173, January billing	COE/FM Diversion	\$ 820.00
Wells Fargo Bank	3/01/12 Hass/Myers closings	Pj. 39, Georgetown	\$ 344,024.10
YHR Partners	#8859, 1/01/12-1/31/12	New Office	\$ 9,597.29
			\$ 390,508.09

Motion by Nelson to approve payment of the bills. **Seconded** by Ellefson. **Approved.**

Next Meeting. The next regular meeting will be held on Monday, March 12, 2012, at 8:00 PM. The meeting time is changed because Daylight Savings Time begins on 3/11/12.

Adjournment. Vice Chairman Paradeis Kobiela adjourned the meeting at 9:08 PM.

Respectfully submitted,

John E. Hanson, Secretary