

# RED LAKE WATERSHED DISTRICT

December 30, 2024

9:00 a.m.

## Agenda

9:00 a.m.	Call to Order	Action
	Review and approve agenda	Action
	Requests to appear	Information
	December 12, 2024 Minutes	Action
	Financial Report dated December 24, 2024	Action
	League of MN Cities Dividend	Information
	Knutson Dam, RLWD Project No. 50F Taggart Construction Billing	Information
	Clearwater River 1W1P, RLWD Project No. 149B Clearwater River Grade & Bank Stabilization Design – Phase 1	Info/Action
9:30 a.m.	Thief River Streambank, RLWD Project No. 149A Final Payment Hearing	Action
	Notice of Claim on Payment Bond	Information
	SD 83, RLWD Project No. 181 Meeting Recap Floodplain Mapping	Information
	Administrators Report	Information
	Legal Counsel Update	Information
	Managers' Updates	Information
	Adjourn	Action

### UPCOMING MEETINGS:

December 30, 2024	RLWD Board Meeting, 9:00 am
January 1, 2025	Holiday - RLWD Office Closed
January 6, 2025	UL/RL 1W1P – BWSR Northern Region Committee Meeting
January 7, 2025	RRWMB, Ada, 10:00 a.m.
January 9, 2025	RLWD Board Meeting, 9:00 am
January 14-16, 2025	42 <sup>nd</sup> Annual RRBC Land & Water International Summit Conference, Grand Forks
January 20, 2025	Holiday - RLWD Office Closed
January 22, 2025	UL/RL 1W1P – BWSR Board Meeting
January 23, 2025	RLWD Board Meeting, 9:00 am
January 28, 2025	BWSR Watershed Manager Training

RED LAKE WATERSHED DISTRICT  
Board of Manager's Minutes  
December 12, 2024

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

Managers Present: Grant Nelson, Terry Sorenson, Allan Page, Brian Dwight, Tom Anderson, LeRoy Ose, and Gene Tiedemann. Staff Present: Tammy Audette, Lindsey Deselich, Elaine Rychlock, Nate Koland, Corey Hanson, Tony Olson, Melissa Bushy, and Legal Counsel, Delray Sparby.

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

The Board reviewed the November 25, 2024, Board meeting minutes. Motion by Sorenson, seconded by Anderson, to approve the November 25, 2024, Board meeting minutes. Motion carried.

The Board reviewed the Financial Report dated December 11, 2024. Motion by Ose, seconded by Anderson to approve the Financial Report dated December 11, 2024, as presented. Motion carried.

President Tiedemann questioned the amount of maintenance funds requested for the Good Lake Impoundment, RLWD Project No. 67. Considerable discussion with held on the topic. Staff will report back at a future meeting on 2024 expenses.

Staff member Elaine Rychlock stated that at the November 25, 2024, Board meeting, the Board approved the purchase of two \$500,000 Certificates of Deposits (CDs) from Unity Bank at a rate of 4.9% for 5 months. Rychlock was informed by Unity Bank that they will only allow a maximum of \$250,000 at the rate of 4.9% for 5 months. After much discussion, a motion was made by Ose, seconded by Anderson, to approve the purchase of two \$500,000 CD's at Dakota Heritage Bank in Red Lake Falls, MN, for 9 months at a rate of 4.85% and to reinvest the CD set to mature on December 20, 2025 at Unity Bank, Red Lake Falls, in the amount of \$250,000 at a rate of 4.9%. Motion carried.

Administrator Audette gave a funding update on the Cardinal Ring Dike, RLWD Project No. 129BB. A motion was made by Page, seconded by Nelson, to approve cost share payment refund to the landowner in the amount of \$2,608.63. Motion carried.

Administrator Audette gave a funding update on the Payment Ring Dike, RLWD Project No. 129BC. A motion was made by Nelson, seconded by Sorenson, to approve cost share payment refund to the landowner in the amount of \$3,035.14. Motion carried.

Administrator Audette reviewed the Conservation Practice Assistance Contract for the installation of five side water inlet culverts (SWI) between the Beltrami SWCD and landowner, Reed Engelstad. Mr. Engelstad owns property adjacent to the Moose River/JD 11 outlet where erosion is occurring, hence the need for installation of the SWI's. Audette noted that discussion was held at a previous meeting to participate in a cost share with Mr. Engelstad, as this system also serves as the outlet of the Moose River north pool. The estimated project cost is \$41,410.70. The Thief River 1W1P will pay 75% of the cost; the landowner 15% of the project cost; with a request for the District to pay 10% of the cost, plus the installation of five flap gates at an approximate cost of \$600 each, with the anticipated cost to the District to be approximately \$9,211. Motion by Ose, seconded by Dwight, to approve the cost share for the installation of five SWI's along with flap gates, with landowner, Reed Engelstad, as part of the Thief River 1W1P Project, RLWD Project No. 149A. Motion carried. The Board directed Administrator Audette to proceed with scheduling a meeting with the Judicial Ditch 11 Joint Ditch Board to review the Houston Engineering, Inc. Channel Stability Study.

The District was informed that we did not receive the Clean Water Fund Grant through BWSR for the Clearwater River Stabilization Project, RLWD Project No. 149B. District staff will contact the MnDNR regarding the possibility of the CPL Grant application. Staff member Corey Hanson updated the Board on the scope and concept of the project. Discussion was held with Engineer Tony Nordby, Houston Engineering, Inc., if the District should proceed with the project design. Motion by Dwight, seconded by Ose, to authorize Engineer Tony Nordby, Houston Engineering, Inc., to provide a proposal for the design of the Clearwater River Stabilization Project, RLWD Project No. 149B. Motion carried. Staff will report back to the Board on further funding information.

Staff member Corey Hanson reviewed a Project Workplan and Budget for the Thief River Cycle 2 WRAPS submission. Hanson stated that Cycle 1 was completed in 2019, with new findings from 2014-2023 monitoring efforts, prioritization strategies will be documented in a WRAPS update report. Hanson stated that he would prepare the WRAPS report with assistance from MPCA staff. All expenses would be funded through the MPCA. Motion by Sorenson, seconded Page, to approve the Thief River Cycle 2 WRAPS submission, RLWD Project No. 157B. Motion carried.

A motion was made by Ose, seconded by Anderson, to approve the previously tabled RLWD Permit No. 24159, East Valley Township, Marshall County. Manager Sorenson voted in opposition. Motion carried.

The Board reviewed the permits for approval. Motion by Sorenson, seconded by Dwight, to approve the following permits with conditions stated on the permit: No. 24207, Donald Carlson, Queen Township, Polk County; No. 24226, Scott Tersteeg, Badger Township, Polk County; No. 24228, Halverson Family Holdings LLLP, Lambert Township, Red Lake County; No. 24229, Matt Knutson, Red Lake Falls Township, Red Lake County; No. 24230, Matt Knutson, Red Lake Falls Township, Red Lake County; and No. 24233, Charles and Linda Brice, Smiley Township, Pennington County. Motion carried.

Staff member Kallis reviewed the draft RLWD scholarship application and eligibility criteria with the board. Motion by Page, seconded by Anderson, to approve two \$1,000 scholarships; one for a student within the RLWD area and the other for a student that had participated in the River Watch Program. Motion carried. Applicants would be required to write a 500-word letter to the District on a designated subject. A committee will be formed to review the applications.

Administrator Audette reviewed the proposed 2025 Budget and Salary recommendations and proposed revisions to the Personnel Policies. Motion by Dwight, seconded by Nelson to approve the 2025 Budget and Salary recommendations and revisions to the Personnel Policies. Motion carried.

Administrator Audette reviewed the proposed purchase of four new computers for staff along with a quote from Corporate Technologies. Motion by Ose, seconded by Nelson, to approve the purchase of four new computers from Corporate Technologies for staff per the quote obtained. Motion carried.

Administrator Audette discussed hiring Red Canoe Creative to develop a new logo for the Red Lake Watershed District. Audette and staff would like to hire an outside firm to develop a new logo for the Red Lake Watershed District. Motion by Page, seconded by Ose, to approve hiring Red Canoe Creative to develop a new logo for the Red Lake Watershed District per its presented proposal. Motion carried.

Administrator Audette discussed the 2024 Minnesota Watersheds Annual Conference & Trade Show that staff and board managers attended. Overall, the staff and board felt it was a great week.

#### **Administrator's Report:**

- **Watershed Manager Orientation:** Included in the packet was a draft agenda for the BWSR Watershed Manager Orientation that will be held in the District office on January 28, 2025, from 1:00 – 4:00. More information to come on this orientation.
- **Thief River 1W1P:** There will be a Thief River 1W1P Policy and Advisory Committee meeting here in the District office on Friday, December 13, 2024, at 9:00 a.m.
- **RRWMB:** There will be a RRWMB meeting on December 17, 2024, starting at 10:00 a.m., with the Legislative Open House starting at 10:30 a.m. Currently four legislators have confirmed their attendance, with the hopes that others will join.
- **State Ditch 83 Area Project Team Meeting:** There will be a SD 83 Area Project Team meeting on December 18, 2024, at 9:00 a.m. at the District office.
- **Judicial Ditch 60 Outlet, Red Lake River 1W1P:** HDR Engineering has been working with a soil boring company for completion of soil borings and the installation of two water monitoring wells which will be completed in the next month for the JD 60 Feasibility Study.

Manager Sorenson requested to attend RLWD board meetings virtually for February 2025 through March 2025 as he will be in Arizona during that time.

Manager Anderson requested the Board review its permit policy guidelines and look at updating them in the near future.

Motion by Sorenson, seconded by Page, to adjourn the meeting. Motion carried.

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LeRoy Ose, Secretary

**RED LAKE WATERSHED DISTRICT**  
**Financial Report for December 30, 2024**

<b>Ck#</b>	<b>Check Issued to:</b>	<b>Description</b>	<b>Amount</b>
online	EFTPS	Withholding FICA,Fed & Medicare(12/18/24 pp)	4482.07
online	MN Tax	Withholding (12/18/24 pp)	767.78
online	PERA	PERA (12/18/24 pp)	\$2,811.78
41575	Danny & Jami Payment	Final Payment on Ring Dike - Payment 129BC	\$3,035.14
41576	Jason & Sabrina Cardinal	Final Payment on Ring Dike - Cardinal 129BB	\$2,608.63
41577	Petty Cash	Car wash quarters & table cloth Dollar Tree	\$22.00
41578	Myron Jesme	Mileage for DWG Meeting	\$73.70
41579	Red River Watershed Mang. Board	Second half 2024 Taxes	\$659,095.48
41580	Corp. Tech	4 computers-Tammy, Melissa, Elaine, Lindsey	\$8,210.60
41581	Brad Lunke	Project Team Meeting #181	\$20.10
41582	City of Thief River Falls	Task Order #2-Preliminary design Chief's Coulee	\$41,000.00
41583	Corporation Tech	Managed IT Services & 365 Office	\$1,980.00
41584	David Rodahl	Project Team Meeting #181	\$13.40
41585	Gene Tiedemann	Nov-Dec Mileage	\$225.12
41586	HDR	Engineering Fees Mud River/Turtle Cross Connect	\$18,685.28
41587	Ihle Sparby & Haase PA	Legal Fees	\$2,520.00
41588	Jeremy Nelson	Project Team Meeting #181	\$16.75
41589	MARCO	Copy machine expense	\$417.94
41590	Nathan Bukowski	Project Team Meeting #181	\$32.16
41591	Patrick Erickson	Project Team Meeting #181	\$132.66
41592	Red Lake County SWCD	<b>**see details below</b>	\$5,000.00
41593	TRF Pallet	12 bundles of wood stakes	\$251.76
41594	West Polk SWCD	Clwr River 1W1P-30 Water Test Kits	\$3,600.00
Credit	West Polk SWCD	(Credit for 2023 Admin hrs due to billing rate change)	-\$88.70
41595	Dakota Heritage	2 CD's for 500,000 each board approved 12-12-24	\$1,000,000.00
online	Purewater	Office H2O	\$38.00
online	Les's Sanitation	Garbage Services	\$35.74
online	Sun Life Financial	Staff Life Insurance	\$144.64
online	Intuit, Inc.	Quickbooks Monthly fee	\$467.00
online	MN Energy	Heat Bill	\$125.42
online	A T & T	Cell Phone expense	\$383.47
online	WEX	Monthly fee	\$8.25
direct	Tom Anderson	Mileage	\$150.08
direct	LeRoy Ose	Mileage & Per Diem	\$493.78
direct	Tony Olson	Per Diem	\$43.00
direct	Erick Huseth	Per Diem	\$43.00
direct	Tammy Audette	Mileage & Per Diem	\$237.18
direct	Melissa Bushy	Per Diem	\$25.00
direct	Elaine Rychlock	Per Diem	\$21.32
direct	Terry Sorenson	Mileage	\$368.50
direct	Grant Nelson	Mileage	\$85.76
direct	Al Page	Mileage & Per Diem	\$387.13
direct	LeRoy Ose	Mileage	102.52
direct	Staff Salaries	Staff & Board pp 12/18/24	\$15,658.88
<b>Total Checks</b>			<b>\$1,773,732.32</b>

<b>**Red Lake County SWCD</b>		
	<i>Mike Seeger Red Lake Twp. Grade Stab.</i>	<i>\$2,000.00</i>
	<i>Randy Pahlen Emardville Twp. Grade Stab.</i>	<i><u>\$3,000.00</u></i>
		<i><b>\$5,000.00</b></i>

**Northern State Bank-TRF**

Balance as of December 11, 2024		\$1,790,051.67
Total Check Written		-\$1,773,732.32
Receipt# 12209	Marshall County - 2nd 1/2 Riperian Aid	\$1,280.00
Receipt# 12210	Edward Jones-cashed out 12 mo. CD	\$254,950.80
Receipt# 12211	Red Lake County HUD Settlement	\$1,045.00
Receipt# 12212	LMC WC/PC Dividend	\$290.89
Receipt# 12213	MN Market Value Aid	\$ 94,760.05
Balance as of December 30, 2024	Current interest rate is 3.25%	<b>\$368,646.09</b>

**American Federal Fosston**

Balance as of December 11, 2024		\$ 4,482,380.99
Balance as of December 30, 2024	Current interest rate is 3.30%	<b><u>\$ 4,482,380.99</u></b>

## Certificate of Deposits

Edward Jones	12 month CD 4.55% Expiry 1-2-25	<u><u>\$ 50,000.00</u></u>
Edward Jones	12 month CD 4.75% Expiry 1-2-25	<u><u>\$ 237,000.00</u></u>
Edward Jones	12 month CD 4.9% Expiry 1-30-25	<u><u>\$ 238,000.00</u></u>
Edward Jones	12 month CD 4.9% Expiry 2-14-25	<u><u>\$ 237,000.00</u></u>
Dakota Heritage	7 month CD 5.17% Expiry 2-24-25	<u><u>\$ 500,000.00</u></u>
Dakota Heritage	9 month CD 5.25% Expiry 4-24-25	<u><u>\$ 500,000.00</u></u>
Edward Jones	12 month CD 5.2% Expiry 5-09-25	<u><u>\$ 243,000.00</u></u>
Edward Jones	12 month CD 5.15% Expiry 5-09-25	<u><u>\$ 237,000.00</u></u>
Dakota Heritage	7 month CD 5.17% Expiry 5-9-25	<u><u>\$ 500,000.00</u></u>
Dakota Heritage	9 month CD 5.25% Expiry 7-9-25	<u><u>\$ 500,000.00</u></u>
Dakota Heritage	9 month CD 4.85% Expiry 9-18-25	<u><u>\$ 500,000.00</u></u>
Dakota Heritage	9 month CD 4.85% Expiry 9-18-25	<u><u>\$ 500,000.00</u></u>
<b>Total CD Investments</b>		<b>\$ 4,242,000.00</b>
<b>Total Cash (NSB + AFB + CD's)</b>		<b>\$ 9,093,027.08</b>



**Cash that has been received and  
earmarked for projects:**

2022 Grant Thief River 1W1P Project #149A	\$ 279,677.31
2023 Grant Clearwater 1W1P Project #149B	\$ 1,016,044.43
2024 Grant Red Lake River 1W1P Project #149	\$ 321,779.72
2025 Grant Clearwater 1W1P Project #149B	\$ 742,941.00
Mid Point Grant Project #149	\$ 24,867.92
Chief Coulee Project #46S	\$ 214,375.00
2025 CRP Payment Red Lake 1W1P	<u>\$ 100,000.00</u>
	\$ 2,699,685.38

**Payables committed to by board action:**

Chief Coulee Proj. #46S	<u>\$ 800,000.00</u>
	\$ 800,000.00

<b>Total accessible cash (Est.)</b>	<b>\$ 5,593,341.70</b>
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December 12, 2024

Re: League of Minnesota Cities Insurance Trust Dividend Returns

Dear Member,

Enclosed is a check for your share of the \$3 million dividend from the League of Minnesota Cities Insurance Trust's property/casualty program and a check for your share of the \$5 million dividend from the workers' compensation program. If you are part of only one program, you will find a single check for that program. We encourage you to share this news with your governing body.

A document showing your dividend history and calculation are also enclosed, and a copy will be sent to your insurance agent.

#### **Distributing Surplus Funds to Members**

Insurance pools like the Trust need to maintain a fund balance to cover unpredictable future claims. Over time, the balance grows through premiums and investment income. This year, the fund balance grew to be larger than necessary to pay current and future claims and expenses. As a result, the LMCIT Board of Trustees decided to return the extra money to our members in the form of a dividend.

#### **Dividends and Future Planning**

Dividends are not guaranteed, and members should not count on them when planning annual budgets. The fund balance fluctuates over time due to factors like member claims, investment results, legislative changes, reinsurance costs, and the Trust's long-term strategic goals.

Each year, the Board evaluates the best uses of any excess funds, which may include returning a dividend or investing in other alternatives, such as reducing reinsurance costs, providing new programs and services, or otherwise responding to the needs of our membership. The goal always remains the same - broad, affordable, and stable coverage.

We welcome your feedback on our current approach and suggestions for the future. Please contact Operations Manager Laura Honeck at [lhoneck@lmc.org](mailto:lhoneck@lmc.org) or (651) 281-1280 with any questions, concerns, or suggestions.

#### **A Continued Partnership**

Thank you for being an integral part of our self-insured membership cooperative, created by and for Minnesota cities nearly 45 years ago. Together, we will continue to offer comprehensive coverage and innovative risk management programs tailored to meet your unique needs.

Jake Benson, Council Member, Proctor  
Dave Callister, Manager, Plymouth  
Luke Fischer, Executive Director, LMC  
Clint Gridley, Administrator, Woodbury

Anna Gruber, Administrator, Sartell  
Audrey Nelsen, Council Member, Willmar  
Alison Zelms, Administrator, Rochester

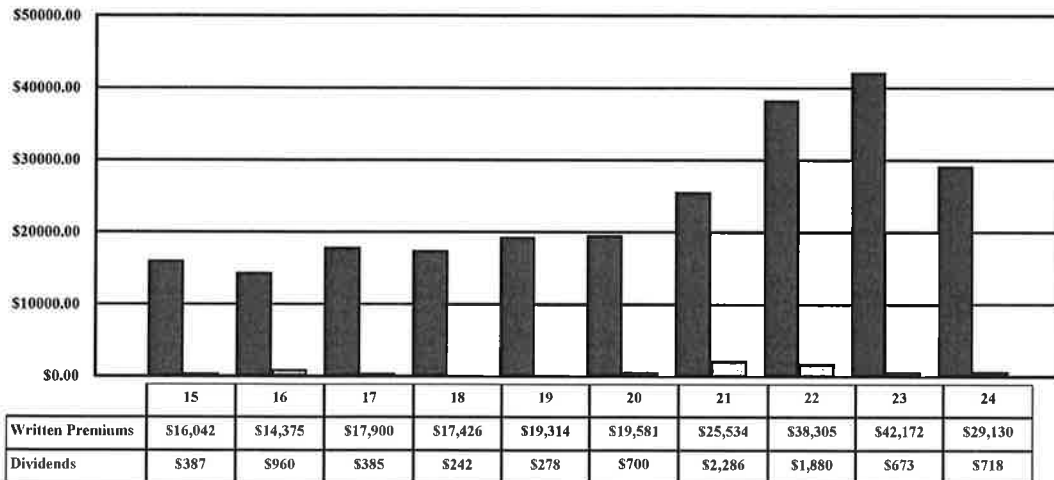
**LEAGUE OF MINNESOTA CITIES INSURANCE TRUST**  
**PROPERTY/CASUALTY**  
**2024 DIVIDEND CALCULATION**  
**AT MAY 31, 2024**

**North Risk Partners LLC**  
2017 Highway 59 SE  
Thief River Falls MN 56701

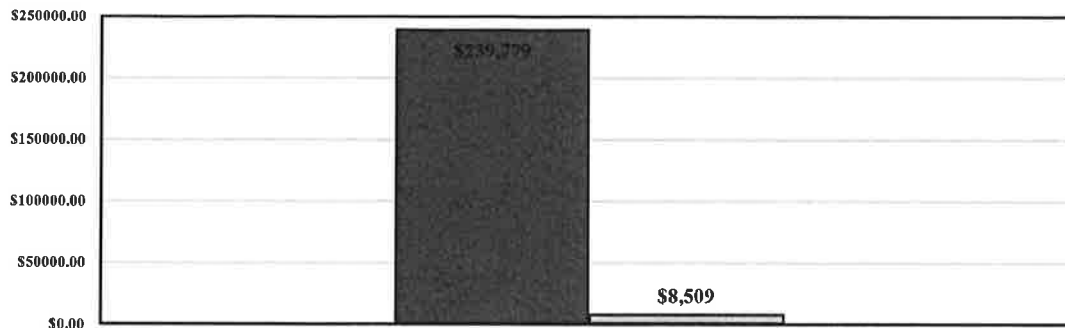
**Red Lake Watershed District**  
1000 Pennington Ave S  
Thief River Falls, MN 56701-4013

<b>GROSS EARNED PREMIUM</b>	<b>\$236,833</b>
<b>ADJUSTED LOSSES</b>	<b>\$15,846</b>
<b>MEMBERS DIVIDEND PERCENTAGE</b>	<b>0.00023949000</b>
<b>DIVIDEND AMOUNT</b>	<b>\$718</b>

**Premium and Dividend History**



**Premiums and Dividends Since 1987**



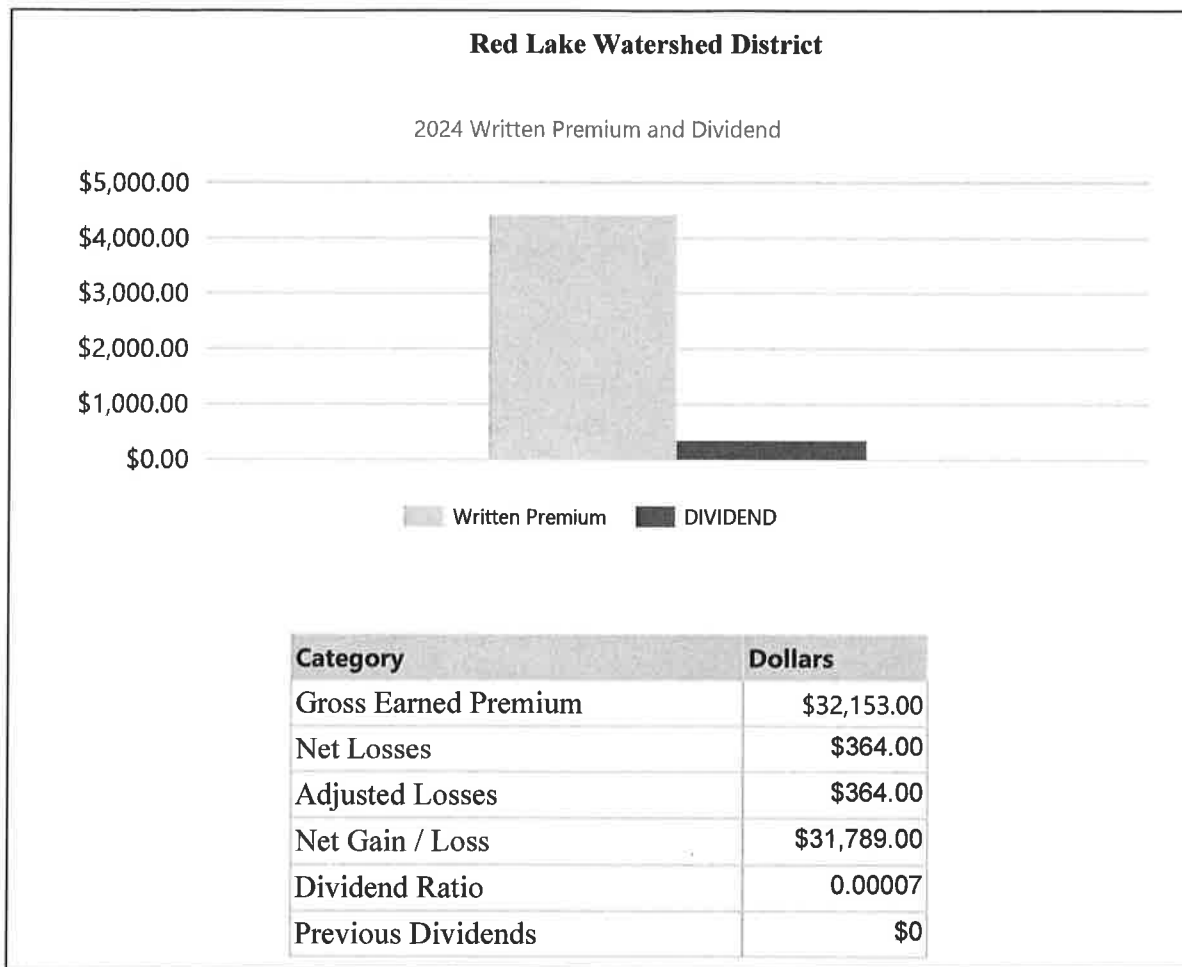
The "gross earned premium" figure is the member's total earned premiums as of May 31, 2024 for the past 20 years. This is the premium figure that's used in the dividend calculation.  
The "2024 written premium" figure is the member's total premium for the member's most recent renewal prior to May 31, 2024 (for most members, only a portion of that 2024 written premium would be earned as of May 31, 2024).

**LEAGUE OF MINNESOTA CITIES INSURANCE TRUST  
WORKER'S COMPENSATION PROGRAM  
2024 DIVIDEND CALCULATION  
AT MAY 31, 2024**

**North Risk Partners LLC**  
2017 Highway 59 SE,  
Thief River Falls MN 56701

**Red Lake Watershed District**  
1000 Pennington Ave S  
Thief River Falls, MN 567014013

<b>GROSS EARNED PREMIUM</b>	<b>\$32,153</b>
<b>ADJUSTED LOSSES</b>	<b>\$364</b>
<b>MEMBERS DIVIDEND PERCENTAGE</b>	<b>0.00006548000</b>
<b>DIVIDEND AMOUNT</b>	<b>\$327</b>



The "gross earned premium" figure is the member's total earned premiums as of May 31, 2024 for the past 20 years. This is the premium figure that's used in the dividend calculation.

The "2024 written premium" figure is the member's total premium for the member's most recent renewal prior to May 31, 2024 (for most members, only a portion of that 2024 written premium would be earned as of May 31, 2024).

Check 193477

Date of check 12/12/2024

Vendor : 101534, Red Lake Watershed District

Invoice number	Invoice date	Payment amount
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2024 WC Divide	12/1/2024	327.00 ✓
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2024 PC Divide	12/1/2024	718.00 ✓
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Total		1,045.00
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RECEIVED

DEC 23 2024

Initial: JK



THIEF RIVER FALLS OFFICE  
125 3<sup>RD</sup> STREET EAST  
THIEF RIVER FALLS, MN 56701  
P: (218) 681-2951

### CLIENT/OWNER SERVICES AGREEMENT

PROJECT NAME: Clearwater River Grade & Bank Stabilization Design – Phase 1  
HOUSTON JOB NO.: 3655-0105 HOUSTON PROJ. MGR.: Tony Nordby  
CLIENT/OWNER NAME: Red Lake Watershed District  
CLIENT/OWNER ADDRESS: 1000 Pennington Ave. S. Thief River Falls, MN 56701  
CLIENT/OWNER PHONE NO.: 218-681-5800 CLIENT/OWNER CONTACT: Tammy Audette

This Client/Owner Services Agreement ("Agreement") is made and entered into effective as of this 30th day of December, 2024, ("Effective Date") by and between **HOUSTON ENGINEERING, INC.** ("Houston") and Red Lake Watershed District ("Client").

#### Recitals

- A. Client has requested Houston to perform certain professional services in connection with a project generally referred to as Clearwater River Grade & Bank Stabilization Design – Phase 1 ("Project").
- B. Houston desires to provide the professional services requested by Client in accordance with this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Houston and Client agree as follows:

1. **Services.** Houston shall perform the services set forth in Attachment A ("Services") in accordance with the terms and conditions of this Agreement.

2. **Term of Agreement.** This Agreement shall commence on the date first stated above, and Houston is authorized to commence performance of the Services as of that date. This Agreement shall terminate on 31st day of December, 2025, unless terminated earlier pursuant to the terms and conditions of this Agreement.

3. **Attachments.** The Attachments below, which have been marked for inclusion, are hereby specifically incorporated into and made a part of this Agreement:

- ☒ ATTACHMENT A - SERVICES LETTER (Houston assumes no responsibility to perform any services not specifically listed.)  
☒ ATTACHMENT B – SCOPE AND FEE SCHEDULE  
☒ ATTACHMENT C - GENERAL TERMS AND CONDITIONS  
☒ ATTACHMENT D - SITE MAP

4. **Compensation.**

\$ \_\_\_\_\_ Lump Sum Fee - Based on the Services defined herein  
\$ 78,100 Estimated Fee - Client invoiced on an hourly basis commensurate with the attached Scope & Fee Schedule  
\$ \_\_\_\_\_ Percentage of Estimated Construction Cost  
\$ \_\_\_\_\_ Other - \_\_\_\_\_

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first above written:

CLIENT/OWNER

BY: \_\_\_\_\_  
AUTHORIZED REPRESENTATIVE

TITLE: \_\_\_\_\_

HOUSTON ENGINEERING, INC.

BY: Tony A. Nordby  
AUTHORIZED REPRESENTATIVE

TITLE: PRINCIPLE/OFFICE MANAGER

PLEASE SIGN AND RETURN ONE COPY TO HOUSTON AT THE ADDRESS ABOVE

December 20, 2024

Red Lake Watershed District  
Tammy Audette, Administrator  
1000 Pennington Ave. S  
Thief River Falls, MN 56701

via email: [tammy.audette@redlakewatershed.org](mailto:tammy.audette@redlakewatershed.org)

**Subject: Scope and Fee Proposal – Summary of Engineering Services  
Clearwater River Grade & Streambank Stabilization Design Phase 1**

Dear Tammy,

The Red Lake Watershed District (RLWD) previously hired Houston Engineering, Inc. (HEI) to perform a reconnaissance and HEC-RAS Hydraulic/Hydrologic modeling effort to identify and understand the benefits of projects that would restore and stabilize the Clearwater River in Sections 22 and 27 of Greenwood Township, Clearwater County. In this effort HEI along with the RLWD and Department of Natural Resources (DNR) have analyzed multiple concept design layouts to stabilize the channel bottom and have selected an alternative to move into design. The selected alternative includes design of 5 rock riffle structures, 1 rock arch rapids, modifications of 2 pre-existing rock riffle structures, and streambank stabilization of 4 locations. See the attached site map for proposed project site locations.

This proposal identifies the tasks and associated scope and fee schedule required to complete these tasks.

The following is a summary of the proposed scope of services:

**TASK 1 – Project Management**

Project management tasks include coordination of the project with RLWD, permitting agencies, potential landowner meetings, and preparation/attendance of any project meetings that may take place.

**TASK 2 – Preliminary Design**

HEI will coordinate any additional field survey needs with the RLWD staff. It's assumed that any additional survey will be performed by the RLWD staff. HEI will determine and evaluate bankfull heights and other critical water surface elevations using the HEC-RAS model developed for the project. HEI will develop existing ground surfaces from the survey data/LiDAR and design the rock structures and streambank stabilization corridors as identified on the attached map. The result of preliminary design will include the development of an Auto-Cad Civil 3D generated 60% construction plan set for review and coordination with project partners and permitting agencies.

**TASK 3 – Final Design - Plans and Specifications**

The preliminary plan set will be incorporated into final construction plans that include profiles, cross sections, typical sections, and construction quantities will be developed. A project manual outlining all the construction documents required for bidding, contracts, conditions, and special provisions will be assembled. Once final quantities are determined, an Engineer's Opinion of Probable Cost will be developed and provided to the RLWD.

December 20, 2024

Page 2

#### **TASK 4 – Permitting Services**

The proposed project work will take place in a Minnesota Public Waters requiring a DNR Public Waters Permit. Early coordination with DNR on project design should limit the issues/concerns as the permit is applied for through their online portal MPARS. It is anticipated that a No-Rise elevation certificate will need to be included with the MPARS application to prove the project will not change the 100-year floodplain in the project area. Due to apparent wetlands within the project area, it's assumed a joint application will be submitted for the Wetland Conservation Act and Section 404 of the Clean Water Act administered by the USACE. It is assumed that a no-loss determination will be issued by WCA. It is assumed that this project will satisfy USACE Nation Wide Permit 27 criteria. If these agencies determine something different, this could change the budgetary numbers in this proposal. If it's determined that additional permitting is needed, those specific items can be negotiated for an additional fee outside of this scope of work.

The Clearwater River was included in a Red Lake River Flood Control Project performed by the USACEs back in the late 1940's to early 1950's. Any work performed within that original project area requires USACE review through the Section 408 permitting process. Time and budget have been factored into the scope and fee for this effort, but it is truly unknown what that effort might entail pending information the USACE will require through that process.

Currently there are no fixed or hard deadlines for the work to be completed. However, HEI intends to complete the work in the winter/spring of year 2025.

The proposed scope and fee schedule attachment includes a detailed breakdown of proposed tasks and associated hours/fees. It is proposed that the fee for services reflect a time and materials basis with an estimated total fee of \$78,100.

Please consider the proposal provided and inform me of any questions, concerns or comments which should be addressed prior to proceeding with the proposed work.

Again, we appreciate this opportunity to work with the district in completing this project.

Sincerely,

HOUSTON ENGINEERING, INC.



Tony A. Nordby, PE  
Office Manager  
tnordby@houstoneng.com



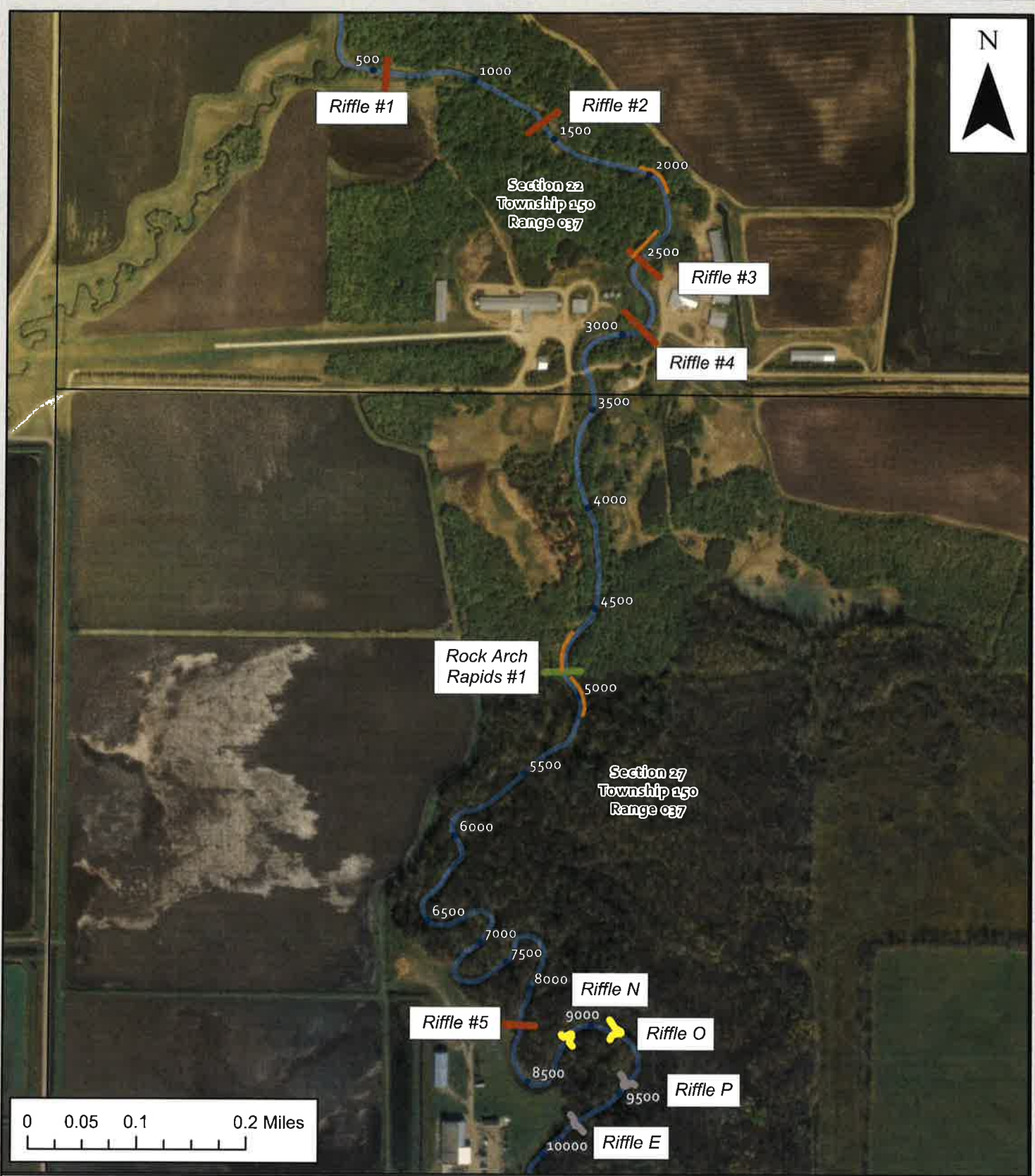
## SCOPE AND FEE SCHEDULE

CLEARWATER RIVER GRADE &amp; BANK STABILIZATION DESIGN PHASE 1- RED LAKE WATERSHED DISTRICT

PREPARED BY: HOUSTON ENGINEERING, INC.



	Engineer 10 \$ 237	Engineer 4 \$ 172	Technician 11 \$ 208	Technician 8 \$ 182	Project Assistant 1 \$ 87	Scientist 5 \$ 197	Mileage \$ 0.855	Total Cost
<b>Task 1 - Project Management</b>								
Project Administration (coordination, meetings, etc.)	20	4				12	200	\$ 7,963.00
<i>Subtotal</i>	20	4	0	0	0	12	200	
<i>Subtotal Cost</i>	\$ 4,740	\$ 688	\$ 0	\$ 0	\$ 0	\$ 2,364	\$ 171	\$ 7,963.00
<b>Task 2 - Preliminary Design</b>								
Coordination of additional survey needs with RLWD staff (Assumed RLWD staff perform any additional survey)	1	1						\$ 409.00
Develop existing ground surfaces for each riffle and streambank location			1	6				\$ 1,300.00
Design of riffle/rock arch rapids structures in accordance to DNR requirements	8	16		24				\$ 9,016.00
Determine and Evaluate Bankfull Heights and Other Critical Water Surface Elevations	4	16						\$ 3,700.00
Assemble 60% Construction Plan Set	4	8	12	60				\$ 15,740.00
<i>Subtotal</i>	17	41	13	90	0	0	0	
<i>Subtotal Cost</i>	\$ 4,029	\$ 7,052	\$ 2,704	\$ 16,380	\$ 0	\$ 0	\$ 0	\$ 30,165.00
<b>Task 3 - Final Design - Plans and Specifications</b>								
Develop Final Construction Plans for Streambed Design & Streambank Stabilization	12	2	8	40				\$ 12,132.00
Prepare Project Manual (includes Construction Bidding, Contract, Conditions and Special Provisions Documents)	12	2			2			\$ 3,362.00
Opinion of Probable Cost	2			4				\$ 1,202.00
<i>Subtotal</i>	26	4	8	44	2	0	0	
<i>Subtotal Cost</i>	\$ 6,162	\$ 688	\$ 1,664	\$ 8,008	\$ 174	\$ 0	\$ 0	\$ 16,696.00
<b>Task 4 - Permitting Services</b>								
DNR Public Waters Permit (MPARS)/DNR Design Coordination/No-Rise Certification	4	16				8		\$ 5,276.00
Joint Application Process (WCA/USACE) No Delineation	2					12		\$ 2,838.00
Assumed a USACE 408 Permit is required as work is within an old USACE project site	16	8				20		\$ 9,108.00
Assumed a USACE Nationwide Permit and WCA No Loss	6	4				20		\$ 6,050.00
<i>Subtotal</i>	28	28	0	0	0	60	0	
<i>Subtotal Cost</i>	\$ 6,636	\$ 4,816	\$ 0	\$ 0	\$ 0	\$ 11,820	\$ 0	\$ 23,272.00
<i>Category Total</i>	91	77	21	134	2	72	200	
<i>Total Cost</i>	\$ 21,567	\$ 13,244	\$ 4,368	\$ 24,388	\$ 174	\$ 14,184	\$ 171	\$ 78,100.00



### Legend

- Proposed Rock Arch Rapids
- Proposed Riffles
- Modified Riffles
- Existing Riffles - No Change
- Bank Stabilization
- River Stationing
- Channel Centerline
- Township Section Range

### Clearwater River Grade & Bank Stabilization Project - Phase 1

Scale: AS SHOWN	Drawn by: CJC	Checked by: TN	Project No.: 3655-0105	Date: 8/14/2024	Sheet:
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# FINAL PAYMENT

Client Project No.

HEI Project No.

3655-0099-004

PAYMENT NUMBER: 2

Project: Thief River Stabilization Project (Drees &amp; Stock Sites)

Location: Section 34, Excel Twp., Marshall County, MN

PERIOD OF ESTIMATE:

FROM 10/22/2024 TO 10/30/2024

**CONTRACT CHANGE ORDER SUMMARY**

Change Order		AMOUNT	
NO.	DATE	ADDITIONS	DEDUCTIONS
1	11/14/24	\$3,179.25	
TOTALS		\$ 3,179.25	\$ -
NET CHANGE		\$ 3,179.25	

1. Original Contract	\$ 261,666.06
2. Change Orders	\$ 3,179.25
3. Revised Contract (1+2)	\$ 264,845.31
4. Work Completed*	\$ 263,990.69
5. Stored Materials*	\$ -
6. Adjustments*	\$ -
7. Subtotal (4+5+6)	\$ 263,990.69
8. Retainage 0.00%	\$ -
9. Previous Payments	\$ 178,432.01
10. Amount Due (7-8-9)	\$ 85,558.68

\*Detailed Breakdown Attached if Non-Zero Value

**CONTRACT TIME**

Completion Date Contract

Original (days)	N/A	On Schedule? Yes
Revised	N/A	
Remaining	N/A	

Starting Date: 9/10/2024

Final Completion: 11/1/2024

**CONTRACTOR'S CERTIFICATION:**

The undersigned Contractor certifies, to the best of his/her knowledge, the following:

- (1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment;
- (2) Title to all Work, materials and equipment incorporated in said Work, or otherwise listed in or covered by this Application for Payment, will pass to Owner at time of payment free and clear of all Liens, security interests, and encumbrances (except such as are covered by a bond acceptable to Owner indemnifying Owner against any such Liens, security interest, or encumbrances); and
- (3) All the Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

Contractor: ACM, LLC

By: [Signature]

Date: 12/19/2024

**ENGINEER'S RECOMMENDATION:**

I have reviewed the progress of the work, and to the best of my knowledge, information and belief, in accordance with the terms of the Contract, the Contractor is entitled to a partial payment in the amount requested.

**HOUSTON**  
engineering, inc.

Engineer: [Signature]

By: Tony Nordby

Date: 12/10/2024

**OWNER'S APPROVAL:**

Owner: Red Lake Watershed Watershed District

By: \_\_\_\_\_

Date: \_\_\_\_\_

**REMIT PAYMENT TO:**

ACM, LLC  
5751 357th Ave NW  
Princeton, MN 55371



Client Project No.  
HEI Project No. 3655-0099-004  
Project: Thief River Streambank Stabilization Project (Drees & Stock Sites)  
Location: Section 34, Excel Twp., Marshall County, MN  
Contractor: ACM, LLC

**PAY ESTIMATE**

Page 1 of 1

PAY ESTIMATE #:	2
SUBMITTED:	12/30/2024
BEGIN DATE:	10/22/2024
END DATE:	10/30/2024

ITEM NO.	DESCRIPTION	UNIT	CONTRACT			CURRENT PAY ESTIMATE		PREVIOUS PAY ESTIMATES		PAY ESTIMATES TO DATE	
			QUANTITY	PRICE	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT
Original Contract Items											
2021.501	MOBILIZATION	LUMP SUM	1	\$24,984.12	\$ 24,984.12		\$ -	1.	\$ 24,984.12	1.	\$ 24,984.12
2101.501	CLEARING AND GRUBBING	LUMP SUM	1	\$21,000.00	\$ 21,000.00		\$ -	1.	\$ 21,000.00	1.	\$ 21,000.00
2106.507	EXCAVATION - COMMON (P)	CU YD	2987	\$8.25	\$ 24,642.75		\$ -	2,987.	\$ 24,642.75	2,987.	\$ 24,642.75
2106.507	COMMON EMBANKMENT (P) (CV)	CU YD	979	\$3.40	\$ 3,328.60		\$ -	979.	\$ 3,328.60	979.	\$ 3,328.60
2511.507	RANDOM RIPRAP CLASS III	CU YD	1204	\$108.75	\$ 130,935.00	303.	\$ 32,951.25	903.	\$ 98,201.25	1,206.	\$ 131,152.50
2573.503	FLOATATION SILT CURTAIN TYPE MOVING WATER	LF	150	\$98.00	\$ 14,700.00	75.	\$ 7,350.00	75.	\$ 7,350.00	150.	\$ 14,700.00
2573.503	SEDIMENT CONTROL LOG TYPE STRAW	LF	3466	\$3.56	\$ 12,338.96	3,363.	\$ 11,972.28		\$ -	3,363.	\$ 11,972.28
2575.501	TURF ESTABLISHMENT	LUMP SUM	1	\$18,650.00	\$ 18,650.00	1.	\$ 18,650.00		\$ -	1.	\$ 18,650.00
2577.601	TOE-WOOD DEBRIS	CY	1003	\$7.65	\$ 7,672.95	186.	\$ 1,422.90	753.	\$ 5,760.45	939.	\$ 7,183.35
2577.601	SOD MAT	SY	601	\$5.68	\$ 3,413.68	113.	\$ 641.84	450.	\$ 2,556.00	563.	\$ 3,197.84
Extra / Change Order Items											
2118.509	AGGREGATE SURFACING, CLASS 5	TON	135.	\$ 23.55	\$ 3,179.25	135.	\$ 3,179.25		\$ -	135.	\$ 3,179.25
Totals											
Original Contract Amount					\$ 261,666.06						
Extra / Change Order Amount					\$ 3,179.25						
Work Completed							\$ 76,167.52		\$ 187,823.17		\$ 263,990.69

**Kyle E. Hart**

Attorney

D 612.359.7626  
khart@fwhtlaw.com

80 South Eighth Street  
Suite 1900  
Minneapolis, MN 55402  
Phone 612.359.7600  
fwhtlaw.com



**FABYANSKE  
WESTRA  
HART &  
THOMSON**

**RECEIVED**

December 16, 2024

DEC 18 2024

**VIA U.S. MAIL &  
CERTIFIED MAIL-  
RETURN RECEIPT REQUESTED:**

Initial: ta

ACM, LLC  
5751 357<sup>th</sup> Avenue NW  
Princeton, MN 55371

Employers Mutual Casualty Company  
717 Mulberry Street  
Des Moines, IA 50309

Employers Mutual Casualty Company  
PO Box 712  
Des Moines, IA 50306

✓ Red Lake Watershed District  
1000 Pennington Avenue South  
Thief River Falls, MN 56701

Employers Mutual Casualty Company  
700 Walnut Street, Suite 900  
Des Moines, IA 50309-3817

**Re:   Thief River Streambank Stabilization Project, Thief River Falls, MN  
      Amended Notice of Claim on Payment Bond for Public Work**

Dear Sir/Madam:

Enclosed and served upon you via both U.S. Mail and U.S. Certified Mail, Return Receipt Requested, is Olson Gravel, Inc.'s Amended Notice of Claim on Payment Bond (#S040118) for Public Work in connection with the above-referenced matter.

Very truly yours,

Kyle E. Hart

KEH/hhm  
Enclosures

cc:     Aaron A. Dean (w/encl.) (via email)  
       Client (w/encl.) (via email)

**AMENDED NOTICE OF CLAIM ON BOND (#S040118)(Attached)**  
**FOR PUBLIC WORK**

**ALL VIA U.S. MAIL & CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

TO: ACM, LLC  
5751 357<sup>th</sup> Avenue N.W.  
Princeton, MN 55371

and

Employers Mutual Casualty Company  
P.O. Box 712  
Des Moines, IA 50306

and

Employers Mutual Casualty Company  
700 Walnut Street, Suite 900  
Des Moines, IA 50309-3817

and

Employers Mutual Casualty Company  
717 Mulberry Street  
Des Moines, IA 50309

and

Red Lake Watershed District  
1000 Pennington Avenue South  
Thief River Falls, MN 56701

NOTICE IS HEREBY GIVEN that the undersigned Claimant has a claim against the above-named surety for labor and materials furnished by the undersigned for the public work described as follows:

Thief River Streambank Stabilization Project, Thief River Falls, Minnesota



The labor and materials were furnished under a contract or agreement with:

ACM, LLC  
5751 357<sup>th</sup> Avenue N.W.  
Princeton, MN 55371

as Contractor.

The nature of the labor and materials furnished is as follows:

Class 3 (4-18") Fractured Rip Rap

The amount of the claim as of October 28, 2024 is: \$134,476.15, plus ongoing interest, costs, and legal fees. Claimant also seeks Minnesota prompt payment interest, costs, and attorneys' fees pursuant to Minn. Stat. §§ 15.71-74; 16A-1245; 471.425; 337.10 and/or any other applicable prompt payment laws.

The date the Claimant last furnished labor and materials to this public work is the 16th day of October, 2024.

Claimant seeks payment of the claim according to the law.

OLSON GRAVEL, INC.

By:

Curtis Olson

Curtis Olson

Its: President

34508 State Highway 92 S.E.

Trail, MN 56684

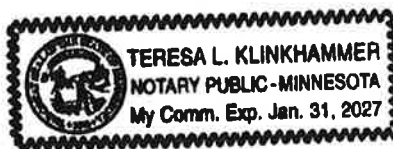
STATE OF MINNESOTA    )  
                                      ) ss.  
COUNTY OF POLK        )

Curtis Olson, being duly sworn on oath, says that she is the President of the Claimant named above and has knowledge of the claim and that the claim is correct, and no part of the claim has been paid.

Curtis Olson  
Curtis Olson

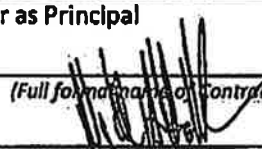
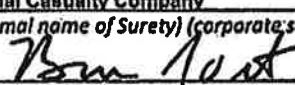
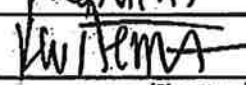
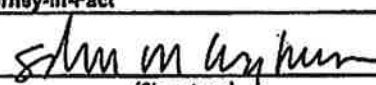
Subscribed and sworn to before me  
this 16<sup>th</sup> day of December, 2024

Teresa L. Klinkhammer  
Notary Public



# PAYMENT BOND

Bond Number: S040118

<b>Contractor</b> Name: ACM L.L.C. Address (principal place of business): 5751 357th Ave. NW Princeton, MN 55371	<b>Surety</b> Name: Employers Mutual Casualty Company Address (principal place of business): P.O. Box 712 Des Moines, IA 50306
<b>Owner</b> Name: Red Lake Watershed District Mailing address (principal place of business): 1000 Pennington Avenue South Thief River Falls, MN 56701	<b>Contract</b> Description (name and location): Thief River Streambank Stabilization Project (Drees and Stock Sites)  Contract Price: \$261,666.06 Effective Date of Contract: July 10, 2024
<b>Bond</b> Bond Amount: \$261,666.06 Date of Bond: July 10, 2024 (Date of Bond cannot be earlier than Effective Date of Contract) Modifications to this Bond form: <input checked="" type="checkbox"/> None <input type="checkbox"/> See Paragraph 18	
Surety and Contractor, intending to be legally bound hereby, subject to the terms set forth in this Payment Bond, do each cause this Payment Bond to be duly executed by an authorized officer, agent, or representative.	
<b>Contractor as Principal</b> ACM L.L.C. (Full formal name of Contractor)	<b>Surety</b> Employers Mutual Casualty Company (Full formal name of Surety) (corporate seal)
By:  (Signature)	By:  (Signature)(Attach Power of Attorney)
Name: Nick Hiderink (Printed or typed)	Name: Brian J. Oestreich (Printed or typed)
Title: president	Title: Attorney-in-Fact
Attest:  (Signature)	Attest:  (Signature)
Name: Kristen Hiderink (Printed or typed)	Name: Sandra M. Engstrom (Printed or typed)
Title: Vice president	Title: Witness to Surety
Notes: (1) Provide supplemental execution by any additional parties, such as joint venturers. (2) Any singular reference to Contractor, Surety, Owner, or other party is considered plural where applicable.	



EJCDC® C-615, Payment Bond.

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1. The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to the Owner to pay for labor, materials, and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference, subject to the following terms.
2. If the Contractor promptly makes payment of all sums due to Claimants, and defends, indemnifies, and holds harmless the Owner from claims, demands, liens, or suits by any person or entity seeking payment for labor, materials, or equipment furnished for use in the performance of the Construction Contract, then the Surety and the Contractor shall have no obligation under this Bond.
3. If there is no Owner Default under the Construction Contract, the Surety's obligation to the Owner under this Bond will arise after the Owner has promptly notified the Contractor and the Surety (at the address described in Paragraph 13) of claims, demands, liens, or suits against the Owner or the Owner's property by any person or entity seeking payment for labor, materials, or equipment furnished for use in the performance of the Construction Contract, and tendered defense of such claims, demands, liens, or suits to the Contractor and the Surety.
4. When the Owner has satisfied the conditions in Paragraph 3, the Surety shall promptly and at the Surety's expense defend, indemnify, and hold harmless the Owner against a duly tendered claim, demand, lien, or suit.
5. The Surety's obligations to a Claimant under this Bond will arise after the following:
  - 5.1. Claimants who do not have a direct contract with the Contractor
    - 5.1.1. have furnished a written notice of non-payment to the Contractor, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were, or equipment was, furnished or supplied or for whom the labor was done or performed, within ninety (90) days after having last performed labor or last furnished materials or equipment included in the Claim; and
    - 5.1.2. have sent a Claim to the Surety (at the address described in Paragraph 13).
  - 5.2. Claimants who are employed by or have a direct contract with the Contractor have sent a Claim to the Surety (at the address described in Paragraph 13).
6. If a notice of non-payment required by Paragraph 5.1.1 is given by the Owner to the Contractor, that is sufficient to satisfy a Claimant's obligation to furnish a written notice of non-payment under Paragraph 5.1.1.
7. When a Claimant has satisfied the conditions of Paragraph 5.1 or 5.2, whichever is applicable, the Surety shall promptly and at the Surety's expense take the following actions:
  - 7.1. Send an answer to the Claimant, with a copy to the Owner, within sixty (60) days after receipt of the Claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed; and
  - 7.2. Pay or arrange for payment of any undisputed amounts.
  - 7.3. The Surety's failure to discharge its obligations under Paragraph 7.1 or 7.2 will not be deemed to constitute a waiver of defenses the Surety or Contractor may have or acquire as to a Claim, except as to undisputed amounts for which the Surety and Claimant have reached agreement. If, however, the Surety fails to discharge its obligations under Paragraph 7.1 or 7.2, the Surety shall indemnify the Claimant for the reasonable attorney's fees the Claimant incurs thereafter to recover any sums found to be due and owing to the Claimant.

8. The Surety's total obligation will not exceed the amount of this Bond, plus the amount of reasonable attorney's fees provided under Paragraph 7.3, and the amount of this Bond will be credited for any payments made in good faith by the Surety.
9. Amounts owed by the Owner to the Contractor under the Construction Contract will be used for the performance of the Construction Contract and to satisfy claims, if any, under any construction performance bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfying obligations of the Contractor and Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.
10. The Surety shall not be liable to the Owner, Claimants, or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for the payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligation to make payments to or give notice on behalf of Claimants, or otherwise have any obligations to Claimants under this Bond.
11. The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders, and other obligations.
12. No suit or action will be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the state in which the project that is the subject of the Construction Contract is located or after the expiration of one year from the date (1) on which the Claimant sent a Claim to the Surety pursuant to Paragraph 5.1.2 or 5.2, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit will be applicable.
13. Notice and Claims to the Surety, the Owner, or the Contractor must be mailed or delivered to the address shown on the page on which their signature appears. Actual receipt of notice or Claims, however accomplished, will be sufficient compliance as of the date received.
14. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement will be deemed deleted here from and provisions conforming to such statutory or other legal requirement will be deemed incorporated herein. When so furnished, the intent is that this Bond will be construed as a statutory bond and not as a common law bond.
15. Upon requests by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor and Owner shall promptly furnish a copy of this Bond or shall permit a copy to be made.
16. Definitions
  - 16.1. *Claim*—A written statement by the Claimant including at a minimum:
    - 16.1.1. The name of the Claimant;
    - 16.1.2. The name of the person for whom the labor was done, or materials or equipment furnished;
    - 16.1.3. A copy of the agreement or purchase order pursuant to which labor, materials, or equipment was furnished for use in the performance of the Construction Contract;
    - 16.1.4. A brief description of the labor, materials, or equipment furnished;

- 16.1.5. The date on which the Claimant last performed labor or last furnished materials or equipment for use in the performance of the Construction Contract;
  - 16.1.6. The total amount earned by the Claimant for labor, materials, or equipment furnished as of the date of the Claim;
  - 16.1.7. The total amount of previous payments received by the Claimant; and
  - 16.1.8. The total amount due and unpaid to the Claimant for labor, materials, or equipment furnished as of the date of the Claim.
- 16.2. **Claimant**—An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials, or equipment for use in the performance of the Construction Contract. The term Claimant also includes any individual or entity that has rightfully asserted a claim under an applicable mechanic's lien or similar statute against the real property upon which the Project is located. The intent of this Bond is to include without limitation in the terms of "labor, materials, or equipment" that part of the water, gas, power, light, heat, oil, gasoline, telephone service, or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials, or equipment were furnished.
- 16.3. **Construction Contract**—The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and all changes made to the agreement and the Contract Documents.
- 16.4. **Owner Default**—Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.
- 16.5. **Contract Documents**—All the documents that comprise the agreement between the Owner and Contractor.
17. If this Bond is issued for an agreement between a contractor and subcontractor, the term Contractor in this Bond will be deemed to be Subcontractor and the term Owner will be deemed to be Contractor.
18. Modifications to this Bond are as follows: None

### ACKNOWLEDGEMENT OF PRINCIPAL

STATE OF Minnesota

COUNTY OF Pine

On this 19<sup>th</sup> day of July, in the year 2024, before me personally  
appeared Kristen Alderink & Nicholas Alderink  
\_\_\_\_\_ of  
ACM L.L.C., known to me to be  
the person whose name is subscribed to the instrument, and acknowledge that he/she executed the same.

In WITNESS WHEREOF, I have hereunto set my hands and affixed my official seal, the day and year in  
this certificate first above written.

Marissa Morgenstern  
\_\_\_\_\_, Notary Public

My Commission Expires: Jan. 31, 2026

### ACKNOWLEDGEMENT OF SURETY

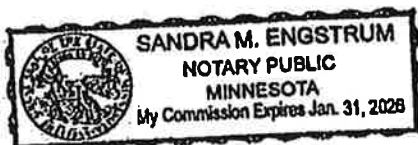


STATE OF Minnesota

COUNTY OF Hennepin

On this 10<sup>th</sup> day of July, in the year 2024, before me personally come(s)  
Brian J. Oestreich, Attorney-in-Fact of  
Employers Mutual Casualty Company, with whom  
I am personally acquainted, and who, being by me duly sworn, says that he/she is the Attorney-in-Fact of  
Employers Mutual Casualty Company, the company described in and  
which executed the within instrument; that he/she know(s) the corporate seal of such Company; and that the seal  
affixed to the within instrument is such corporate seal and that it was affixed by order of the Board of Directors of  
said Company, and that he/she signed said instrument as Attorney-in-Fact of the said Company by like order.

In WITNESS WHEREOF, I have hereunto set my hands and affixed my official seal, the day and year in  
this certificate first above written.



Sandra M. Engstrum  
\_\_\_\_\_, Notary Public

My Commission Expires: January 31, 2026

# POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

## KNOW ALL MEN BY THESE PRESENTS, that:

1. Employers Mutual Casualty Company, an Iowa Corporation
2. EMCASCO Insurance Company, an Iowa Corporation
3. Union Insurance Company of Providence, an Iowa Corporation

4. Illinois EMCASCO Insurance Company, an Iowa Corporation
5. Dakota Fire Insurance Company, a North Dakota Corporation
6. EMC Property & Casualty Company, an Iowa Corporation

hereinafter referred to severally as "Company" and collectively as "Companies", each does, by these presents, make, constitute and appoint:

Colby D. White, Ted Jorgensen, Joshua R. Loftis, Brian J. Oestreich, Nathan Weaver, R. C. Bowman, Sandra M. Engstrom, Rachel Thomas, Nicole Stillings, Michelle Morrison, Melinda C. Blodgett

its true and lawful attorney-in-fact, with full power and authority conferred to sign, seal, and execute the Surety Bond:

### Any and All Bonds

and to bind each Company thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of each such Company, and all of the acts of said attorney pursuant to the authority hereby given are hereby ratified and confirmed.

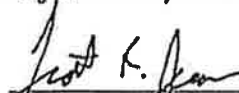
The authority hereby granted shall expire October 10th, 2025, unless sooner revoked.

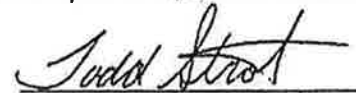
## AUTHORITY FOR POWER OF ATTORNEY

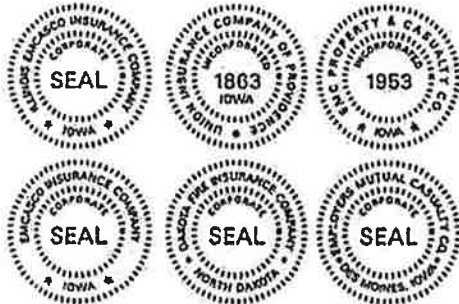
This Power-of-Attorney is made and executed pursuant to and by the authority of the following resolution of the Boards of Directors of each of the Companies at the first regularly scheduled meeting of each company duly called and held in 1999:

**RESOLVED:** The President and Chief Executive Officer, any Vice President, the Treasurer and the Secretary of Employers Mutual Casualty Company shall have power and authority to (1) appoint attorneys-in-fact and authorize them to execute on behalf of each Company and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof; and (2) to remove any such attorney-in-fact at any time and revoke the power and authority given to him or her. Attorneys-in-fact shall have power and authority, subject to the terms and limitations of the power-of-attorney issued to them, to execute and deliver on behalf of the Company, and to attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and any such instrument executed by any such attorney-in-fact shall be fully and in all respects binding upon the Company. Certification as to the validity of any power-of-attorney authorized herein made by an officer of Employers Mutual Casualty Company shall be fully and in all respects binding upon this Company. The facsimile or mechanically reproduced signature of such officer, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power-of-attorney of the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN WITNESS THEREOF, the Companies have caused these presents to be signed for each by their officers as shown, and the Corporate seals to be hereto affixed this 22nd day of September, 2022.

  
 Scott R. Jean, President & CEO  
 of Company 1; Chairman, President  
 & CEO of Companies 2, 3, 4, 5 & 6

  
 Todd Strother, Executive Vice President  
 Chief Legal Officer & Secretary of  
 Companies 1, 2, 3, 4, 5 & 6



On this 22nd day of September, 2022 before me a Notary Public in and for the State of Iowa, personally appeared Scott R. Jean and Todd Strother, who, being by me duly sworn, did say that they are, and are known to me to be the CEO, Chairman, President, Executive Vice President, Chief Legal Officer and/or Secretary, respectively, of each of the Companies above; that the seals affixed to this Instrument are the seals of said corporations; that said Instrument was signed and sealed on behalf of each of the Companies by authority of their respective Boards of Directors; and that the said Scott R. Jean and Todd Strother, as such officers, acknowledged the execution of said Instrument to be their voluntary act and deed, and the voluntary act and deed of each of the Companies.

My Commission Expires October 10, 2025.

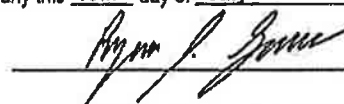
  
 Kathy Loveridge  
 Notary Public in and for the State of Iowa



## CERTIFICATE

I, Ryan J. Springer, Vice President of the Companies, do hereby certify that the foregoing resolution of the Boards of Directors by each of the Companies, and this Power of Attorney issued pursuant thereto on 22nd day of September, 2022, are true and correct and are still in full force and effect.

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 10th day of July, 2024.

  
 Ryan J. Springer  
 Vice President

# PROJECT TEAM MEETING SUMMARY

<b>Location:</b>	Red Lake Watershed District 1000 Pennington Ave S, Thief River Falls, MN 56701
<b>Date:</b>	12/18/2024
<b>Time:</b>	9:00 – 11:00 AM
<b>Participants</b>	Randy Larson, Tony Nordby, Moriya Rufer, Tammy Audette, Zach Gutknecht, Lynda Ponting, Jim Graham, LeRoy Ose, Matt Fischer, Stephanie Klamm, Wayne Johnson, Lon Aune, Kathy Filmore, Gary Kiesow, Patrick Erickson, Nathan Bukowski, Darren Carlson, Jeremy Nelson, David Rodahl, Doug Franke, Brad Lunke, Mitchell Stanley, (Virtual; Larry P.).

## Summary

### Project Team Process

Everyone introduced themselves, then Moriya Rufer presented a review of the Project Team process.

### Draft Purpose and Need and Project Area map

Tony provided an overview of changes made based upon the meeting summary notes from the October 16, 2024 meeting.

- There was a discussion on whether to include drinking water treatment challenges for the City of Thief River Falls as a need of the project. Some Project Team members were concerned that if a project concept was considered that did not improve water quality it couldn't move forward. In the end, the group agreed that the reference to drinking water should remain in the needs, and the way it is worded leaves it open to an improvement or no negative effect.
- There was a discussion about the wording of "duration of flooding impacts upland wildlife habitat...". The group decided to remove the words "duration of" and just talk about flooding impacts to leave it more broad.

Tony then showed the map of the Area of Concern addressed by the project. The group decided to extend the southern boundary below Agassiz National Wildlife Refuge to include two sections on either side of ditch 20.

The group came to consensus to approve the Purpose and Need statement and Area of Concern map through a show of thumbs. Thumbs up means they support the project, thumbs side means they can live with it, and thumbs down means they cannot live with it. All project team members were either thumbs up or thumbs side; there were no thumbs down.

### Project Identification

Tony presented on the Red River Basin Flood Damage Reduction Framework Technical Paper #11, which gives approaches to address flood damage reduction.

Table 1: TP 11 FDR Measures

Category 1 – Reduce Flood Volume	Category 2 – Increased Conveyance Capacity	Category 3 – Increase Temporary Flood Storage	Category 4 – Protection/Avoidance
1A - Restore or create wetlands	2A - Channelization	3A - On-Channel Impoundments	4A - Urban levees
1B - Use cropland BMPs	2B - Agricultural Drainage	3B - Off-Channel Impoundments	4B - Farmstead levees
1C - Convert cropland to prairie or other types of perennial grassland	2C - Diversions	3C - Restore or create wetlands	4C - Agricultural levees
1D - Convert land use to forest	2D - Setting back existing levees (to restore floodway capacity)	3D - Drainage	4D - Evacuation of the floodplain
1E - Other beneficial uses of stored runoff	2E - Increasing road crossing capacity	3E - Culvert sizing	4E - Floodproofing
		3F - Setting back existing levees (to restore floodplain storage areas)	4F - Flood warning and emergency response planning
		3G - Overtopping levees	

Then the group brainstormed project ideas on post it notes that could address the purpose and need. The brainstorming results are shown in Table 2 on the next page related to the FDR measures in Table 1.

### Next Steps

- General Update – RRWMB is in line to receive FEMA funding that could support modeling efforts needed to create foundational data for this project area. It is still uncertain on how funding will be distributed, but having an active project team may help to offset costs of modeling and evaluation of alternatives. The RLWD staff will update the Project Team on the status of the FEMA funding in January.
- Next Meeting – If the funding comes soon, the next regularly scheduled meeting would be February 19. In the event the modeling isn't completed by then, the February meeting would be cancelled and the next meeting would be April 16.

**Table 2. Brainstorming Results**

Category 1 – Reduce Flood Volume	Category 2 – Increased Conveyance Capacity	Category 3 – Increase Temporary Flood Storage	Category 4 – Protection/Avoidance
<ul style="list-style-type: none"> <li>• Wetland Restoration with set aside programs (RIM)</li> <li>• Increase grassland acres (CRP, pasture)</li> <li>• Ag practices that retain more water in soils</li> <li>• Improve wetland function</li> <li>• Use BMPs on cropland</li> <li>• Incentivize field borders/buffers along all field edges</li> <li>• Crop conversion along ditch system or floods that flood frequently</li> <li>• 1A</li> <li>• 1B</li> <li>• Restore wetlands on marginal land</li> <li>• Water and sediment control basins</li> <li>• Restore wetland function</li> <li>• Increase floodplain access</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>• Diversion to bypass TRF with impoundments</li> <li>• Possibility of cleaning cattails out of Agassiz NWR so they can have more capacity</li> <li>• Promote drainage water management on all tile drainage systems (no release during flooding events)</li> <li>• Repair Ditch 83</li> <li>• Improve levees on Ditch 83</li> <li>• Look at diverting water in high water situations</li> <li>• Potential diversion to move water out of impacted areas</li> <li>• Create diversion around TRF for Ditch 83</li> <li>• 2C, 2D, 2E</li> <li>• Increase drainage system capacity and stability by upgrading to 4:1 side slopes</li> <li>• Improve water quality by having a stable slope plus increased capacity and easier to mow/maintain</li> <li>• Route water from east (Agassiz) to the south to Ditch 18</li> <li>• 2C</li> <li>• Diversions</li> <li>• 2A</li> </ul>	<ul style="list-style-type: none"> <li>• Wetland Restoration</li> <li>• Slow water coming into the area from east</li> <li>• Wetland restoration in strategic areas along ditch system</li> <li>• Water impoundments upstream in the Ditch 20 system</li> <li>• Culvert sizing</li> <li>• Maintain current impoundments before and after rain events</li> <li>• Restore floodplains, re-meander of systems</li> <li>• Impoundment</li> <li>• Maintain (clean) Ditch 83</li> <li>• 3D</li> <li>• 3D, 3F</li> <li>• 3A, 3B, 3C</li> <li>• Off channel impoundments</li> <li>• Setback levees with culvert sizing</li> <li>• On-channel impoundments south of Grygla off Ditch 20</li> <li>• On-channel impoundments NW of Agassiz NWR to manage water from Thief Lake (N end of East Valley Township)</li> <li>• Repair/improve Ditch 83</li> <li>• Operate current impoundments with flood control in mind (do not need any more impoundments)</li> <li>• 3A and 3B on federal and state land</li> <li>• Investigate water level management on existing impoundments</li> <li>• Impoundment or storage in Ditch 20 system</li> <li>• Ditch systems sized to hold 10 yr/24 event</li> <li>• Hold more water or change operation of existing impoundment</li> <li>• Side water inlets</li> <li>• Set back levees to increase capacity of ditches</li> <li>• Update/modify infrastructure to manage increased flow</li> </ul>	<ul style="list-style-type: none"> <li>• Ring dikes and/or floodproof structures</li> <li>• Ag levees</li> </ul>



**Thief River/State Ditch #83 Project Team  
Red Lake Watershed District  
Approved Purpose and Need Statement  
(12/18/2024)**

**Purpose**

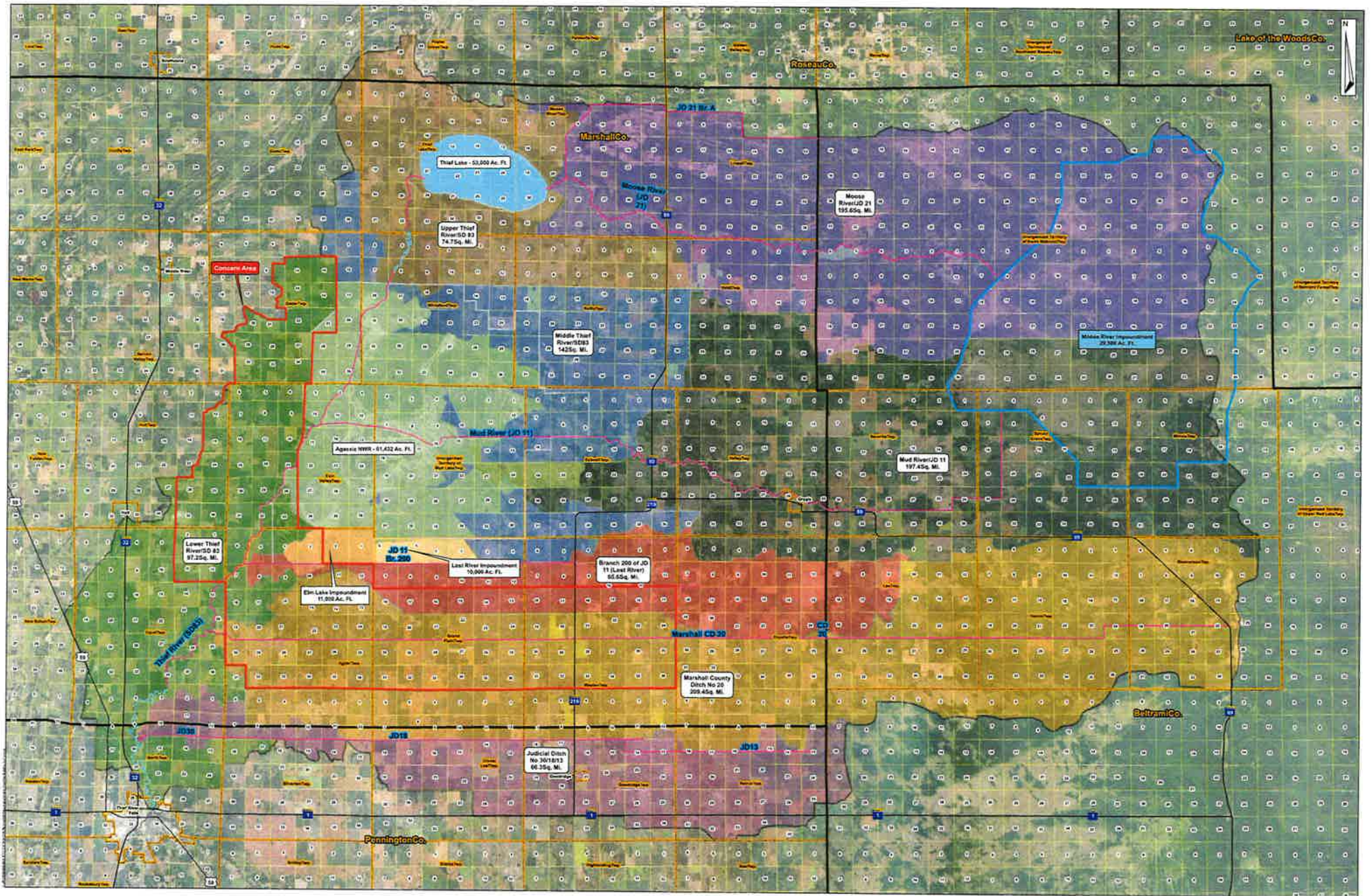
The purpose of this project is to provide flood damage protection for severe flooding to farmsteads due to a 100-year, 24-hour event (6.3" rainfall event), agricultural lands due to a 10-year 24-hour rainfall event (3.75" rainfall event), and minimize flood damage to public infrastructure within the mapped concern area of Cedar, East Valley, Holt, Excel, Agder, Grand Plain, and Moylan Townships within the Thief River sub-watershed, and reductions to larger and more frequent events.

**Need**

The need for this project is due to the following:

- Thief River/State Ditch #83 flooding longevity/duration can last multiple weeks due to 4 large sub-watersheds entering the system all within the project concern boundary area driving tailwater effects on all 4 sub-watershed waterways and the Thief River/State Ditch #83.
- Agder and East Valley townships water drains slowly from 2 - 3-inch rainfall causing road and crop damage.
- When Agassiz Wildlife Refuge and areas to the east get substantial rains, water backs up on East Valley/Cedar Townships, Agder and stays for days, weeks, or more.
- Thief River empties on lower end while flood increases by County Road 7
- Flooding driven by slow moving water through the project concern boundary area.
- Crop loss/damage is happening more frequently
- Flooding impacts upland wildlife habitat, wetland vegetation, introduces more invasive species such as hybrid cattails, and impacts other natural resources
- Thief River/State Ditch #83 lack of access to floodplain/connectivity/quality riparian buffer
- Upstream sediment from ditches/Agassiz depositing in Thief River/State Ditch #83
- Drinking water treatment challenges for the city of Thief River Falls
- Road damage, lost income, property damage, and high flood insurance
- County Ditch #20 floodwater enters Judicial Ditch #11 Branch 200







# **Administrator's Report**

December 30, 2024

**Ron Weiss Retirement:** Included in the packet is a Retirement Open House invitation for Ron Weiss, Red Lake County Commissioner to be held on January 9, 2025, from 1:00 – 3:00.

**Watershed Manager Orientation:** If you wish to attend the BWSR Watershed Manager Orientation that will be held in the District office on January 28, 2025 from 1:00 – 4:00, please inform Melissa.

**Upper/Lower Red Lake 1W1P:** Just a reminder that the BWSR Northern Committee Meeting will review the draft Upper/Lower Red Lake 1W1P at their January 6<sup>th</sup> meeting to be held in Bemidji. Staff members Audette and Hanson will participate in a Steering Committee meeting on January 2<sup>nd</sup>.

**RRWMB:** The RRWMB meeting will be held on January 7, 2025, starting at 10:00 a.m. The meeting date is one week earlier than normal due to the Annual Red River Basin Conference. I plan to attend the meeting.

**Pine Lake Aeration:** Legal Notices have been issued for the intent to operate the aeration system on Pine Lake. The legal notice must be published prior to receiving the MnDNR permit application. We will inform the Board of when the aeration begins.

**MS4 Front Demo:** District staff participated in a MS4 Front Demo, along with several of the One Watershed One Plan subwatershed. We will report back to the Board after the 1W1P members are available for discussion.



# OPEN HOUSE

For

*Ron Weiss*

**Recognizing his 23 Years of Service as a  
Red Lake County Commissioner**

**Thursday, January 9, 2025**

**1:00 p.m. to 3:00 p.m.**

**Commissioner's Boardroom (2<sup>nd</sup> floor)  
Red Lake County Courthouse  
124 Langevin Ave  
Red Lake Falls, MN**

**Cake and Beverage will be served.**