

RED LAKE WATERSHED DISTRICT
Board of Manager's Minutes
September 13, 2012

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

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

Motion by Coe, seconded by Mandt, to dispense reading of the August 23, 2012 Board meeting minutes and approve them as printed. Motion carried.

The Board reviewed the Financial Report and Investment Summary dated September 12, 2012. Motion by Knott, seconded by Ose, and passed by unanimous vote that the Board approve the Financial Report and Investment Summary dated August 23, 2012. Motion carried. Administrator Jesme stated that the Certificate of Deposit that expires on September 20, 2012 will not be reinvested, but deposited into the Northern State Bank checking account.

Motion by Tiedemann, seconded by Mandt, to grant a one year extension to Permit No. 11113, U.S. Fish and Wildlife Service, Onstad Township, Polk County. Motion carried.

Motion by Knott, seconded by Tiedemann, to approve previously tabled Permit No. 11198, James C. Sigerud, Star Township, Pennington County, with conditions stated on the permit. Motion carried.

The Board reviewed the permits for approval. Motion by Tiedemann, seconded by Mandt, to approve the following permits with conditions stated on the permits: No. 12127 and 12129, Pennington County Highway Department, Mayfield Township; No. 12128 and 12131, Pennington County Highway Department, Highlanding Township; No. 12130, Pete Anderson, Eden Township, Polk County; No. 12132, Pennington County Highway Department, Norden Township; No. 12133, Craig Flatgard, Garnes Township, Red Lake County; No. 12134, Minnesota Department of Transportation, Emarville Township, Red Lake County; No. 12135, Jerry C. Hasnedl, River Falls Township, Pennington County; No. 12136, Vance Thoreson, Inc., Roome Township, Polk County; No. 12137, Justin Kunz, Smiley Township, Pennington County; No. 12138, Alvin Asp, Bray Township, Pennington County; and No. 12139, Charlie A. Johnson, North Equality Township, Red Lake County. Motion carried.

Staff member Loren Sanderson presented his staff evaluation to the Board. Administrator Jesme stated that all employee evaluations are available for the Board to review.

The Board reviewed a draft River Watch Agreement outlining the parameters on how the schools will be reimbursed for their involvement in the River Watch Program. Staff member Jim Blix stated that there are currently 10 schools within the District involved in the River Watch Program. President Nelson asked Legal Counsel Sparby to review the agreement and report back to the Board at the next meeting.

The Board reviewed a request from the Red Lake County SWCD for the Roger Johannek Streambank Protection Project located in Section 22, Red Lake Falls Township for erosion control along the bank of the Clearwater River within the City of Red Lake Falls. The total project cost is \$22,195.00, with the Red Lake County SWCD requesting \$3,500 from the 2012 Erosion Control Funds, RLWD Project No. 164. Motion by Coe, seconded by Tiedemann, to approve the request of the Red Lake County SWCD for cost share in the amount of \$3,500 for the Roger Johannek Streambank Protection Project from the 2012 Erosion Control Funds, RLWD Project No. 164. Motion carried.

At 9:15 a.m. the Board opened quotes received for the construction of the Clearbrook Stormwater Treatment Pond, RLWD Project No. 160. Quotes were opened and publicly announced. Motion by Mandt, seconded by Coe, to accept the apparent low quote for construction of the Clearbrook Stormwater Treatment Pond, RLWD Project No. 160, from Taggart Excavating and Septic Service, contingent upon the audit and review of the quotes from the Joint Powers Board Engineer William Westerberg and District staff. Motion carried.

Discussion was had on job performance of Taggart Excavating during the construction of a previous project he completed for the District. Jesme indicated that Troy Taggart is a very good contractor but the problems that came to surface on the previous project had to do with staff he had working on that particular job. Jesme indicated that he would discuss the District's concerns and get assurance from Taggart that he would be present for the construction of the Clearbrook Project. Jesme stated he would inform Taggart of the Board's concerns regarding the previous project.

Bryan Malone, Pennington County SWCD appeared before the Board to request funding assistance for the Lloyd Halvorson Streambank Protection Project located in Section 16, North Township, for erosion control along the bank of the Thief River. The total project cost is \$33,450.00, with the Pennington County SWCD requesting \$5,000 from the 2012 Erosion Control Funds, RLWD Project No. 164. Motion by Tiedemann, seconded by Ose, to approve the request of the Pennington County SWCD for cost share in the amount of \$5,000 for the Lloyd Halvorson Streambank Protection Project from the 2012 Erosion Control Funds, RLWD Project No. 164. Motion carried.

At 9:30 a.m., President Nelson recessed the general meeting and called the 2013 General Fund Budget Hearing to order. The hearing was properly advertised and is on videotape and available for viewing at the RLWD office. The Board reviewed the proposed General Fund Budget and opened the hearing for public comment. Hearing no public comment, the hearing closed at 9:35 a.m. A motion was made by Coe, seconded by Knott, and passed by unanimous vote that the Board approve the following 2013 General Fund Budget:

	PROPOSED 2013 BUDGET
Manager's fees and salaries	\$20,000.00
Board of managers' expense	19,000.00
Staff salaries	375,500.00
Payroll taxes	34,000.00
Employee benefits	89,500.00
Travel and meetings (inc. mileage & exp.)	5,000.00
Audit	9,000.00
Legal	12,000.00
Office supplies	12,000.00
Office equipment	15,000.00
Appraisers and Viewers	3,000.00
Professional services (inc. Eng. Fees)	2,000.00
Dues and subscriptions	4,000.00
Insurance and bonds	30,000.00
Repairs and maintenance-building	45,000.00
Utilities	8,000.00
Advertising and publications	2,500.00
Telephone	12,000.00
Vehicle expense & maintenance	14,000.00
Engineering supplies	3,000.00
Engineering equipment	30,000.00
TOTAL	\$744,500.00
ESTIMATED OVERHEAD	(563,250.00)
PROPOSED 2013 GENERAL FUND LEVY	\$181,250.00

The regular meeting reconvened.

Engineer Jeff Langan, Houston Engineering, Inc. updated the Board on construction activities for the Grand Marais Creek Cut Channel, RLWD Project No. 60FF. Langan stated that we may request an extension on the Board of Water and Soil Resources Clean Water Grant application to allow the District to complete additional construction in 2013 with the remaining funding available. With the proposed additional work, the District will need to receive approval from the U.S. Army Corps of Engineers and also negotiate contract prices with the contractor, R.J. Zavoral & Sons, Inc. Langan discussed reducing the retainage amount from 10% to 5% on the contract with R.J. Zavoral & Sons, Inc.

Motion by Coe, seconded by Tiedemann, to request a grant extension from the Board of Water and Soil Resources Clean Water Grants to allow for additional work in the 2013 construction season for the Grand Marais Creek Cut Channel, RLWD Project No. 60FF. Motion carried.

The Board reviewed Pay Estimate No. 6 for R.J. Zavoral & Sons, Inc. for construction of the Grand Marais Creek Cut Channel Stabilization Project, RLWD Project No. 60FF. Jesme indicated that as part of the specifications, a 10% retainer will be held until final approval of the project. Engineer Jeff Langan requested that the retainer be reduced to 5% since we may hold the contract over the winter which will allow the District to complete additional construction in 2013 under the current contract if acceptable by R.J. Zavoral & Sons, Inc. Langan stated that based on the retainage of 5%, total payment owed for Pay Estimate #6 is \$150,663.82. Motion by Knott, seconded by Tiedemann, to approve the reduction in retainer from 10% to 5% for payment in the amount of \$150,663.82 to R.J. Zavoral & Sons, Inc. for construction of the Grand Marais Creek Cut Channel Stabilization Project, RLWD Project No. 60FF. Motion carried.

The Board reviewed Change Order No. 5, for R.J. Zavoral & Sons, Inc. for the Grand Marais Creek Cut Channel, RLWD Project No. 60FF in the amount of \$1,737.50. Motion by Tiedemann, seconded by Ose, to approve Change Order No. 5 for R.J. Zavoral & Sons, Inc. for construction of the Grand Marais Creek Cut Channel, RLWD Project No. 60FF. Motion carried.

Joint Powers Board Engineer William Westerberg stated that he had audited the quotes for the Clearbrook Stormwater Retention Pond, RLWD Project No. 160 and Taggart Excavating and Septic Service is the apparent low quote received.

Nicole Bernd-West Polk SWCD, Jim Hest-Joint Powers Board and staff member Gary Lane appeared before the Board to discuss a Clean Water Partnership Grant for the Burnham Creek Watershed Restoration Project. Bernd stated that Phase I of the grant application is for \$211,540.00 for the installation of eight rock weirs and Phase II in the amount of \$108,1115.00 for drop structure modifications/fish structure passage.

President Nelson stated that discussion on the Burnham Creek Clean Water Partnership Grant will continue after the bid opening for the Chuck Flage Erosion Control Project.

At 10:00 a.m., the bid opening for the construction of the Chuck Flage Erosion Control Project, RLWD Project No. 174, was conducted. Legal Counsel Sparby noted the time and that all bid proposals have been accepted by the 10:00 a.m. bid closing. Bids were opened and bid amounts were publicly announced and are on file at the office of the Watershed District.

Motion was made by Coe, seconded by Torgerson, to accept the apparent low bid from Wright Construction for construction of the Chuck Flage Erosion Control Project, RLWD Project No. 174, contingent upon the audit and review of the bids and approval by Legal Counsel Sparby, District staff, and Project Engineer Nate Dalager, HDR Engineering, Inc. Motion carried.

Discussion continued on the Burnham Creek Clean Water Partnership Grant Application. Staff member Gary Lane discussed the deposit of sediment near the culverts due to head cutting. Lane stated that since this is a legal drainage system with a benefitted area, the District can levy the system for maintenance issues. Joint Powers Engineer Jim Hest is designing approximately 8 rock weirs to help stop the head cutting and stabilize the banks. Mr. Hest is also looking at redesigning the current structure/weir design as it is a fish barrier. There are approximately 60 species of fish/minnow within the Burnham Creek watershed. The entire project would be a four

phase project with additional funding applied for in 2013. It was the consensus of the Board to proceed with the two grant applications and if one or more grants were received, they would then closely review the project scope to determine how the matching grant funds will be satisfied.

Engineer Nate Dalager, HDR Engineering, Inc. stated that Spruce Valley Corporation will be completing work along the County Road 62 corridor and the diversion structure along County Road 8 for construction of RLWD Ditch 14/Thief River Falls Flood Damage Project, RLWD Project No. 171/171A.

The Board reviewed Pay Estimate No. 5 for Spruce Valley Corporation for construction of RLWD Ditch 14, Project No. 171. Jesme indicated that as part of the specifications, a 10% retainer will be held until final approval of the project. Based on the retainage of 10%, total payment owed for Pay Estimate #5 is \$8,202.44. Motion by Ose, seconded by Mandt, to approve payment in the amount of \$8,202.44 to Spruce Valley Corporation for construction of RLWD Ditch 14, Project No. 171. Motion carried.

The Board reviewed Change Order No. 1 for Spruce Valley Corporation for the RLWD Ditch 14, RLWD Project No. 171 in the amount of \$2,626.00 for relocation and lowering of several pipes. Motion by Torgerson, seconded by Knott, to approve Change Order No. 1, for Spruce Valley Corporation for RLWD Ditch 14, RLWD Project No. 171 in the amount of \$2,626.00.

The Board reviewed Pay Estimate No. 5 for Spruce Valley Corporation for construction of the Thief River Falls Flood Damage Reduction Project, Project No. 171A. Jesme indicated that as part of the specifications, a 10% retainer will be held until final approval of the project. Based on the retainage of 10%, total payment owed for Pay Estimate #5 is \$128,323.62. Motion by Coe, seconded by Tiedemann, to approve payment in the amount of \$128,323.62 to Spruce Valley Corporation for construction of Thief River Falls Flood Damage Reduction Project, Project No. 171A. Motion carried.

The Board reviewed Change Order No. 2 for Spruce Valley Corporation for the Thief River Falls Flood Damage Reduction Project, RLWD Project No. 171A in the amount of \$24,349.05 for miscellaneous items north of Greenwood Street. Motion by Mandt, seconded by Torgerson, to approve Change Order No. 2, for Spruce Valley Corporation for the Thief River Falls Flood Damage Reduction Project, RLWD Project No. 171A in the amount of \$24,349.05. Motion carried.

Administrator Jesme stated seeding for the Thief River Falls Flood Damage Reduction Project, RLWD Project No. 171A north of Greenwood Street was designed with mulch and disc anchoring. Jesme stated that mulch is messy and could plug up the grates within the city limits, therefore, recommended using hydro-mulching at an approximate cost of \$11,103.35. Motion by Coe, seconded by Ose, to hydro-seed the area within the city limits north of Greenwood Street at a cost not to exceed \$11,103.35. Motion carried.

Manager Nelson discussed the replacement of culverts along the County Road 62 corridor. Dalager stated that each crossing will be replaced or lengthened if necessary. Pavement will be relayed only in the area that was disturbed.

Engineer Nate Dalager, HDR Engineering, Inc. presented the Preliminary Survey Report for the Brandt Channel, RLWD Project No. 175. Motion by Knott, seconded by Ose, to accept for filing the Preliminary Survey Report for the Brandt Channel, RLWD Project No. 175 and set the preliminary hearing for October 25, 2012 at 10:30 a.m. at the District office. Motion carried.

President Nelson stated that prior to today's Board meeting, the Grand Marais Creek Joint Powers Board met to set the hearing date for the Grand Marais Creek Channel Restoration Project, RLWD Project No. 60F for October 25, 2012 at 9:30 a.m. at the District office.

Administrators Update:

- Jesme and Manager Knott will attend the RRWMB meeting held at the RLWD office on September 18, 2012. The Red River Basin Flood Damage Reduction Work Group will host a tour on September 17th. The tour will start in Thief River Falls and go west to Agassiz Valley Project currently being constructed by the Middle Snake Tamarac Rivers Watershed District. The Work Group asked Nick Drees and Jesme to attend the bus tour to explain the permitting process for both projects.
- The USFWS will be hosting a program and dinner for the Glacial Ridge National Wildlife Refuge on September 15, 2012 at 6:00 p.m. Included in the packet is the invitation to the celebration.
- The District in conjunction with the MCPA will host a picnic for the Red Lake River Initiative on September 24, 2012 from 5:00 – 7:00 at the Downtown Central Square in Crookston. The picnic is a kick-off to educate the public and get their ideas about various aspects of the Red Lake River. The plan that will be developed is about restoration and protecting the river.

Administrator Jesme requested a current billing statement from Legal Counsel Delray Sparby. Sparby stated that he had the statement with him.

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



Orville Knott, Secretary