

RED LAKE WATERSHED DISTRICT  
Board of Manager's Minutes  
August 26, 2010

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

The Board reviewed the agenda. A motion was made by Coe, seconded by Nordlund, and passed by unanimous vote that the Board approve the agenda.

Motion by Ose, seconded by Knott, to dispense reading of the August 12, 2010 minutes and approve them as printed. Motion carried.

The Board reviewed the Financial Report dated August 25, 2010. Motion by Ose, seconded by Knott, and passed by unanimous vote that the Board approve the Financial Report dated August 25, 2010.

Administrator Jesme stated that due to the large amount of rain in the past few weeks in the Clearbrook area, the groundwater is too high to begin construction of the Clearbrook Stormwater Retention Pond Project, RLWD Project No. 160. Jesme stated that the Joint Powers Engineer is working on an extension with the Contractor and the installation of a water monitoring well. Once the water table is down construction can begin. The Contractor has delivered some materials, so the District will be completing a partial payment.

Staff member Corey Hanson discussed the Thief River Stream Channel Stability Assessment, RLWD Project No. 157B. Hanson stated that the Work Plan was submitted to the MPCA on January 15, 2010, with work scheduled to begin March 1, 2010. Since the contract has not been signed by the MPCA, any incurred expenses will not be allowed. Hanson stated that Dave Friedl, MnDNR is an expert with stream channel stability assessments and had set aside time to assist the District with the completion of the assessment study late this summer/early fall. If the assessment is not completed now, it will be delayed until next year. Completion of the assessment study will cost approximately \$15,000. Hanson stated that if the District proceeds with the assessment study at this time, he will modify the work plan to show that the District completed the work and not the MPCA. After discussion by the Board, a motion was made by Coe, seconded by Ose, to proceed with the Thief River Stream Channel Stability Assessment, RLWD Project No. 157B at an approximate cost to the District of \$15,000. Motion carried.

Engineer Jeff Langan, Houston Engineering and Administrator Jesme discussed the presentation they gave to the Lessard Sam Outdoor Heritage Committee for potential funding for the Grand Marais Creek Restoration Project, RLWD Project No. 60F.

Staff member Arlene Novak discussed the Health Insurance refund that was received from the Northwest Service Coop's Insurance Pool. The refund in the amount of \$4,526.68, is a result of the 2009 experience year and as a result of the staff's good experience. The District contributes

\$1,000 monthly for a family policy and \$300 monthly towards a single policy, with the remaining balance paid by District staff. After discussion by the Board, a motion was made by Mandt, seconded by Knott, to apply the refund received from the Northwest Service Coop to offset the Staff members monthly contribution until the refund is exhausted. Motion carried with Manager Nordlund opposed.

The 2010 MAWD Resolution Process and Time line were discussed by the Board.

The Board reviewed the Permits for approval. Motion by Ose, seconded by Nordlund, to approve the following permits with conditions states on the permits: No. 10010, Craig Stroot, Belguim Township, Polk County; No. 10056, Marta Sivitz, Tilden Township, Polk County; No. 10103, Steiger Farms, Inc., Black River Township, Pennington County; No. 10111, Michael D. Arveson, Hickory Township, Pennington County; No. 10112, Pennington County Highway Department, Sanders Township; No. 10113, John E. Erickson, Black River Township, Pennington County; No. 10114, John E. Erickson, Polk Centre Township, Pennington County; No. 10115, Leif Kolstoe, Garnes Township, Red Lake County; No. 10116, Pederson Brothers, Lake Pleasant Township, Red Lake County; No. 10117, Don Lunke, East Valley Township, Marshall County; No. 10118, Dan Cymbaluk, Crookston Township, Polk County, and No. 10119 and 10120, Grand Plain Township, Marshall County. Motion carried.

Manager Nelson discussed the potential of a petition from landowners within the Pennington County Ditch 75 area. Legal Counsel Sparby discussed the bond for Pennington County Ditch 75, RLWD Project No. 170, and the option of setting a deadline for the payment of the same.

Manager Knott asked Administrator Jesme if or what are some of the problems the District faces in applying and receiving permits from the U.S. Army Corps of Engineers. Administrator Jesme stated that the turnaround time on some permits in the past have been an issue but also indicated that the last permit we applied for on the Jerome Street Project was received in a very timely manner.

Managers Ose and Coe discussed the JD 21 meeting they attended in Grygla, along with Administrator Jesme and staff member Loren Sanderson. This meeting was intended to give an overview of the Moose River Impoundment Operating Plan and answer questions that the Joint Board had. Ose indicated that the meeting went very well and the Joint Board was very appreciative of our attendance.

At 10:00 a.m., President Nelson recessed the general meeting and called the 2011 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 10:05 a.m. A motion was made by Knott, seconded by Nordlund, and passed by unanimous vote that the Board approve the following 2011 General Fund Budget:

	<b>PROPOSED 2011 BUDGET</b>
Manager's fees and salaries	\$20,000.00
Board of managers' expense	19,000.00
Staff salaries	355,000.00
Payroll taxes	31,000.00
Employee benefits	88,000.00
Travel and meetings (inc. mileage & exp.)	5,000.00
Audit	8,400.00
Legal	10,000.00
Office supplies	12,000.00
Office equipment	6,000.00
Appraisers and Viewers	1,000.00
Professional services (inc. Eng. Fees)	2,000.00
Dues and subscriptions	3,000.00
Insurance and bonds	25,000.00
Rent	1,500.00
Repairs and maintenance-building	45,000.00
Utilities	8,000.00
Advertising and publications	2,000.00
Telephone	13,000.00
Vehicle expense & maintenance	14,000.00
Engineering supplies	2,500.00
Engineering equipment	40,000.00
<b>TOTAL</b>	<b>\$711,400.00</b>
<b>ESTIMATED OVERHEAD</b>	<b>( 532,500.00)</b>
<b>PROPOSED 2011 GENERAL FUND LEVY</b>	<b>\$178,900.00</b>

The regular meeting reconvened.

Special Revenue Assessments for 2011 were presented and discussed. Motion by Ose, seconded by Mandt, to approve the following Special Revenue Assessments: RLWD Ditch No. 3, RLWD Project No. 7, \$3,000; State Ditch No. 83, RLWD Project No. 14, \$50,000; RLWD Ditch No. 7, RLWD Project No. 20, \$5,000; Pine Lake Maintenance, RLWD Project No. 35, \$4,000; RLWD Ditch No. 8, RLWD Project No. 36, \$1,800; J.D. No. 72, RLWD Project No. 41, \$12,000; Burnham Creek, RLWD Project No. 43B, \$20,000; Wild Rice Allocation, RLWD Project No.

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45, \$6,000; J.D. 2B, RLWD Project No. 49, \$4,500; Krostue Petition, RLWD Project No. 53, \$2,000; J.D. 5 (4 Legged Lake), RLWD Project No. 102, \$1,000; Arveson Petition, RLWD Project No. 109, \$2,000; Winsor-Hangaard, RLWD Project No. 113, \$5,000; Equality/RLWD Ditch 1, RLWD Project No. 115, \$3,000; Kenneth Johnson Petition, RLWD Project No. 117, \$2,000; Polk County Ditch Improvement, RLWD Project No. 119, \$15,000; Scott Baatz Petition, RLWD Project No. 123, \$1,000; Polk County Ditch 63, RLWD Project No. 134, \$15,000; RLWD Ditch No. 10, RLWD Project No. 161, \$7,000; RLWD Ditch No. 12, RLWD Project No. 169, \$15,000. Motion carried.

The Board reviewed the 2011 General Fund/RRWMB Levy.

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



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Orville Knott, Secretary