

WILD RICE WATERSHED DISTRICT

11 Fifth Avenue East

Ada, MN 56510

Ph: 218-784-5501

REGULAR MEETING

November 12, 2008

APPROVED Minutes

1. The regular meeting of the Wild Rice Watershed District Board of Managers was held on Wednesday November 12, 2008. Managers in attendance include Diane Ista, Bob Wright, Warren Seykora, Mike Christensen, Don Vellenga and Joe Spaeth. Absent: Dave Vipond. In addition the following persons were in attendance: Administrator Dalen, Engineer Jerry Bents, Attorney Elroy Hanson, Tim Halle, Loretta Johnson, Dave Stumbo, Joy Stumbo, Dan Pritchard, Kelly Schultz, Duane Erickson, Mark Habedank, Ron Thorsrud, Paul Wannarka, Mick Alm, Marijo Vik, Kim Syverson, Ronnie Guttormson, Curtis Borchert, Lori Thronson, and Attorney Jerry Von Korff, Bonnie Ewert and Kyle Nelson, via teleconference.
2. Chairman Seykora called the meeting to order at 8:40 a.m.
3. A motion was made by Manager Vellenga and seconded by Manager Ista to approve the agenda with the addition of discussion about the following items: administrative contract, audit, list of questions brought by Manager Vellenga, MAWD resolutions and nomination of delegates. Carried.
4. Open Microphone. There was no discussion during the open microphone time allotment.
5. Upper Felton Project. Engineer Bents reported that two meetings were held with the Project Team (PT) Committee, Bents, Administrator Dalen and Board Members. Consensus was that three of the five properties offered up by landowners were not the type of projects the Watershed District would need and discussion should be held with these landowners. The remaining two were onchannel in Sections 14-15 of Keene Township, with a lot of storage capacity but the PT agency committee folks were concerned about the downstream designated trout stream portion of the Felton Creek. However, they did indicate that they could possibly consider storage farther upstream of the trout stream. A motion was made by Manager Ista and seconded by Manager Christensen to continue looking into the Upper Felton Area for storage sites that the PT committee reviewed and holding a meeting with landowners to discuss what sites would be considered and what options we have in that area. Carried.
6. Don Vellenga Resignation. Manager Vellenga informed Managers that he would be resigning his position as Manager effective January 31, 2009, as his wife, Barbara, has accepted a new position with the University of Sioux Falls.

7. Flowage Easements-Kyle Nelson. Kyle Nelson, Alerus Appraisals, and Attorney Jerry Von Korff, joined the meeting via teleconference, to discuss establishing land values for flowage easements on possible future projects for the District. Current real estate values were discussed and Attorney Von Korff provided options that could be considered when establishing flowage easements. Dan Pritchard and Dave and Joy Stumbo raised concerns regarding the risk involved in farming property within a flowage easement area without the benefit of crop insurance. Attorney Von Korff was asked by Administrator Dalen to explain the process of imminent domain to which Manager Ista stated that she felt uncomfortable discussing this item and didn't want to force landowners out. Chairman Seykora stated that all options are being discussed, but when this project or any other project is completed, landowners will be better off than they were prior to construction. Manager Vellenga asked if it might be wise to discuss why CD #18 became high priority. Engineer Bents reviewed the chronological order of Project #42 and explained how the District arrived at this point on the project. Stumbos and Pritchard felt that they were not involved in the beginning of the process and asked at what point a project is abandoned due to landowner issues, is it at the hearing? Manager Vellenga asked from landowners' point of view, was there any option that would be agreeable. Vellenga stated that if all gave a little bit; in the long run there could be a neutral ground where all could agree. Vellenga also stated that having the Engineer's Report soon would be very positive, because the technical information would be available. Dan Pritchard stated he didn't believe that the benefits of this project outweigh the cost.

8. Clay County Ditch #18 Cleanout. Engineer Bents updated the Managers on the status of the cleanout on CD #18. He stated that we have the necessary permits from WCA and SWCD and will now be contacting the USFWS to work with them. Construction will not begin until the ground is frozen.

9. Project #42, Upper Becker Dams. Administrator Dalen reported that he will have land acquisition information on two of the major landowners within the Upper Becker Dams project for board review at the December meeting. Engineer Bents stated that they have a good set of preliminary plans that will be reviewed with the Project Team. Manager Vellenga asked if seepage could be addressed to prevent future problems for landowners. Manager Christensen asked if the soil types on Upper Becker were the same as CD #18. Bents replied that Becker has better clay while CD #18 has more sporadic soils and more granular deposits. Vellenga asked if the District has basic landowner acceptance at the Upper Becker site. Administrator Dalen stated that landowners have not said a definite no to the project, nor did anyone state they were strongly opposed. Engineer Bents reviewed the project plans for CD #18. Chairman Seykora stated that the District needs to start thinking about the hearing process, but the goal is still to leave the landowners better off after the project than before the District started the process.

10. WRDA Reevaluation Steering Committee Update. Manager Christensen stated that there was no update at this time.

11. Water Management District (WMD). Engineer Bents distributed copies of the draft proposed ordinance changes, using a comparison chart to view both the original and the proposed changes. Bents reviewed each proposed change and discussion ensued. Questions raised included how to address the Upper Reaches Project deficit; if the Upper Reaches Project should be included as a part of the WMD; the amount to be included in the ordinance for maximum annual levy; if the WMD should be used for only new projects and maintenance on those projects; if the charge should be based on contribution and/or taxable market value.

After considerable discussion, Engineer Bents stated that these proposed changes that had been discussed to the ordinance would be passed on to County Commissioners for review at the upcoming meetings in Clearwater and Norman Counties. Additional discussion was held regarding the fact that Pelican River Watershed District uses the WMD process. Manager Wright also stated that he would like to see how Administrator Guetter from Pelican Lake Watershed District manages their WMD. Administrator Dalen stated that he would contact her and ask if she could attend the November 25, 2008, Commissioners' Meeting.

12. Mahnomen Flood Control Project. A motion was made by Manager Vellenga and seconded by Manager Wright to approve Pay Request #1 in the amount of \$41,452.56 to Nanik Construction for the Mahnomen West Side Flood Control Project. Carried.

13. Farmstead Ring Dikes. A motion was made by Manager Vellenga and seconded by Manager Ista to approve Pay Request #1 in the amount of \$18,274.50 to D & J Excavating for the George Kane Ring Dike. Carried.

14. Customer Connections 360° Survey. Bonnie Ewert, Customer Connections, joined the meeting via teleconference to discuss the surveys sent to Managers to be completed and returned to her. Ewert listed the categories of stakeholders that the next survey will be mailed to and a couple of additional stakeholders were added.

15. Eugene Vik Violation/Permit Section 35/36 Hegne Township. Administrator Dalen updated the Managers on a very recent phone conversation with the complainant, Roger Kurpius, in which he stated that he was not interested in signing the hold harmless agreement and that he has already been damaged. Dalen also said that he asked Kurpius to call the Managers during the meeting to discuss his complaint, but Kurpius refused. Considerable discussion ensued as to whether restoration for the violation should be pursued immediately, or if it could wait until spring as requested by Borchert, allowing him, Erickson and landowners to work on a solution for the flooding. Borchert also submitted a letter requesting a list of landowners to contact and what percentage of those landowners would have to agree with the installation of a project on the Heitman Coulee and what downstream impacts would be for the structure. Managers Spaeth and Wright felt that because it was determined to be a violation, the District has an obligation to act on it. Spaeth also indicated that he was concerned about the District's liability. Attorney Hanson concurred with Spaeth regarding the District's liability and stated that it appears to be a clear violation, and it needs to be acted on, however at the last meeting which Kurpius attended he stated he was willing to table the complaint allowing time for Borchert to seek additional assistance from the NRCS and to provide specific plans to the District for the proposed work. A motion was made by Manager Christensen and seconded by Manager Wright to table any action on the violation until a special meeting, which will be scheduled for 4:00 p.m. on Monday November 17, 2008, giving time for Borchert to contact landowners and obtain signatures on a hold harmless agreement for the District. The office will notice all landowners beginning at the Heitman Coulee down to County Road #33. If the signoff isn't complete, the District will proceed with the restoration of the violation as indicated in Watershed District rules. Carried.

16. Wild Rice River Corridor Initiative. Chairman Seykora reported that the criteria for funding on the Corridor Initiative have not been developed at this time. Engineer Bents distributed a map of Wild Rice River proposed set back levee system with an extended boundary. A motion was made by Manager Wright and seconded by Manager Spaeth authorizing the District to submit a draft project that includes the extended boundary illustrated on the map. Carried.

17. Halle Future News Articles/DNR Meeting with Commissioner Holsten. Publicist Tim Halle distributed a draft copy of a future news article on the recent meeting held with DNR Commissioner Mark Holsten and asked for comments regarding the factual contents of the article. All agreed that the facts were accurate, however Manager Ista requested the first line of the news release be changed to a positive heading i.e. Commissioner Holsten urges District to work with the Project Team. A motion was made by Manager Ista and seconded by Manager Wright to approve the newspaper article per Ista's request for change. Carried.

18. DNR Meeting Commissioner Holsten. Discussion was held on the recent meeting with Commissioner Holsten and staff. Managers reviewed the meeting and talked about issues related to onstream storage, the District's need to continue working with the DNR, the fact that Commissioner Holsten clearly indicated that a high hazard dam could not be permitted under current law. Paul Wannarka, DNR Coordinator, stated that he felt that the commissioner reaffirmed the need to work within the mediation process and the Project Team. Administrator Dalen distributed an On-Stream Storage Chart and draft correspondence to Commissioner Holsten thanking him for his efforts in making the meeting happen and invited him to Ada for a tour of District potential project sites. Dalen raised the question of where do we go from here and agreed to use the six possible board directions illustrated on the "On-Stream Storage" spreadsheet and draft a document that covers some of these issues for the December meeting. A motion was made by Manager Wright and seconded by Manager Spaeth to approve sending the correspondence to Commissioner Holsten. Carried.

19. Approval of Billings. A motion was made by Manager Wright and seconded by Manager Christensen to approve the billings as presented for November 12, 2008, to include Managers per diems, expenses and staff salary and benefits. Carried.

20. Financial Report. Accountant Marcussen presented the financial report dated October 31, 2008. A motion was made by Manager Ista and seconded by Manager Spaeth to approve the financial report as presented. Carried.

21. Moccasin Creek Dam O & M Plan. Engineer Bents distributed correspondence received from Michele Puchalski, DNR, regarding the District's request to modify the operating for the Moccasin Creek Dam located in the NE1/4 of Section 6 of Flom Township. Puchalski provided a list of additional information that would be required before the proposal could be evaluated. A motion was made by Manager Ista and seconded by Manager Vellenga authorizing Engineer Bents to work on preparation of the necessary information. Carried.

22. WRWD Total Maximum Daily Load (TMDL). Engineer Jerry Bents updated the Board on the status of the TMDL Drainage Record Modernization Grant that he submitted to BWSR for map upgrading District ditch maps. Bents stated that to his knowledge the final version of the TMDL grant has not been accepted.

23. Reorganization of the District Office. Administrator Dalen stated that he met with Manager Vipond earlier in the week, and with Vipond being unable to attend the meeting, it will be postponed until the December Meeting.

24. Farmstead Ring Dikes. A motion was made by Manager Vellenga and seconded by Manager Ista to approve Pay Request #1 in the amount of \$18,274.50 to D & J Construction for the George Kane Ring Dike. Carried.

25. J.D. #53 Main Repair. A motion was made by Manager Christensen and seconded by Manager Vellenga to approve Pay Request #1 in the amount of \$25,289.64 to All Seasons Contracting for the repair of J.D. #53 and Change Order #1 in the amount of \$1,125 for 4" drain tile. Carried.

26. Upper Reaches Stevenson Request, Section 17 of Mary Township. Upon a recommendation by Engineer Jerry Bents, a motion was made by Manager Christensen to not do any repairs at this time, and notify Stevenson of the Board's decision. Carried.

27. MAWD Resolutions. Chairman Seykora distributed a letter that includes the MAWD resolutions. He reviewed each individual proposed resolution, asked for comments from Board members and stated that board members may attend the resolutions committee meeting if they choose. Consensus of Managers was to submit the proposed resolutions to MAWD as discussed.

PERMITS

28. Perry Ellingson, Section 23, Georgetown Township. A motion was made by Manager Vellenga and seconded by Manager Ista to approve Permit Application #11-12-2008-1, of Perry Ellingson to clean ditches through the CRP Strip of the Dalen Coulee, with the condition that the disturbed area is reseeded using the same seed mix as the CRP contract or to NRCS recommendations. Carried.

29. Project Team (PT) November Meeting. A motion was made by Manager Ista and seconded by Manager Christensen to notify all PT members requesting a reply for their choice between Tuesday November 25, 2008, and Wednesday, November 26, 2008, prior to setting a date. Carried.

30. Manager Vellenga's List of Questions. Manager Vellenga distributed a list of ten questions that he requested be reviewed, including bond for Watershed Managers, Lawsuit, Reorganization of Office, Administrator's Contract, Audits, Administrator's expense report, Travel out of the WRWD, Level I Engineer, Committee assignments and Employee/Board member. Discussion followed with Administrator Dalen stating that he would have Accountant Kim Durbin of Drees, Risky and Vallegar be at the December meeting. Regarding committee appointees, Administrator Dalen stated that he will bring some suggestions. Discussion was held regarding the question of whether the District should hire an engineer to be on staff at the District office in an attempt to cut costs. A motion was made by Manager Wright and seconded by Manager Christensen authorizing Managers Vellenga, Christensen and Ista to meeting with Jeff LeDoux and Jerry Bents of Houston Engineering, to discuss current engineering costs and determine the cost/effectiveness of the District hiring a staff engineer. Carried.

31. Meeting Minutes. A motion was made by Manager Wright and seconded by Manager Vellenga to approve the October 8, 2008, minutes with a change to Paragraph #30 from 40% to 140% and paragraph #39 change died to failed. Carried. A motion was made by Manager Vellenga and seconded by Manager Christensen to approve the October 20, 2008, minutes as distributed. Carried. A motion was made by Manager Vellenga and seconded by Manager Wright to approve the November 3, 2008, minutes as distributed. Carried.

32. Annual MAWD Meeting. Managers Ista and Christensen volunteered to be delegates to the MAWD Meeting dated December 4-6, 2008. Manager Spaeth was appointed as alternate. Carried.

33. There being no further business to come before the Board of Managers, a motion was made by Manager Vellenga and seconded by Manager Christensen to adjourn the meeting. Carried. Chairman Seykora adjourned the meeting at 5:30 p.m.

Don Vellenga, Secretary

Date	Num	Name	Memo	Amount
Oct 9 - Nov 12, 08				
10/15/2008	10820	North Star Water	water	-41.65
10/21/2008	11832	Jerome & Beatrice Swenson	Easement Pymt JD 53 Main	-12,324.00
10/21/2008	11833	Julian & Randall Aamodt, Kelly Bovee	Easement Pymt J.D. 53 Main	-14,802.75
10/21/2008	11834	MPCA	Mahnomen Project	-400.00
10/21/2008	11835	MPCA	Kane Ring Dike	-400.00
10/21/2008	11836	Customer Connections	Pymt #1	-1,750.00
10/21/2008	11838	Clay County Auditor Treasurer	Cond Use Permit/Kane Ring Dike	-200.00
10/21/2008	11839	Clay County Recorder	Farm Ring Dike Kane, Rec Fee	-46.00
10/21/2008		Alltel-Direct Pymt	Alltel-Cell phone	-180.77
10/28/2008	11829	Norman County Hwy Dept	Culvert	-837.80
11/12/2008	11844	All Seasons	Pay request #1 + change order	-25,289.64
11/12/2008	11845	American Eng Testing, Inc.	Geotechnical Services	-28,087.00
11/12/2008	11846	AmeriPride	rugs	-60.95
11/12/2008	11847	Arvid L Ambuehl	clean out culverts	-3,377.50
11/12/2008	11848	Cardmember Service	charges thru 10/17/08	-1,301.50
11/12/2008	11849	City of Ada	Monthly Util	-265.56
11/12/2008	11850	Clay County Planning & Zoning	Conditional Use Permit	-46.00
11/12/2008	11851	D & J Excavating	Pay Request #1	-18,274.50
11/12/2008	11852	Diane Ista	per diem	-349.72
11/12/2008	11853	Don Vellenga	per diem	-346.31
11/12/2008	11854	Drees, Risky & Vallager, Ltd.	Annual Audit	-6,877.00
11/12/2008	11855	FP Mailing Solutions	meter rent-quarterly	-236.11
11/12/2008	11856	Georgetown	Spraying from 7/7/08 -9/30/08	-10,390.17
11/12/2008	11858	Houston Engineering, Inc.	October Billing	-86,610.74
11/12/2008	11859	Index Printing Inc.	annual	-29.00
11/12/2008	11860	James Wagner, Sr.	Beaver Control	-6,487.70
11/12/2008	11861	Joe Spaeth	per diem	-323.81
11/12/2008	11863	Kari Kujava-Payroll	thru 11/9/08	-846.79
11/12/2008	11864	Kevin Erickson	mowing	-150.00
11/12/2008	11865	Loretel Systems	October Billing	-343.80
11/12/2008	11866	Loretta Johnson-Payroll	thru 11/9/08	-815.14
11/12/2008	11867	Mahnomen Pioneer	Advertise for Bids	-98.60
11/12/2008	11868	MARCO, Inc. Maintenance	maintenance	-36.72
11/12/2008	11869	Marcussen Accounting	October Billing	-754.42
11/12/2008	11870	McCollum Hardware, Inc.	batteries	-11.70
11/12/2008	11871	Mike Christensen	per diem	-259.05
11/12/2008	11872	MN Energy Resources Corp	September Fuel	-17.74
11/12/2008	11873	Nanik Construction	Pay Request #1	-41,452.56
11/12/2008	11874	Norman County Auditor/Tr	Beaver Control	-44.00
11/12/2008	11875	North Star Water	water	-41.65
11/12/2008	11876	Office Supplies Plus	Office Supplies	-587.54
11/12/2008	11877	Ralph's Food Pride	Supplies	-79.26
11/12/2008	11878	Rena Kappes	Cleaning	-100.00
11/12/2008	11879	Rinke Noonan	Legal Counsel\	-12,615.50
11/12/2008	11881	Robert E. Wright	per diem	-259.05
11/12/2008	11882	Steichen Excavating	Beaver Dam	-313.00
11/12/2008	11885	Tim Halle	meeting and annual report	-883.00
11/12/2008	11886	Visser Trenching	tree removal	-512.50
11/12/2008	11887	Wambach & Hanson	Legal Counsel\	-2,632.70

Date	Num	Name	Memo	Amount
Oct 9 - Nov 12, 08				
11/12/2008	11888	Warren J. Seykora	per diem	-1,290.93
11/12/2008		Petty Cash	replenish petty cash	-182.30
11/12/2008	11889	Diane Ista	mileage	-238.68
11/12/2008	11890	Don Vellenga	mileage	-76.64
11/12/2008	11891	Joe Spaeth	mileage and reimbursement	-201.57
11/12/2008	11892	Mike Christensen	mileage and reimbursement	-135.00
11/12/2008	11893	Petty Cash	replenish petty cash	-182.30
11/12/2008	11894	Robert E. Wright	mileage	-84.24
11/12/2008	11895	Warren J. Seykora	mileage and reimbursement	-1,092.19
11/12/2008	11899	RRWMB	1/2 cost share	-16,964.49
		Payroll/emp ins &	Med exp & Payroll taxes	<u>-14,405.23</u>
Oct 9 - Nov 12, 08 Total				-317,044.47