

WILD RICE WATERSHED DISTRICT

**11 Fifth Avenue East
Ada, MN 56510
Ph: 218-784-5501**

SPECIAL MEETING HEARING

**Upper Becker Project
February 17, 2010
APPROVED MINUTES**

A Special Meeting of the Wild Rice Watershed District Board of Managers was held on Wednesday, February 17, 2010, at the VFW Conference Room, Ada, MN. The purpose of the meeting was a hearing on the Upper Becker Project. The following Managers were in attendance: Dean Spaeth, Mike Christensen, Greg Holmvik, Duane Erickson, Joe Spaeth, John Austinson and Diane Ista. Absent: None. Also in attendance were Interim Administrator Loretta Johnson, Engineer Jerry Bents and Attorney Elroy Hanson. Chairman Christensen called the meeting to order at 10:05 a.m. and introduced Managers, staff and consultants.

Attorney Hanson gave the opening presentation stating that the purpose of the hearing today is for the establishment of the Upper Becker Project and the adoption of a water management district ordinance as an amendment to the Watershed Management Plan.

Engineer Bents gave a PowerPoint presentation describing the background of the project. Bents stated that if the board approves the project there will be several permits that must be obtained including a dam safety permit and wetland impacts approval. The proposed project will acquire 1080 acres of land. Managers hired an appraiser to establish land value and a negotiator, Dennis Ertelt, to work as a liaison with property owners and negotiator for land acquisitions. The project will cost approximately \$10.6 Million with a commitment of approximately 81% from other sources and a local cost of \$2 Million.

Managers met previously in Ogema and Ulen with landowners and Riceville Township officials to discuss issues brought up by Riceville Township. Bents also discussed payment in lieu of taxes, which currently the rate is a maximum of \$4 per acre over a 20 year period.

The Watershed District will need to pass an ordinance to their watershed management plan and also a Water Management District (WMD) which would pay for local share of the project and determine the method of determining charges. The Board of Water and Soil Resources (BWSR) will hold a hearing later on in this day to hear from landowners and later make a determination on the approval or denial of the District's request to pass an amendment to their plan. The costs to landowners would be calculated on a cost per acre runoff basis. The District's hearing is to allow property owners to present testimony on the project.

Following the presentation, attendees were allowed to give testimony.

George Read asked why the cost to Ogema which has a very small population was high, compared to the following other cities: Ogema \$7,200; Hitterdal \$4,900; Borup \$1,400; Perley \$7,200. Bents stated that the cost is not based on population; it is based on the boundary and percent of runoff. Bents also stated that the cost is spread out for a period of 10 years, it is not a cost per year. Dave Stumbo asked what would happen to the local cost share if there were cost overruns. Bents stated that the local share would remain the same and the overruns would have to be obtained from another source. Jim Jirava asked about the permanent pool and felt that the dam would hold more water if there were no pool. Engineer Bents stated that the permanent pool is a natural resource enhancement and would probably be about a 200 acre feet of storage and there would be enough capacity without that pool. Tom Teiken stated that he already has 10-40 acres of crop damages and asked who would be paying for the added cost to his losses. He felt he was not benefiting from the dam and opposed the taxation.

Dick Smith stated that he had concerns about a WMD for this project and if another project were brought forward, a WMD on that and the stacking of WMDs on property owners. Attorney Hanson stated that each time a WMD would be requested by the District, the BWSR would have to approve it. The District being able to obtain one WMD did not automatically give them the ability to have additional ones without going through the process.

Chuck Larson asked what percentage of the project the DNR contributes. Engineer Bents stated that although the funding comes from the DNR, the money is actually bonding money from the state legislature which uses the DNR as an agent to funnel the money to local agencies.

Carol Halvorson stated that she didn't understand why landowners like her had to pay for holding the water that comes from the east. She stated that it is not her water, and reported that even with a ring dike; she had to move her home near Hendrum because of floodwaters. Tom Bergren repeated the list of issues that he had presented to the board previously at board meetings. Bill Zurn asked the Board to vote against the WMD and stated that what was proposed to him one and one half years ago is totally different than now. Landowners asked for a vote from the audience.

Steve Jacobson stated that he has been at a lot of flood meetings, where people have concerns, but he was not sure that there is a cross section of people at the meeting to take a vote. He felt that the project was a foundation for storage and although it wasn't a large reduction, it was a beginning. He stated that opposition can impact a meeting by packing the meeting with people with a certain agenda. Jacobson also stated that he also is paying for the project on his property which the estimated cost per acre is \$.70 cents per acre for ten years which is a considerable cost, but he felt that it still needed to be done.

Mark Harless stated that he couldn't believe what he was hearing, he stated that he appreciates the opponents concerns, but there are impacts downstream. He stated that the Watershed Board has looked at a lot of different projects, and if we are not going to store water here, then where are we going to store it? This is an existing structure, it is permittable, and the permitting process and the environmental issues can be addressed. He stated he appreciated the concerns and the tax base, but he hoped that the opponents can have some consideration for the landowners downstream. He stated that if the board would vote not to offer this project, they don't belong on this board, and the Watershed Board may just as well fold up with whole project.

Scott Balstad stated that he agreed with Harless, there has to be someplace to start. He had previously discussed the project with the Administrator of the Sand Hill District who stated that for reduction he thought it needed to start getting towards the goal. Dick Storsved, a former Norman County Commissioner spoke regarding the increased floodwaters downstream.

Manager Duane Erickson asked if the Board could keep the time frame and record open to wait for written opinions from the public. Attorney Hanson stated that of course the Managers have to decide at some time, but the decision can be held.

Marijo Vik asked if this question could be brought forward as a referendum so the people could vote. Attorney Hanson stated that in Minnesota there are no laws for that. Even if there were a vote, it would not be binding.

Jim Jirava stated that he felt that the board should take a different avenue such as raising the elevations of some of the lakes in the eastern part of the watershed such as White Earth Lake.

There being no more testimony, a motion was made by Manager Holmvik and seconded by Manager Austinson to recess the meeting at 1:00 p.m. and reconvene the meeting at 8:30 a.m. on March 25, 2010, at the District office. Carried.

John Austinson, Secretary