

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

**REGULAR MEETING  
March 17, 2010  
APPROVED MINUTES**

1. The regular meeting of the Wild Rice Watershed District Board of Managers was held on Wednesday, March 17, 2010. Managers in attendance included Diane Ista, Joe Spaeth, Greg Holmvik, Duane Erickson, John Austinson, Joe Spaeth and Dean Spaeth. In addition the following persons were in attendance: Assistant Administrator Loretta Johnson, Administrative Assistant Kari Kujava, Attorney Hanson, Engineer Jerry Bents, future Administrator Tom Wollin and various landowners and interested parties.

2. Chairman Christensen called the meeting to order at 8:40 a.m.

3. Attorney Hanson updated the Board on the status of the AIG overdue insurance payment due the District for the Vik Lawsuit. A **motion** was made by Manager D Spaeth and **seconded** by Manager Erickson authorizing Attorney Hanson to notify AIG that they need to pay within 14 days or Attorney Hanson will report the company to the Insurance Commissioner. **Carried.**

4. USGS River Gauge Funding at Twin Valley. Discussion was held regarding the DNR's notification that they will no longer be funding the \$7,600 for the gauge at Twin Valley. Engineer Bents stated that Ron Harnack addressed the issue of the need of the gauge in the valley at the state level but to no avail. Kevin Ruud requested funding from Norman County. Manager Holmvik stated that the gauge south of Ada on the Wild Rice River is very important for the City of Ada, therefore they would not want to try to trade one for the other. Consensus of Managers was for Holmvik to talk to Ruud to determine the next course of action.

5. Upper Becker. Managers discussed the possible sale of the Richards property. Manager Ista felt the District should sell, Manager J Spaeth felt that someone may want to use it for trade. Manager Austinson and Holmvik felt that the District could hold onto the land until fall. A **motion** was made by Manager Holmvik and **seconded** by Manager Ista authorizing Attorney Hanson to determine if there is a current rental agreement in state, otherwise determine a fair rate for lease of the property. **Carried.** Payment to townships in lieu of taxes was discussed. Attorney Hanson presented information from the Mn Attorney General's Office which stated that those payments may not exceed 20 times the lesser of \$4.00 per acre, or the tax amounts payable to the town with respect to the land in the last year before it became exempt. The District would need to determine how many dollars per acre of the total tax bill relates to the township as that may wind up being less than \$4.00 per acre and then it would be for 20 years, not an indefinite period, such as the life of the project. A **motion** was made by Manager Ista and **seconded** by Manager Austinson for staff to do research regarding taxes to school districts as well as townships. **Carried.** Discussion was held regarding the request to be submitted to the RRWMB for funding for the Upper Becker Project. A **motion** was made by Manager Ista and **seconded** by Manager Austinson requesting 21% or \$2.226 M from the RRWMB. **Carried.** A **motion** was made by Manager Holmvik and **seconded** by Manager J Spaeth to request the State of Minnesota for 75% cost share funding for the \$10.2 M dollar project of Upper Becker. **Carried.**

A **motion** was made by Manager Holmvik and **seconded** by Manager J Spaeth authorizing the final Contract for Deed payment to Kathy Radeck in the amount of \$191,875.27. **Carried.** Several landowners within the audience expressed disappointment and concerns over the amount of the appraisals on their property and firmly stated that in their opinion, the amount the property was appraised for was far too low. Manager Ista recommended that the Board address these issues, maybe hire another appraiser for a comparison. Consensus of Managers was to hold a special meeting in the near future and for new Administrator Tom Wollin to do some research into another appraiser. George Read submitted a request for payments in the amount of \$3,321 for his private legal fees that he felt were necessary to correct his option. Managers agreed to discuss the George Read request at the special meeting. Manager Austinson submitted a proposal from Agassiz Drain Tile for Section 11, Goose Prairie Township/Lee property for possible Anderson trade. The proposal was \$656.67 per acre or a total of \$98,500. Austinson stated that in discussion with Lowell Anderson, he had agreed to trade for the Lee land if it were tiled.

6. **Financial Report** A **motion** was made by Manager Holmvik and **seconded** by Manager D Spaeth to approve the Financial Report dated February 28, 2010 and the following transfers from the perspective projects to Red River Construction with the exception of COE FS and Mahnomen Project, which require additional information. **Carried.**

<b>Proposed Transfers as of 12/31/09</b>		
<b>(Excluding Proj #42)</b>		
#327-Bennett Litigation	(118.27)	
Acquisition (old) Maintenance	(29.01)	
#332 Felton Subwatershed Plan	(77.69)	
Total WRR COE Feasibility Study		(67,366.27)
#12 - Permits	(43,131.60)	
#33 Vik Violat/Ambuehl/Kurpius	(255.00)	
#39 Kuechle Complaint	(135.00)	
#43 Marv Thompson Complaint	(25.00)	
#48 Dean Heitman	(440.50)	
#18 Violations - Other	(2,258.63)	
Total #229 - Acquisition DR 1370-2002	(955.75)	
Total Acquisition - DEM 1333	<b>268.81</b>	<b>Positive</b>
#204 Marsh Creek 205 COE	(2.75)	
Public Information	(97.00)	
#173 Anderson Wetland #5	(4,288.92)	
#198 COE City of Ada Levee Proj	(213.91)	
#236 Upper Felton Ditch-Stor - Other	(1,386.67)	
#237 Upp Moccasin Cr. Flood Sto	(8.36)	
#264 S Br USGS Gauge Station	(9,984.01)	
#265 SWCD Storage Sites	(30,778.44)	

#266 Home Lake	(59.85)	
#273 2005 Flood Storage Investi	(16.63)	
#277 GIS WRWD Mapping	(483.91)	
#278-Legislative Funding	(25,746.12)	
#279 Conrad Wiger FDR Investiga	(4.18)	
#280 Data Request	(3,185.21)	
#284 S. Branch Storage	(1,177.66)	
#286 WRDA Water Res Devl Act	(183.17)	
#287 MPCA Grant USGS Sediment	(12,526.56)	
#290 TV Dam Reevaluation - Other	(816.81)	
#291 Mahnomen Drainage Issue		(52,742.75)
#292 Home Lake DNR Permit	(189.68)	
#293 Wastweet Storage Inv	(28.79)	
#294 Upper Felton, Alternative	(882.67)	
#295 Hendrum City FIS Review	(16.85)	
#296 TMDL Study WRR	(6,009.60)	
#297 WMD-Water Mgmt District	(61,819.46)	
#298 Lakeman Culvert Issue	(9.78)	
#299 Heitman Project	(169.86)	
#326-Hydraulic An Marsh Creek	(40.93)	
#328 #1 Public Meeting 4-5-08	(2,935.88)	
#328 Special Meetings - Other	(52.42)	
#337 LWR WR RIM Proj	(36.25)	
Lower WRR Corridor Project	(36.29)	
Flood Storage Investigation	(4.94)	
Heiraas Lawsuit	(308.25)	
Phase #2 - Bennett	(35.10)	
Phase #3 Borgen	(14.77)	
Riverwatch Stream Gauge Monitor	(8.91)	
Upper Marsh Creek Storage	(226.65)	
Northern Impr #36	(1,122.55)	
#8, Moccasin Creek	(7,884.69)	
#35 (137) Sande Detention	(8,020.82)	
#38 (131) Rockwell Dam	(534.69)	
FEMA-2000 flood recovery PW 335	(123.82)	
FEMA-2001 flood recov emerg ope	(468.59)	
FEMA-2002 dam site investigatio	(8.68)	
FEMA 2002 - Other	(18,744.74)	
	<b>(247,853.46)</b>	

7. NRCS South Branch Evaluation. At 1:00 p.m. John Beckwith, Dave Jones, Pete Cooper and Glen Kajewski of the NRCS, met with Managers to discuss various programs that may be available for the District to use in funding local projects. Chairman Mike Christensen asked Mr. Beckwith if the NRCS could fund retention; he answered that in the last two years their planning funds for retention have gone to zero. Beckwith stated that you may be able to incorporate storage into the WRP program with no more than a 2 foot bounce. A PowerPoint presentation was given illustrating the various programs including the PL 566 program. Beckwith stated that the benefits to local sponsors (WRWD) are that they (NRCS) assist in writing a plan for a project. Curtis Borchert questioned if multiple 566 programs could be in place at the same time. Beckwith stated that in theory yes, but they are short of staff so probably not. Manager Erickson stated that the District has the South Branch for a project; however that may be too large to start with. Beckwith stated also, that he understood the hesitancy of landowners and the WRP or permanent easement projects. Manager D Spaeth stated that there is land on Upper Becker that is in the WRP and now the District cannot store water on it. Manager Ista stated that from what she was hearing and understanding the PL566 Programs would probably fit what the District is doing the best. Beckwith agreed. Ista felt the District should send information on Project #42 to the NRCS office for review. Beckwith stated that the District should send him open days for the next six weeks, and get organized with them to coordinate and work together.

#### **PERMIT APPLICATIONS**

8. A **motion** was made by Manager Austinson and **seconded** by Manager J Spaeth to approve the following permit applications with engineer's recommendations. **Carried**.

- **City of Perley, Section 25, Lee Township**. Permit Application #3-17-10-1 to install an approach and a 24" CMP, replace another approach with a 24" CMP and construct a seepage ditch surrounding the City's Lagoons, install a 12" to a 24" centerline pipe that outlets to Norman County Ditch #62, with the condition that the ditch authority approves of the outlet to Norman County Ditch #62.
- **Garden Valley Telephone Company, Sections in Clearwater County**. Permit Application #3-17-10-3 to install fiber optic cables below ditches and waterways in Clearwater County with the condition that the cable is installed a minimum of 30" below the channel bottoms of the ditches and waterways.
- **Mike Myers, Section 19, Mary Township**. Permit Application #3-17-10-4 to install screw gates on culverts through the levee ring dike.
- **USFWS, Section 7, 18 White Earth Township**. Permit Application #3-17-10-7 to restore wetlands, block ditches, and dig out ponds in Sections 7 and 18 of White Earth Township, with the conditions that if any problems arise from the construction of these restorations and creations the applicant will be responsible for the necessary repairs and corrective actions as may be determined necessary by the WRWD Board of Managers.

9. A **motion** was made by Manager Ista and **seconded** by Manager Erickson authorizing staff to contact the USFWS to determine drawdown time for Lindsay Lake. **Carried**.

10. A **motion** was made by Manager Holmvik and **seconded** by Manager J Spaeth to table the follow permits and notice adjacent landowners and conduct a field review. **Carried with Manager Erickson opposed.**

- **Randy Chisholm, Section 12, Strand Township.** Permit Application #3-17-10-5 to fill in existing ditches and install new ditches.
- **Dean Spaeth, Sections 7, 12, 13 & 18 of Marsh Creek and Chief Townships.** Permit Application #3-17-10-6 to install subsurface tile and water and sediment basins.

11. **Upper Becker Project.** Managers discussed the funding options for the Upper Becker Project. The RRWMB agreed to provide 1.15M in funding but require a Step 3 submittal but extended the time to one year from the date of signing. The approval however, is contingent on the District repaying the \$600,000 owed the RRWMB prior to obtaining the 1.15M. A **motion** was made by Manager Ista and **seconded** by Manager D Spaeth authorizing obtaining a loan in the amount of \$600,000 against the Richards land for the purpose of repaying the amount owed the RRWMB. **Carried with Manager Erickson opposed.** Discussion was held regarding noticing the upcoming hearing. A **motion** was made by Manager J Spaeth and **seconded** by Manager Holmvik to notice the hearing for Upper Becker for Thursday April 22, 2010, and local funding to be shown at 10%. **Carried.**

12. **Community Levees Hendrum, Perley and Shelly.** A **motion** was made by Manager Holmvik and **seconded** by Manager Austinson authorizing Engineer Bents to submit both the Engineer's Reports and Sets of Plans for both Hendrum and Perley. **Carried.** It was reported that the City of Shelly submitted the following project petition to the District for approval. A **motion** was made by Manager Ista and **seconded** by Manager Holmvik to accept the petition of the City of Shelly as submitted. **Carried.**

2010

PROJECT PETITION FOR Shelly COMMUNITY FLOOD CONTROL LEVEE

As the governing body of Shelly, the Shelly City Council (Petitioner) by this Petition hereby initiates the Shelly Community Flood Control Levee Project (Project) under Minn. Stat. §103D.705. The Petitioner states as follows:

1. The Project generally conforms with the Wild Rice Watershed District's watershed management plan;
2. The proposed project will involve construction of a flood control levee around the community. This levee should provide a minimum of 3-ft of freeboard over the past flood of record elevations. A preliminary alignment of the proposed levee has been developed and is shown in Attachment A.
3. The levee will be located around the community as shown in the preliminary drawings attached as Exhibit A. This will surround the community and be located in Section(s) 17,18, 19, and 20 of Shelly Township in Norman County.
4. The area affected by the project is limited to the city of Shelly and the adjacent property directly adjacent to the city where the levee will be located.
5. The project is necessary to provide adequate flood control from future flooding events for the city.
6. The proposed Project will be conducive to public health, convenience, and welfare.
7. The Petitioner requests the Wild Rice Watershed District waive any bond.
8. Prior to beginning the final design, the Petitioner requests the Wild Rice Watershed District work with the State of Minnesota to secure agreement that the local (city) share of the final design costs not exceed 5% of the total estimated design cost or \$5,000, whichever is less.
9. Prior to constructing the project, the Petitioner requests the Wild Rice Watershed District work with the State of Minnesota to secure agreement that the local (city) share of the total project costs not exceed 2% of the median household income of the city.
10. The Petitioner will pay all costs and expenses that may be incurred if the Project proceedings are dismissed by the petitioner, or if a construction or implementation contract is not awarded for the proposed Project at the request of the petitioner.
11. The Petitioner requests that in the event that the project is fully designed and is not constructed due to the inability to get outside funding to pay all but 2% of the median household income by 2014, the city only be held liable to pay the local costs incurred during the final design phase, or \$5,000 as stipulated in Item 9.

Signed: \_\_\_\_\_

Mayor of Shelly

Attested by: \_\_\_\_\_  
City Clerk

Dated: 3-1-10

13. A motion was made by Manager Ista and seconded by Manager J Spaeth authorizing of a resolution that allows Chairman Christensen to sign and that staff submit to the DNR for funding grant for Shelly and Felton. Carried.

14. Approval of Billings. A **motion** was made by Manager Holmvik and **seconded** by Manager Austinson to approve the billings as presented along with Managers per diems and expenses for March 17, 2010. **Carried**.

15. Project Team Meeting. An agenda for the upcoming Project Team Meeting scheduled for Wednesday March 24, 2010, was discussed. Consensus of Managers was to request that the DNR and BWSR discuss the vegetative reports.

16. Moccasin Creek Meeting March 18, 2010. A **motion** was made by Manager Holmvik and **seconded** by Manager D Spaeth authorizing Managers Erickson, Austinson and Christensen to attend the Moccasin Creek Landowner meeting. **Carried**.

17. Farmstead Ring Dikes. Engineer Bents reported that ring dike bids were opened for Roesch, Anderson and Stevenson with All Seasons Contracting being low bidder. Bents stated that there will be an overage on the Roesch dike due to the area of the construction and he is currently in contact with the State of MN through Ron Harnack to determine if they will cover the additional costs. Also Stevenson has an issue with obtaining borrow material. A **motion** was made by Manager J Spaeth and **seconded** by Manager Holmvik to award the bids to All Seasons Contracting contingent on the additional state funding for Roesch and settlement of the Stevenson borrow issue. **Carried**. Bents also reported that there may be additional NRCS funding for the coming construction year.

18. There being no further business to come before the board of Managers a **motion** was made by Manager Erickson and **seconded** by Manager Holmvik to adjourn the meeting. **Carried**. Chairman Christensen adjourned the meeting at 4:05 p.m.

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John Austinson, Secretary

Date	Num	Name	Memo	Amount
<b>Feb 11 - Mar 17, 10</b>				
02/16/2010	12745	Mike Christensen	Managers Exp 2/10/10	-20.00
03/10/2010	12753	Dean & Cynthia Todd	Hendrum Levee Options	-5,001.00
03/10/2010	12754	Doug Krogstad	Perley Levee Option	-500.00
03/10/2010	12755	Jeff and Marci Hoff	Option Perley Dike	-500.00
03/10/2010	12756	Lawrence Hoff	Perley Levee Option	-500.00
03/10/2010	12757	Terry and Judy Guttormson	Hendrum Flood Control Option	-500.00
03/12/2010	12752	Frandsen Bank	Richards Closing	-42,558.32
03/15/2010	59598	Office of State Auditor	State Audit	-5,968.00
03/15/2010	12759	Frandsen Bank	payroll taxes	-3,485.52
03/17/2010	12763	Diane J Ista	Mgrs Per Diem	-522.42
03/17/2010	12764	Duane L Erickson	Mgrs Per Diem	-423.11
03/17/2010	12765	Gregory R Holmvik	Mgrs Per Diem	-322.46
03/17/2010	12766	John D Austinson	Mgrs Per Diem	-318.61
03/17/2010	12767	Joseph N Spaeth	Mgrs Per Diem	-349.67
03/17/2010	12768	Michael K Christensen	Mgrs Per Diem	-681.56
03/17/2010	12769	Dean P Spaeth	Mgrs Per Diem	-263.37
03/17/2010	12771	Alltel	Utilities	-38.96
03/17/2010	12772	AmeriPride	Office Maintenance	-62.75
03/17/2010	12773	Arvid L Ambuehl	Remove Large Trees Up Reaches	-3,900.00
03/17/2010	12774	Cardmember Service	Credit Card Payments	-1,071.57
03/17/2010	12775	City of Ada	Utilities	-337.41
03/17/2010	12776	Clay County Abstract Company	Land Title	-244.00
03/17/2010	12777	Dean Spaeth	Reimb & Mileage	-192.00
03/17/2010	12778	Detroit Lakes Newspapers	Hearing Notice	-219.80
03/17/2010	12779	Dorsey & Whitney LLP	Vik Lawsuit	-20,300.86
03/17/2010	12780	Duane Erickson-Mgr	Managers Reimb & Mileage	-324.93
03/17/2010	12781	Houston Engineering, Inc.	Engineering Fees	-93,060.48
03/17/2010	12782	ICS Agency	Bond Renewal	-125.00
03/17/2010	12783	Joe Spaeth	Reimbursement & Mileage	-162.61
03/17/2010	12784	John Austinson	Mgrs Reimb & mileage	-137.03
03/17/2010	12785	Jon Schauer	Technical Assnts	-1,793.33
03/17/2010	12786	Kari Kujava-Ins/mileage	Mileage	-50.00
03/17/2010	12787	KRJB Radio	Hearing Notice	-500.00
03/17/2010	12788	Loretel Systems	Utilities	-328.26
03/17/2010	12792	Loretta Johnson-Med/Mileage	Med Reimb	-751.39
03/17/2010	12793	Mahnomen Pioneer	Hearing Notive	-132.00
03/17/2010	12794	Mahnomen Soil & Water Cons. Dist	DFIRM Grant Contract	-2,500.00
03/17/2010	12801	MARCO, Inc.	copy machine lease	-598.50
03/17/2010	12802	McCollum Hardware, Inc.	Office Stuff	-16.22
03/17/2010	12803	Mike Christensen	Reimbursement & Mileage	-683.46
03/17/2010	12804	MN Energy Resources Corporation	Utilities	-120.68
03/17/2010	12805	Norman County Index-Ada	Adv Fees	-354.75
03/17/2010	12806	Norman County SWCD	DFIRM Grant Contract	-3,700.00
03/17/2010	12807	North Star Water	Office Supplies	-23.80
03/17/2010	12808	Office of State Auditor	State Audit	-5,968.00
03/17/2010	12809	Office Supplies Plus	Office Supplies	-526.00

Date	Num	Name	Memo	Amount
Feb 11	Mar 17, 10			
03/17/2010	12810	Petty Cash	Petty Cash	-100.00
03/17/2010	12811	Ralph's Food Pride	Supplies	-7.19
03/17/2010	12812	Rena Kappes	Clean Office	-100.00
03/17/2010	12813	Rinke Noonan	VOID:	0.00
03/17/2010	12814	Tim Halle	Annual Report	-2,475.00
03/17/2010	12815	Twin Valley Times	Hearing Notice Upper Becker	-463.32
03/17/2010	12816	Wambach & Hanson	Legal Fees	-9,563.55
03/17/2010	12817	Wambach & Hanson Trust Account	2006 Home Acq Merkle/Storsved	-95,617.00
03/17/2010	12789	ARC Lanes	mng lunches	-30.99
2/11-3/17/10		Payroll/emp ins &	Med exp & Payroll taxes	<u>-13,772.28</u>
<b>2/11-3/17/10</b>			<b>Total</b>	<b><u>-322,267.16</u></b>