

WILD RICE WATERSHED DISTRICT

11 East 5th Avenue – Ada, Minnesota 56510
Phone (218) 784-5501

REGULAR MEETING APPROVED

1. The regular meeting of the Wild Rice Watershed District Board of Managers was held on Tuesday, January 10, 2006, at the office of the District located at 11 Fifth Avenue East, Ada, MN.
2. The following members were present: Steve Dalen, Diane Ista, James Wagner, Sr., Joe Spaeth and Warren Seykora. The following members were absent: Jim Skaurud and Bob Wright. In addition the following persons were in attendance, Mark Aanenson, Interim Administrator; Loretta Johnson, recording secretary; Attorney Elroy Hanson; Engineer Jerry Bents, Tim Halle, publicist and Sheri Femling, landowner.
3. Chairman Seykora called the meeting to order at 8:35 a.m.
4. Approval of Agenda. A motion was made by Manager Dalen and seconded by Manager Wagner to approve the agenda for Tuesday, January 10, 2006. Carried.
5. Project Team Meeting. Consensus of Managers was to schedule the regular Project Team meeting for 10:00 a.m. on Wednesday, January 25, 2006. Items on the agenda will include discussion about the South Branch Storage Sites, and updates on the Upper Felton and Heiberg Dam Projects. Manager Dalen stated that Steve Hofstad, Clay County, is working on a report, which will also be ready by the 25th.
6. Bob Wright arrived at 8:45 a.m. and Curt Jacobson arrived at 8:50 a.m.
7. Upper Felton Ditch Project. Bob Wright abstained from all discussion regarding this project. Sheri Femlie, property owner within the project area, stated that she is attending the meeting to obtain an update on the project. Engineer Bents gave a short PowerPoint presentation and also distributed a preliminary report from Lowell Fetting, Midwest Testing. The preliminary report indicated that the testing results show that the majority of soils are silts and if used for dike construction, the dike would be susceptible to seepage. There are no soils available for impermeable core. Soft clays below the site, limit the embankment height to 12 feet, not the proposed 20-22 feet. The dike may experience long-term settlement on the order of 8-12 inches. If silts are used to construct the embankments, the silts are highly erodible from wave action. Riprap or other slope erosion protection would be necessary. Gentle slopes would be needed for dike construction, maybe 4:1 or 5:1. From this report Bents concluded that there would be a sizeable amount of storage reduction because of non-favorable soils and height limit of the levee. A rock filter for the embankment would be very expensive and all of these issues would put the cost of the project out of range. Bents stated that the next step may be to go back and look for additional storage on the Felton Ditch. Minimal soil borings could be done immediately, probably in the road right of way. No one knows if these types of soils are the same all the way up and down the ridge.

Attorney Hanson stated that if the board chooses to abandon or go to an alternative site, this should come before the board for formal discussion at the next regularly scheduled meeting and notice all landowners, along with publication in the newspapers. Hanson will prepare the proposed notice when necessary.

Mark Aanenson stated that approximately 60 percent of the soils are hydric and this would make an ideal wetland mitigation site, if needed for another project site. Some of the costs of the project could be salvaged, if this site were used for wetland mitigation. Aanenson stated that small ponds being used for mitigation are very cost inefficient. Manager Dalen suggested that Engineer Bents prepare a preliminary report of Upper Felton alternative sites for the February meeting.

8. Ms. Femling and Curt Jacobson left the meeting at 9:30 a.m.

9. Meeting Minutes. A motion was made by Manager Wright and seconded by Manager Ista to approve the minutes of the December 14, 2005, meeting. Carried.

10. Jim Skaurud arrived at 10:10 a.m.

11. Grass Buffer Strip Restoration. Engineer Bents discussed the work that is currently being done in reviewing Auditor's files and Viewer's Reports on all projects and ditches under the District's authority, for the purpose of establishing a file which will illustrate the right of way width and whether the District established grass buffer strips on a particular system or project. Bents stated that these are not being mapped at the present time, but as they are provided to Attorney Hanson he will be recording them at the Norman County Recorder's office. Manager Wagner asked Board members if the District intends to be tougher in pursuing grass strip violations by landowners. Manager Spaeth felt that grass strips are a very important part of ditch systems and infringement by landowners should be stopped. Consensus of Managers was that Project No. 12 will be surveyed and staked this season and landowners will be notified of violations.

12. Managers Concerns. Manager Dalen discussed a Commissioners Guide to WRWD appointments that he has been working on. Manager Wright was opposed to sending this type of proposal to county commissioners. Dalen stated that if Managers felt this is inappropriate he would drop it. Dalen also distributed information about goal setting and asked each Manager to fill it out before the end of the day. Managers Wagner and Spaeth discussed the possibility of getting someone involved in a District wide position of beaver control.

13. Project No. 18. Jerry Hanson and Wayne Wilkens met with Managers at 10:30 a.m. to discuss a request by Hanson for cleaning in Sections 8, 9 and 10 of Anthony Township and a request dated January 3, 2006, by Dan Voje and William Wilkens for a cleaning in Section 7 of Pleasant View Township. A motion was made by Manager Skaurud and seconded by Manager Wagner authorizing the cleaning in Sections 8-10 of Anthony and an investigation into the request by Voje and Wilkens for cleaning in Section 7, Pleasant View Township and if determined feasible by engineering, authorized the cleaning. Carried. Wilkens and Hanson left the meeting at 10:45 a.m.

14. Project #5, Polk County and Clay County Spraying Bills. Mark Aanenson reported that Clay County and Polk County contacted the District office requesting payment for the spraying of ditch systems under the District's authority, which they mistakenly sprayed. A motion was made by Manager Ista and seconded by Manager Wagner to table any action for a month and obtain more information before making any payment. Carried.

15. Mahnomen County Envirothon. A motion was made by Manager Spaeth and seconded by Manager Wagner to make a donation of \$100 to the Mahnomen County SWCD for the 2006 Envirothon. Carried.

16. Monthly Financial Report. Accountant Marcussen reviewed the November 2005 monthly financial report. A motion was made by Manager Wright and seconded by Manager Dalen to approve the November 2005 financial report for entry into the record. Carried

Marcussen also distributed copies of the December 31, 2005, monthly activity and proposed year-end transfers. Marcussen reviewed the monthly financial report of the District dated December 31, 2005. A motion was made by Manager Wright and seconded by Manager Wagner to approve the December 2005 financial report for entry into the record. Carried.

A motion was made by Manager Ista and seconded by Manager Dalen to approve the proposed transfers to zero out accounts. Carried. A motion was made by Manager Spaeth and seconded by Manager Wright to approve the transfer of \$75,000 to the administrative account for the year January 1, 2006. Carried.

Marcussen reported that Auditor Kim Durbin scheduled the Watershed District for April to prepare the 2005 audit.

17. Insurance Committee Report. Mark Aanenson provided an update on the insurance committee. Aanenson stated that there is a minimal savings on increasing the deductible, and Hoffman's recommendation was not to change it. Hoffman did recommend that the bond coverage including "Faithful Performance" on the Managers be upgraded to \$25,000. A motion was made by Manager Ista and seconded by Manager Spaeth to increase the coverage on Managers to \$25,000 per year. Carried.

PERMIT APPLICATIONS

18. Roger Kurpius, Section 19, Spring Creek Township. Upon a motion by Manager Dalen and second by Manager Wagner, Permit Application No. 1-10-2006-1, of Roger Kurpius to extend the width of a driveway in Section 19, Spring Creek Township, was approved. Carried.

19. Gene Ueland, Section 30, Good Hope Township. Upon a motion by Manager Spaeth and second by Manager Dalen, Permit Application No. 1-10-2006-2, of Gene Ueland to move culverts south sixty (60) feet along the township road was approved with the following conditions: the downstream invert (north end) of the pipe must be no more than two (2) feet above the ditch bottom; the ditch system right of way must be reseeded where disturbed; and the culverts will no longer be the responsibility of the ditch system for further maintenance, rather they will be the responsibility of the property owner. Carried.

20. Gene Ueland, Section 25, Shelly Township. Upon a motion by Manager Spaeth and second by Manager Dalen, Permit Application No. 1-10-2006-3, of Gene Ueland to move culverts south sixty (60) feet along the township road was approved with the following conditions: the downstream invert (north end) of the pipe must be no more than two (2) feet above the ditch bottom; the ditch system right of way must be reseeded where disturbed; and the culverts will no longer be the responsibility of the ditch system for further maintenance, rather they will be the responsibility of the property owner. Carried.

21. Keith Chisholm, Section 31, Pleasant View Township. Upon a motion by Manager Wright and second by Manager Wagner, Permit Application No. 1-10-2006-4, of Keith Chisholm to install culverts in Section 31, Pleasant View Township, was tabled pending notification to Chisholm that he needs to provide a hydraulic analysis of downstream impacts to the Board of Managers before any action is taken on the permit application. Carried.

22. Complaints/Violations. Mark Aanenson updated the Managers on the complaint/violations. Harold Bergstrom is on hold; the Eugene Vik status is on hold per discussions by Heitman; Dammen and Hendricks paid; Kenneth Visser conciliation court was held on January 5, 2006. The judge will provide a decision within 30 days.

23. Pederson Brothers. Attorney Hanson reported that Mahnomen County Attorney Julie Bruggeman stated that the Pederson violation is not a criminal violation. Hanson recommended that Mark Aanenson call Ms. Bruggeman and explain the District's position. A motion was made by Manager Wagner and seconded by Manager Skaurud authorizing Aanenson to discuss the Pederson violation with Bruggeman and if she does not concur that it is a criminal violation further discuss it with Norman County Attorney Tom Opheim and the USFWS, who originally filed the complaint. Carried. Let the minutes reflect that Attorney Elroy Hanson has a conflict of interest.

24. J.B. Asc., Ltd. Litigation. Attorney Hanson reported that no settlement was reached with Jerry Bennett regarding his claim that the District owes him a balance of \$4,430 on the COE WRRFS consulting contract. Hanson stated that Bennett met at Hanson's office along with Manager Skaurud and signed a settlement document. Later Bennett called Attorney Hanson and stated that he did not want to honor the executed settlement document and proceeded into conciliation court. Manager Seykora reported that the judge would make a determination from the conciliation court hearing on January 6, 2006, within 30 days.

25. A.C. Heiraas Litigation. Attorney Hanson stated that the trial date for A.C. Heiraas is set for 8:59 a.m. on Tuesday, April 11, 2006, at the Clay County Court House. Hanson stated that he has made repeated requests to Attorney Zenas Baer as to what Heiraas desires for a settlement, but has never received a confirmation or response to the question.

26. Consider Billings. A motion was made by Manager Wright and seconded by Manager Wagner to approve the payment of the January bills. Carried. A listing of the billings is attached at the end of these minutes.

27. Jon Peterson met with Managers at 2:20 p.m. in regard to Roger Kurpius and an issue Peterson, as a Lockhart Township official, has with Kurpius. Peterson stated that Kurpius made a verbal agreement with Lockhart Township officials stating that he would not farm in the township right of way in Section 25, Lockhart Township, if he were allowed to install a culvert in the township road. After the culvert installation, Peterson stated that Kurpius is now farming the township road right of way and refuses the request by township officials to stop infringement. Attorney Hanson stated that this is not a Watershed District issue, but informed Peterson of an attorney to contact who deals with township problems. Peterson left the meeting at 2:30 p.m.

28. A motion was made by Manager Spaeth and seconded by Manager Wagner to close the meeting to discuss the applications for the position of District administrator. Carried. The meeting was closed at 2:30 p.m.

29. The meeting was reopened at 3:15 p.m.

30. Building Repair. Manager Skaurud reported that Jerry Bennett has indicated he has personal property in the Watershed District building. A motion was made by Manager Ista and seconded by Manager Spaeth authorizing Mark Aanenson to notify Bennett that he should make an appointment to remove his property. Carried. Aanenson also stated that the District has not received any additional bids besides Roering for the brick repair to the building. A motion was made by Manager Skaurud and second by Manager Wagner to hire Roering per his bid of \$1,200. Carried.

31. Heiberg Dam. Engineer Bents reported that the preconstruction meeting is scheduled for January 18, 2006, and the contractor expects to start about February 1, 2006. No further correspondence has been received from Furuseths.

32. Beaver Control Grant. Aanenson reported that he met with Curtis Borchert, Norman County SWCD and worked on some of the details of the grant. The Mahnomen County SWCD will be the physical agent and the funding would be set up on a request basis. A copy of the Joint Powers Agreement was distributed. A motion was made by Manager Skaurud and seconded by Manager Spaeth authorizing Warren Seykora to execute the Joint Powers Agreement. Carried.

33. J.D. #51 Repair. Engineer Bents reminded board members that no determination was made on the request by Brian Borgen for sediment removal on JD51 near the Wild Rice River. Prior to making a decision and because of the deficit balance in the Upper Reaches account of which J.D. #51 is included, Warren Seykora felt that the Board should hold a landowner meeting for the Upper Reaches Project to discuss finances and the possibility of a Redetermination of Benefits. Bents stated that engineering has prepared a Repair Report for the J.D. #51 sediment removal, which could then be provided to landowners, however it may be better to hold a meeting with the landowners once the upcoming Repair Report related to the slope stability issues along JD 51 north of Ada is completed. A motion was made by Manager Ista and seconded by Manager Wright to schedule either an informational meeting or a hearing on the Upper Reaches Project and notify landowners on the project once this second repair report is completed. Carried.

34. Wagner Beach Ridge Project. Manager Wagner stated that he had talked with several members of the Concerned Citizens who wished to come to the District office and discuss the prospect of water storage and water supply from a large area along the Beach Ridge, for the City of Fargo, with Wagner. A motion was made by Manager Wright and seconded by Manager Dalen authorizing Wagner to meet with the Concerned Citizens. Carried.

35. Closed Meeting/Public Data. Attorney Hanson stated that upon further consideration, it was his opinion that the meeting to discuss administrator applications should not have been closed. Hanson is going to request an opinion from the Commissioner of Administrations to determine if the applicants' information should be public information. Upon advise of counsel, regarding the closed meeting the following minutes are from the closed meeting held at 2:30 p.m. today, January 10, 2006.

36. Administrator Application Review. All applications were numbered one (1) through eight (8), respectively and these numbers were used to discuss each applicant. Manager Skaurud noted that one application was not signed and should they become a finalist we would ask them to do so. Warren Seykora asked if everyone had a chance to review the applications that were sent out to all board members. Manager Wright stated that he felt there were qualified applicants and would like to see a number of interviews.

Manager Skaurud asked if anyone had prioritized the applications and stated that his three choices were Numbers 2, 1, and 8 in that order. Ista stated that her prioritized applicants were Numbers 8, 1, and 5 in that order.

Manager Wagner wanted it known that he will work with whoever the board decides, but he prioritized Numbers 8 and 5 in that order. Manager Wright suggested dropping Numbers 6 and 7. Manager Spaeth stated that he did not make a choice, however he would approve whoever the rest of the board members chose. Engineer Bents stated that Number 7 may be overqualified and the consensus of the Managers was to remove Number 7. Bents stated that he had eliminated Number 6 because he had no water related experience and he had also eliminated Numbers 3 and 4. Manager Wright agreed to eliminate the same numbers as other board members and stated that his choices were Numbers 1, 2, 5 and 8. Warren Seykora stated that his two choices were Numbers 2 and 8. Manager Wright suggested interviewing Numbers 1, 2, 5 and 8. A motion was made by Manager Skaurud and seconded by Manager Wright to interview Applicant Numbers 1, 2, 5 and 8 and schedule the meeting either January 23 or 24 being the second choice. Carried. Mark Aanenson will call applicants and schedule interviews. A motion was made by Manager Spaeth and second by Manager Wright to open the meeting. Carried.

37. Acquisition Update. Mark Aanenson reported that Roger Lees have signed the purchase agreement and the closing is scheduled for January 17, 2006. Aanenson will be scheduling a meeting with Robin Stene, the other applicant in the process.

38. COE WRRFS. Engineer Bents reported that the federal government allotted the COE \$100,000 for the Feasibility Study, but Nan Bischoff received authorization to spend only \$30,000 between now and March and she expects the remaining balance to be allocated quarterly.

39. Riverwatch Update. Mark Aanenson stated that Wayne Goeken would provide an update at the February meeting, on the riverwatch program, which was supported by the District in the form of payment for monitoring equipment.

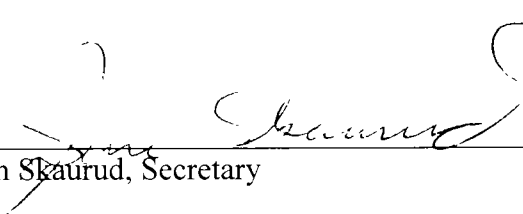
40. Request for Rental Rates. Engineer Bents stated that it might be prudent for the District to send out letters to contractors requesting equipment rental rates prior to the spring construction season. A motion was made by Manager Dalen and seconded by Manager Spaeth authorizing Engineer Bents to request equipment rental rates from all contractors. Carried.

41. Clay County SWCD Block Grant. Mark Aanenson reported on the Clay County SWCD 2006 Natural Resources Block Grant Application for Wetland Conservation Act. A motion was made by Manager Spaeth and seconded by Manager Wright authorizing Aanenson to work with Clay County on the application. Carried.

42. Web Soil Survey, January 26, 2006. A motion was made by Manager Spaeth and seconded by Manager Dalen authorizing Manager Skaurud to attend the Web Soil Survey on January 26, 2006, at the Twin Valley Soil and Water Conservation Office. Carried.

43. Manager Skaurud stated that Ryan Braulick, NRCS, will be moving to the Mankato and there is a going away party for him. A motion was made by Manager Spaeth and seconded by Manager Spaeth authorizing Managers and staff to attend the going away party for Ryan Braulick on January 27, 2006. Carried.

44. There being no further business to come before the Board of Managers, Chairman Seykora adjourned the meeting at 4:35 p.m.



Jim Skaurud, Secretary

| Date | Num | Name | Memo | Amount |
|---------------------|------|--------------------------------------|--|-----------------|
| Checking-RAB | | | | |
| 01/10/2006 | 9405 | Ada Feed & Seed, Inc | Ice Melter | 23 16 |
| 01/10/2006 | 9406 | AmeriPride | Cleaning Services | 59 26 |
| 01/10/2006 | 9407 | ARC Lanes | Noon Lunch December/January Mtgs | 75 63 |
| 01/10/2006 | 9408 | Bobby Miller | Tree & Debris Removal | 2,500 00 |
| 01/10/2006 | 9409 | City of Ada | Utilities | 221 11 |
| 01/10/2006 | 9410 | Clay County Auditor | Assessment proj #9 | 64 25 |
| 01/10/2006 | 9411 | Dakota Mailing | Scale Rent | 105 25 |
| 01/10/2006 | 9412 | Diane Ista | Per Diem and Expense | 400 13 |
| 01/10/2006 | 9413 | Fertile Journal | Administrator Ad | 42 75 |
| 01/10/2006 | 9414 | Francotyp-Postalia, Inc | Postage Meter Scale Rental | 99 05 |
| 01/10/2006 | 9415 | G R Graphics-Maintenance | Copier agreement/scanner agreement | 329 08 |
| 01/10/2006 | 9416 | Houston Engineering, Inc | Engineering Fees | 64,805 35 |
| 01/10/2006 | 9417 | ICS Agency | Commercial Pk Renewal 06-07 | 9,803 00 |
| 01/10/2006 | 9418 | James Wagner Sr-Mgr | Per Diem\Expense | 336 30 |
| 01/10/2006 | 9419 | Jim Austinson | Keys | 4 26 |
| 01/10/2006 | 9420 | Jim Skaurud | Per Diem and Expenses | 336 57 |
| 01/10/2006 | 9421 | Joe Spaeth | Per Diem and Expense | 94 50 |
| 01/10/2006 | 9422 | Loretel Systems | Office Phone | 281 22 |
| 01/10/2006 | 9423 | Lunde Blade & Gravel | Project #34 | 216 25 |
| 01/10/2006 | 9424 | Mahnomen Pioneer | Administrator Ads | 42 00 |
| 01/10/2006 | 9425 | Mahnomen Soil & Water Cons District | Envirothon & News Notes | 358 72 |
| 01/10/2006 | 9426 | Marcussen Accounting | Monthly Billings | 190 00 |
| 01/10/2006 | 9427 | McCollum Hardware, Inc | Supplies & Christmas Decorations | 90 75 |
| 01/10/2006 | 9428 | Norman County Index | Admin ad & stamps | 104 63 |
| 01/10/2006 | 9429 | Norman County Weed Control | Noxious Weed Control | 1,461 50 |
| 01/10/2006 | 9430 | North Star Water | Water/Office | 33 00 |
| 01/10/2006 | 9431 | Office Supplies Plus | Supplies, copying & printing | 361 47 |
| 01/10/2006 | 9432 | Petty Cash | Petty Cash | 127 42 |
| 01/10/2006 | 9433 | Ralph's Food Pride | Groceries & Cleaning Supplies | 111 73 |
| 01/10/2006 | 9434 | Red River Watershed Management Board | 1/2 cost share | 114,652 49 |
| 01/10/2006 | 9435 | Rinke Noonan | Furuseth Settlement/Heiberg | 15,386 50 |
| 01/10/2006 | 9436 | Robert E Wright | Per Diem | 299 76 |
| 01/10/2006 | 9437 | Roger J Kurpius | Beaver Removal | 75 00 |
| 01/10/2006 | 9438 | Steve Dalen | Per Diem | 261 41 |
| 01/10/2006 | 9439 | The Forum | Professional Services Adv | 178 50 |
| 01/10/2006 | 9440 | The Shopper | Administrator Ad | 20 60 |
| 01/10/2006 | 9441 | The Union | Admin Position Advertising | 27 80 |
| 01/10/2006 | 9442 | Tim Halle | Press Release/Annual Report | 315 00 |
| 01/10/2006 | 9443 | Twin Valley Times | Administrative Budget Hearing | 20 00 |
| 01/10/2006 | 9444 | Visser Trenching | Snow Removal | 105 00 |
| 01/10/2006 | 9447 | RRWMB | USGS Stream Gage 05-06 | 17,597 50 |
| 01/10/2006 | 9448 | Wambach & Hanson | December Billings | 2,670 15 |
| 01/10/2006 | 9449 | Warren J Seykora | Per Diem/Cell Phone & Project Expenses | <u>1,413 66</u> |
| Total Checking-RAB | | | | 235,701 71 |

