

Wild Rice Watershed District

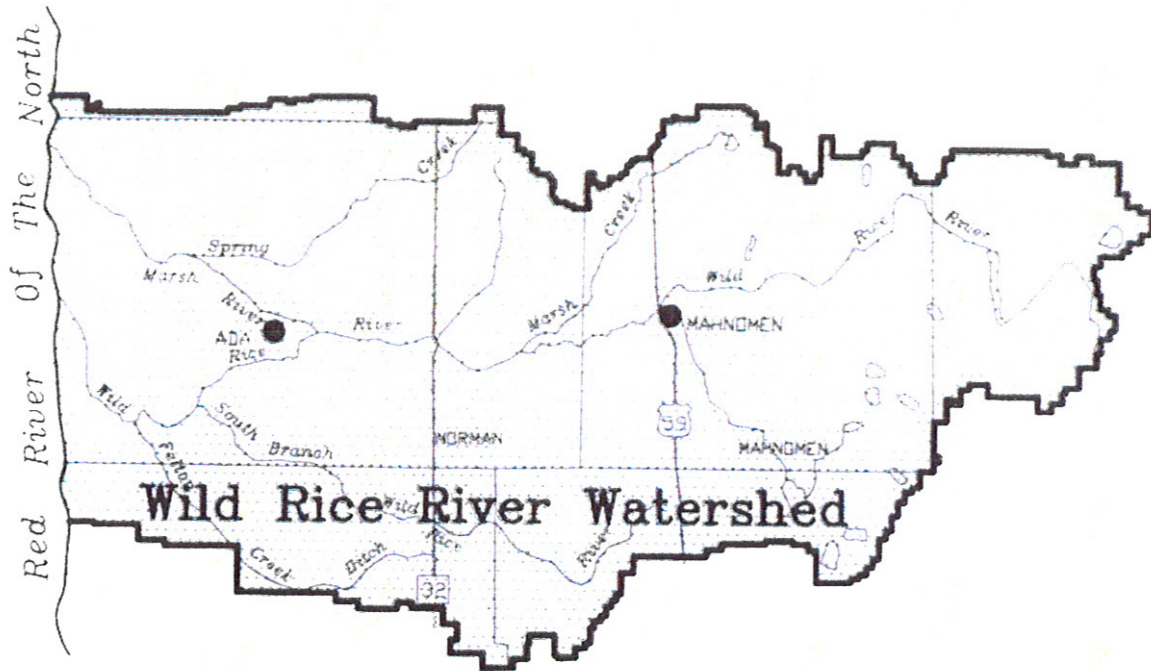


2008 Report of Activities

Wild Rice Watershed District

39th Annual Report

Year 2008



The Wild Rice Watershed District is located in the central part of the Minnesota portion of the Red River of the North basin. The Watershed District is bordered by the Sand Hill River and Red Lake River basins to the north and the Buffalo River basin to the south.

The Wild Rice Watershed District occupies a land area of approximately 2,085 square miles. The territory of the District is in parts of Norman, Clay, Mahanomen, Becker, Clearwater, and Polk counties which include the watershed of the Wild Rice River and the Marsh River.

The photo on the front cover is the Lockhart Flood Control Project located in Norman County.

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Executive Summary

In accordance with Chapter 103D of the Minnesota Watershed Act, the Board of Managers hereby submits the 38th Annual Report of the Wild Rice Watershed District, which covers the period of January 1 to December 31 of 2008. The report contains a summary of the District's activities for the past year and includes a summary of the District's financial condition.

The Annual Report reflects the Board of Managers' commitment toward serving the residents of the watershed in its mission to provide efficient management of our water resources for the future. The Wild Rice Watershed District is focused on providing the leadership and resources needed to fulfill its water management goals and objectives.

The Wild Rice Watershed District has developed a comprehensive implementation program to accomplish its goals and objectives. Authority for implementation is provided by the legislature under Section 103D of the Minnesota Statutes. This legislation gives the watershed districts the authority to establish rules, require permits, construct and finance improvement projects and perform other activities which contribute to the purpose for which the District is organized. The Watershed District will use this authority granted by the legislature to implement its long term goals and objectives.

Within the Annual Report you will find evidence of these commitments. The report also reflects the Board of Managers' recent accomplishments while mapping out plans for the upcoming year. The District would be pleased to have your comments about both.

Respectfully Submitted
Wild Rice Watershed District
Board of Managers

Wild Rice Watershed District Board of Managers 2008

The Wild Rice Watershed District is governed by a Board of Managers whose job is to preside over the business of the Watershed District as it pursues the conservation of natural resources and flood damage reduction through regulation and use of sound scientific principles. The Board of Managers is composed of seven managers appointed by the County Commissioners from Norman, Clay, Mahnomen and Becker Counties. Managers in 2008 included Diane Ista (term expires 04-25-10), Mike Christensen (term expires 04-25-10), and Jim Wagner, Sr. (term expired 04-25-08) and Don Vellenga (term expires 04-25-11) , all Norman County; Warren J. Seykora (term expires 04-25-09), Becker County; and Robert E. Wright (term expires 04-25-09), Clay County; and Joseph Spaeth (term expires 04-25-10) and Dave Vipond (term expires 04-25-09) Mahnomen County. Term of office is three years.

Area representation of the board changed in 2006, following a request from Mahnomen County for an additional representative. Following a public hearing in 2006, The Board of Water and Soil Resources gave approval of board representation that now includes three managers from Norman or Polk County, two managers from Mahnomen or Clearwater County, and two managers from Clay or Becker County.

Board Meetings - The Board of Managers meets regularly on the second Wednesday of each month at 8:30 a.m. at the District office in Ada, Minnesota.

Citizen Advisory Committee

To ensure public input, the managers have appointed a Citizens Advisory Committee to provide recommendations on matters affecting the Watershed District, including all contemplated projects and improvements. The Wild Rice Watershed District holds annual planning meetings with its citizens advisory committee, as required under Minnesota Statute.

Wild Rice Watershed District FDR Project Team

The FDR Project Team in the Wild Rice Watershed District was established in 1999, as a result of the mediation process which began in 1997, in an attempt to resolve issues surrounding the development of flood damage reduction projects between different water management agencies and stakeholder groups. A framework was organized to seek solutions to flooding problems, review new flood protection projects, and coordinate efforts early on in the planning process. The mediation process allows federal, state, and local agencies, as well as the public and private sector, to provide input regarding flood damage reduction and environmental impacts.

Major discussions in 2008 included development of Project #42 on the South Branch.

The FDR Project Team in the Wild Rice Watershed District delegates and alternates include: Dave Friedl, MNDNR; Earl Johnson, MNDNR; Brian Dwight, MN BWSR; Pete Waller, Mn BWSR; Mike Vavricka, MPCA; Jim Ziegler, MPCA; Nan Bischoff, Army Corps of Engineers; Leonard Grabowski, Army Corps of Engineers; Randy Tufton, NRCS/FSA; Amanda Peterson, NRCS; Mike Swan, White Earth Reservation; Scott Kahan, USFWS; Curtis Borchert, Norman SWCD; Mark Christianson, Norman SWCD; Aaron Neubert, Mahnomen SWCD; Dan Weber, Mahnomen SWCD; Kevin Kassenborg, Clay SWCD; Brad Grant, Country Water Plan; Steve Bommersbach, Norman County; Jerry Dahl, Mahnomen County; Jerry Waller, Clay County; Henry Van Offelen, Environment MCEA; Ron Thorsrud, Sportsman Group; Jerome Slette, Sportsman Group; Mick Alm, Cities; Jim Ellefson, Cities; Glen Brookshire, Cities; Don Vellenga, Citizens Group; Paul Houglum, Property Owner; Walter Richtsmeier, Property Owner; Warren Seykora, WRWD; James Wagner, WRWD; Robert Wright, WRWD; Diane Ista, WRWD, and Don Buckhout, DNR, Bob Merritt, DNR.

Red River Watershed Management Board

The Wild Rice Watershed District is a member of the Red River Watershed Management Board (RRWMB) created by a Joint Power Agreement between the nine member watershed districts. The RRWMB was established for the purpose of instituting, coordinating and financing projects to alleviate flooding and to assure the beneficial use of water in the watershed of the Red River of the North and its tributaries. Funding is by ad valorem tax levies, provided by Chapter 162 of the Minnesota Session Laws. Robert Wright was the District's delegate to this board in 2008.

Managers participate in the annual conference sponsored by the RRWMB each spring. The annual conference focuses on a basin-wide approach to water management and flood damage reduction.

Minnesota Association of Watershed Districts (MAWD)

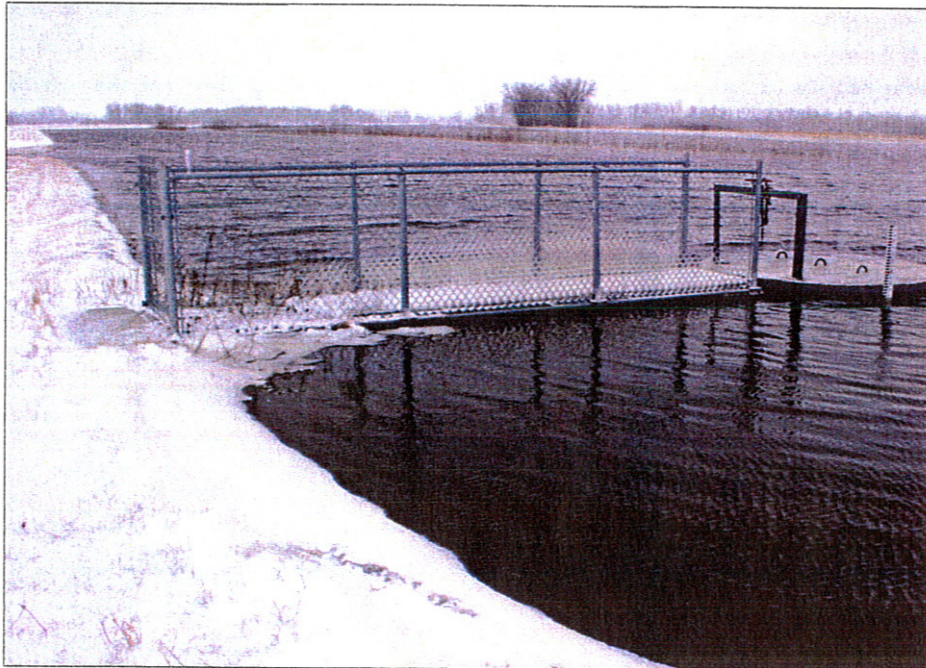
The Minnesota Association of Watershed Districts (MAWD) provides educational opportunities, information and training for watershed districts, managers and staff through yearly tours, meetings and newsletters. MAWD also represents state wide watershed district interests at the legislature, before executive branch agencies and other policy makers at the local government level. Wild Rice Watershed Manager Warren Seykora served as president of MAWD in 2008. Delegates from the WRWD to MAWD were Joe Spaeth and Diane Ista.

Watershed District Activities

Lockhart flood project shows that ag, flood protection, and wildlife can work hand-in-hand



A pair of swans on the permanent pool area of the Lockhart flood protection project.



The Lockhart Project with the gate closed and holding water.

You might not expect to find a little bit of paradise surrounded by wheat, bean and sugar beet fields in the predominantly agricultural bounty of Norman County. But that's how Jon Peterson describes the Lockhart Township Flood Storage Project, a hidden oasis just east of Lockhart, which provides flood damage protection and incredible wildlife habitat benefits.

Peterson notes that friends and neighbors laugh when he says it, "But, as far as I am concerned, that's my retirement center," he says of the flood water impoundment and wildlife area.

Peterson said the project really shows that flood protection for agriculture and the development of wildlife habitat can really work hand in hand. "Those two things can work together so nicely if you give it a chance," he said.

The Lockhart Project is on the Peterson land, with a portion just to the north on Greg Petry's property. The main water retention area is on the Peterson property.

The Lockhart Project grew out of a search to reduce flooding problems along Judicial Ditch No. 53 Main and subsequent crop losses in the area. The project site is located in Section 24 of Lockhart Township



A view from the Lockhart Project outlet in the early fall.

tion Workgroup and Minnesota Legislature.

Flood storage easements are recorded on the property, however, it allows the landowner to continue agricultural practices and other uses within the area. The Lockhart Township flood storage site was the first such project (program) for the Wild Rice Watershed District.

The project involved the installation of a runoff detention structure (wetland enhancement) that reduces flows into the Judicial Ditch No. 53 Main and the Marsh River. Additional benefits include water quality improvement, wildlife enhancement, erosion control, as well as opportunities for recreation and aesthetic value.

The gated project can hold over 330 acre-feet of storage during a 100-year 24-hour event. "It holds back a lot of water, it does its job," Peterson said.

The project development was not without some growing pains, with a lot of concern by stake holders about how bounce in water levels would effect bird nesting in the project site. The Peterson family took more than a passing interest in how the project operates.

Jon noted that they kept a close eye on how the project worked, and the water retention area could fill with water in three days during heavy rain events. It took some time to develop a good plan for a release rate.

and drains into Judicial Ditch No. 53 Main, which is under the jurisdiction of the Wild Rice Watershed District. Judicial Ditch No. 53 Main outlets into the Marsh River in Section 29 of Shelly Township. Approximately 23 square miles of predominantly agricultural land comprise the drainage area of the entire ditch.

The objective of the project was to implement flood storage easements on agricultural lands that would reduce potential flood damage while enhancing the environment. The \$359,000 project was built as a cooperative venture between local land owners, the Wild Rice Watershed District, Minnesota DNR, the Board of Water and Soil Resources, the Red River Watershed Management Board and the Red River Media-



Jon Peterson was recognized for his flood prevention and wild life enhancement efforts by the WRWD and Minnesota DNR.

"When the project filled, we would monitor the water levels twice a day, and we kept accurate records of how much water was going out during times of high water," he noted.

The close monitoring resulted in the development of a good operation plan. "We learned a lot by being on hand to watch the water. We settled on a level for adjusting the gate, and now the project really works well," he said.

The Peterson family has also been in charge of the maintenance and upkeep of the project area, including mowing, and Jon said keeping the project working well and looking good, something they take pride in.

"We knew we wanted to make this more than just a water holding area. We wanted to enhance the wildlife aspect of the area," he said.

The Petersons have been raising pheasants that are really doing well in the area. The project site is a great nesting site for geese and ducks, with the population of birds growing every year. Permanent pairs of trumpeter swans come back every year.

"We've established quite an array of pheasants and other birds out there. It is fun to sit out there in the spring of the year and just listen to all the pheasants, ducks, and other birds. It is very enjoyable," he said. "Let nature help you out, and it works wonders."

Jon said they have had excellent luck with planting trees, as well as a good stand and variety of volunteer trees growing where they want them. The tree stands on the property make it a great habitat for deer and the Petry and Peterson families have a bit of a hunting paradise in the middle of the Red River Valley. "It is something you can really enjoy. The value of hunting land has increased to such a degree, it makes your land that much more valuable," he said.

Jon said he hopes there is a chance for more of these types of flood protection and wildlife enhancement projects to develop, and said he'd be more than happy to show people what can be accomplished. "I think people think they are going to have permanent lakes, and that's one reason people are afraid. I'd like to talk to them and show them what they can do. They can do the same on their property. It's not going to be a swamp all the time, it can hold water for a short period of time, and still have all these benefits," he explained.

The Peterson family wants to see the wildlife aspect continue to be enhanced, and they have plans to keep improving the area.

"I only have to drive three miles from home and I can be in my own little hunting paradise," Jon said with a smile. "Everyone kids me, and asked what I wanted that property for. And I say, 'That's my retirement center,' Look at what you gain," he explained.

The Wild Rice Watershed District and DNR recognized the Peterson and Petry families in 2008 with a special presentation for their efforts in assisting the area in the development of flood protection and wildlife enhancement.

General Re-Evaluation Report of the Wild Rice River - Twin Valley Lake/Dam

(Authorized by WRDA 2007)

The prospect of possible movement for a major flood damage reduction project on the main-stem of the Wild Rice River was an active topic in 2008.

The Water Resource Development Act (WRDA), which was passed by Congress in October, overturning a presidential veto, includes language which calls for the U.S. Army Corps of Engineers (USACE) to conduct a reevaluation of the Twin Valley Dam project. The project was shelved by the USACE late in the 1987 after a determination was made that the project was not economically feasible and it was placed on inactive status.

The language in the \$23 billion 2007 WRDA bill earmarks \$20 million for construction of a flood control project on the Wild Rice River main-stem. However, the bill only authorizes spending levels for the projects. The money still must come from individual appropriations by Congress. That means legislation must be crafted to appropriate funds for the over 600 projects that are included in the WRDA bill, including the reevaluation of the Twin Valley dam project.

After the project receives funding through the appropriations process, the procedure would be a review by the USACE for their determination of what the next step would be. A reevaluation of the project by the USACE might result in a project that is similar to the original project, or may not be anything like the original proposed project on the Wild Rice River.

Wild Rice Watershed Managers approved going forward with seeking local and basin-wide support for federal funding to move forward with the re-evaluation of the Twin Valley Dam project in February. This followed a tele-conference with U.S. Army Corps of Engineers and Legislative staff members. These included Judy DesHarnais with the USACE and Robin Goracke of Congressman Collin Peterson's staff.

The USACE estimate is that it will cost between \$2-4 million to complete the general re-evaluation report, depending on the number of alternatives studied. The USACE has not determined what the local share of these costs will be at this time, DesHarnais said that determination will likely come from USACE headquarters. She noted that new projects require a 50-50 cost share, however, since this is a re-evaluation of a project, there is a possibility that the local cost could be 25%, which was the ratio when the project was shelved back in 1987. The Board decided that in their letter to Congressman Peterson, the District ask that a 25% local share be considered.

There was a question regarding the language in the WRDA bill, "to develop alternatives to the Twin Valley lake feature, and upon the completion of such report, shall construct the project at a total cost of \$20 million."

Both Goracke and DesHarnais explained the language allows looking at a range of alternatives, along with the old dam project with the lake. "The old Twin Valley dam and lake project is one of the alternatives. The re-evaluation will look at other alternatives as well, to see what is most effective to provide flood control benefits, what is the most implementable, and what would be the least damaging environmental alternatives that addresses the needs of the project," DesHarnais said. She also noted that possible alternatives would not be limited to the on-channel site of the old dam project.

Goracke noted that the language in the bill authorizes the project after completion of the re-evaluation report. She said it does not exempt any of the USACE environmental processes or National Environmental Protection Act (NEPA) requirements. "A project would still be required to go through all planning requirements and still have to go through all the environmental assessments to meet the high standards of NEPA and high standards of USACE," Goracke said. It was also noted that a project would also have to meet the state permitting requirements and the project would likely require an Environmental Impact Statement by both the state and federal agencies.

If the re-evaluation is positive and a project can move forward, Goracke noted that the language in the WRDA bill provides at least partial funding for the project. She said that \$20 million in the bill would allow USACE to include the project in their budget, although, DesHarnais also indicated it is likely that moving forward with a project would likely take a separate appropriation by Congress.

It was noted that since the dam project was shelved in 1987, there have been another 20 years of flooding, which has done its part to cause a great deal of erosion to the beach ridge area and filling the downstream channel of the Wild Rice River with sediment. The project was set aside 20 years ago after it was determined by the USACE that the benefit cost ratio was less than one. It was asked whether possible environmental protection could also be a determining factor by the USACE, along with economic benefits, when the benefit/cost ratio is revisited. DesHarnais indicated that may be possible, if a proposed multi-purpose project included significant eco-restoration benefits.

Goracke noted that all letters of support from the area would be helpful. In the initial appropriation request, the District will be seeking \$300,000 to get the re-evaluation started in fiscal year 2009 by the USACE. The next year, the goal would be to see funding continue. It is also hoped that USACE would add the project in their budget as well.

Once the re-evaluation has funding approval, DesHarnais said it will likely take three to nine months to develop a plan for how to implement the reevaluation process and sign a feasibility cost sharing agreement with the sponsor (watershed district). The general re-evaluation report would likely take 12-18 months for the USACE to finish, the final report would likely take six to nine months, and review and approval of the report would take between an additional six to 12 months.

Members on the steering committee include Dave Vipond and Mike Christensen from the watershed board, Norman County Commissioner Steve Jacobson, and Curt Jacobson and Richard Ista, both of Ada, and Ray Hanson and Mark Habedank of Twin Valley.

The Wild Rice Watershed District Board approved a mission statement for the Twin Valley Dam Committee at their reconvened meeting on April 28 and approved changing the name of the committee to the Wild Rice River General Re-Evaluation Committee. Manager Dave Vipond suggested changing the name of the committee to better describe what he believed is the purpose of the committee. The language of the mission statement follows along the lines of the authorization for the re-evaluation in the 2007 Water Resources Development Act (WRDA) bill, which authorizes the re-evaluation project. "To build support for and promote completion of the General Re-evaluation Report, including the development of effective alternatives to the Twin Valley Lake/Dam Project for the purpose of flood control in the Wild Rice River and Red River basins."

The re-evaluation did not receive congressional appropriation in 2008.

Background History:

The Twin Valley Lake/Dam Project was authorized by the Flood Control Act approved on December 31, 1970 (Public Law 91-611). The authorized project provided for the construction of an earth fill dam on the Wild Rice River approximately 1.5 miles upstream of Twin Valley, Minnesota. A number of studies of the project were completed by the Army Corps of Engineers (COE), with the final report being published in March of 1987. At that time, due to the lack of economic justification, the St. Paul District COE recommended that the project planning be terminated and the project be classified inactive. However, prior to being put on inactive status, it was estimated that the project would reduce average annual damages along the Wild Rice and Marsh Rivers by 70%.

What has happened since 1987?

Flooding along the lower reach of the Wild Rice River has continued to become a more and more frequent occurrence due to increased discharges, erosion, and sedimentation of the river channel. Recent studies have indicated that the Wild Rice River contributes up to 70% of the flow to the WRWD Priority Flood Damage Area in western Norman County, Minnesota.

General Re-Evaluation Report Procedure

The rules of the Army Corps of Engineers provide for a re-analysis of a previously completed study, using current planning criteria and policies, which are required due to changed conditions and/or assumptions. The results may affirm the previous plan or reformulate and modify it, as appropriate. The results of these studies are typically documented in a General Re-evaluation Report (GRR).

WRWD Position/Recent Congressional Authorization

The Wild Rice Watershed District and Congressional Representatives understand that with the environmental policies in place on the local, state, and federal level, significant changes would likely need to be made to the project as last proposed in 1987 (ie size, type, locations, operation,...). That is why the WRWD requested, and Congress has authorized, a General Re-Evaluation Report on the project. This type of General Re-Evaluation would allow the analysis of a wide variety of alternatives to develop the best project(s) that would be acceptable from a Flood Damage Reduction and Natural Resource Enhancement perspective to control runoff from the approximately 900 square mile contributing drainage area.

The WRWD believes that a lot of things have changed on the Wild Rice River since the old U.S Army Corps of Engineers Twin Valley dam project was shelved 20 years ago. That's why watershed district managers believe that it is imperative to take another look at the project and its alternatives, not only as a way to find meaningful flood protection, but as a way to save the river from the erosion, sedimentation and resultant environmental damages.

Estimated Cost

The total estimated cost of the General Re-Evaluation Report is between \$2-4 million, with the non federal cost share estimated between 25-50%. The Water Resources Development Act of 2007 (WRDA), which authorizes (but does not appropriate funds for) a variety of projects, including beach restoration, clean water and flood control programs was passed by the 110th United States Congress on November 8, 2007 over President Bush's veto.

Managers meet with DNR Commissioner Holsten

A June 2, 2008, letter from the Minnesota Department of Natural Resources expressed significant concern about flood protection projects that consisted of a large on-channel structure, from both a safety and environmental standpoint, which led to a meeting with DNR Commissioner Mark Holsten of the DNR at the DNR office in Brainerd in October of 2008.

Holsten urged the Watershed District Board to work within the mitigation agreement and the Flood Damage Reduction (FDR) Project Team in the Watershed District in seeking flood damage solutions.

At the meeting in Brainerd, Manager Dave Vipond of Mahanomen explained the reason the District requested a meeting with the Commissioner, to discuss his letter to the District that related to on-stream flood damage reduc-

tion efforts, and the need for DNR assistance in exploring on-stream options. He explained to Holsten that the watershed district is a farm community, with the economy dependent on protecting our communities and farm land from flooding.

"When my constituents talk to me, they look at the flood damage reduction options, and to them, it doesn't make sense to store water on some of the best farm land in the watershed district. They ask, 'doesn't it make more sense to store the water in a confined area on-channel.' We understand the environmental problems. But, what can we do? What are the options? Where can we compromise to reach the ultimate goal of flood damage reduction? We know the sky is not the limit, but we feel pretty strongly that there is something we can do on-channel to reach our goals," Vipond said on behalf of the District.

While much of the meeting with Commissioner Holsten developed into a discussion about main stem, on-channel flood water storage on the Wild Rice River, including a discussion of the old proposed Twin Valley Dam project, the Watershed District's inquiry to the DNR over the past year has been related to a

means to quantify the mitigation requirements of building an on-channel impoundment site on the South Branch of the Wild Rice River downstream of Ulen. There are four potential impoundment sites west of Ulen on the South Branch, however, the Watershed District FDR team is no longer willing to consider these sites for possible project



Watershed Board members met with DNR Commissioner Holsten in October.



Meeting with DNR officials at Brainerd included Wild Rice Managers and interested stake holders from the watershed district.

development through the mitigation process, due to environmental concerns by the agencies with these on-channel areas. None-the-less, the Watershed Board has continued to pursue trying to ascertain from the DNR what the mitigation requirements would be for project approval. The District has argued that an on-stream project could provide environmental benefits, including erosion control and channel stabilization.

"It would allow the District to go back to the public and show them that if the District wants to build an on-channel dam on the South Branch, here is the laundry list of things that have to be done and likely costs in trying to accomplish them," WRWD Engineer Jerry Bents explained of requesting details of the mitigation requirements.

The DNR representatives said that without having actual project plans, and not just a spot on the map, it is difficult for the DNR to provide any specifics on what the mitigation requirements would be for an on-channel structure on the South Branch. Previously, the DNR indicated that the District could be assured that they believe these sites are irreplaceable, and mitigation re-

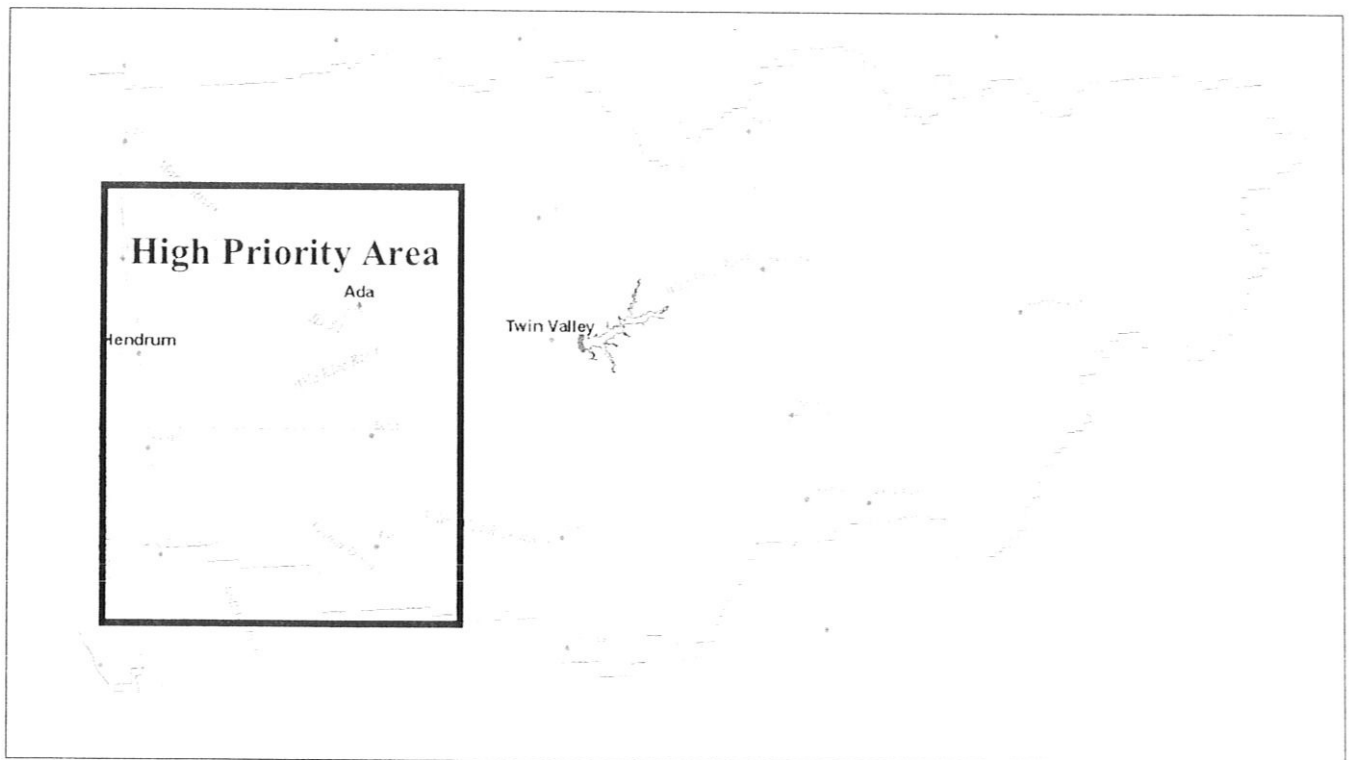
quirements would be extensive.

Commissioner Holsten said he believed that the crux of his message to the watershed district was in the third paragraph of his letter to the Board in June. The letter notes, "The DNR cannot support those projects that have a potential for significant environmental impacts that do not include feasible mitigation or natural resource enhancements. While such projects could be pursued outside of the mediation process, these projects would involve a complex, lengthy and expensive state and federal regulatory review process with an unpredictable outcome. This would be going back in time to the pre-mediation agreement way of doing business, no collaboration, more litigation and no projects being built. It is our recommendation that the District carefully weigh the time and cost of pursuing such projects. DNR preference would be to focus on areas of agreement rather than areas of disagreement."

"If you want to go outside the mediation process, that's up to the Board," Holsten said at the meeting in Brainerd. "But I am suggesting this will be a lengthy, costly process, and we question whether or not you will be able to succeed. We suggest you concentrate in areas where you can succeed, and succeed as fast as you can."

Holsten said the DNR can support the District's efforts to seek federal funding through the WRDA bill to have the U.S. Army Corps of Engineers re-evaluate alternatives to the Twin Valley Dam. But, Holsten added that he hoped that the District was not seeking the funding to put all their resources towards a high hazard dam on the main stem of the Wild Rice River. "That's an unlikely scenario," he said of an on-stream high hazard dam.

Watershed managers agreed that they wanted to continue to work with the DNR in a positive way to seek FDR initiatives. It was also suggested to invite Commissioner Holsten to a meeting in the Watershed District in the near future.



Project #42

South Branch/Wild Rice River Storage

Back in 2002, Wild Rice Watershed District Managers realized the need to focus attention on areas other than just the mainstem of the Wild Rice River in seeking overall flood damage reduction in the Wild Rice Watershed District. At that time, areas with flooding problems were prioritized as high, medium or other by the managers, with a high priority placed on the lower Wild Rice River area, where flood damages to farmers in the District have been significant over the years.

In June of 2005, the Wild Rice Watershed District completed a storage evaluation as part of the overall water management plan of the South Branch of the Wild Rice River. This evaluation was completed as a joint effort between the WRWD and the United States Army Corps of Engineers. The main goal of the evaluation was to identify groups of projects which would provide a 30-40% reduction in the 10-year discharge at the outlet of the South Branch of the Wild Rice River, reduce erosion through the beach ridge, could be funded, and would also be acceptable to the permitting agencies.

What developed is the initiation of the current South Branch Flood Reduction Project (Project #42). The proposed project would consist of the development of five or six flood water storage sites in the upper basin in combination with one large off-channel storage site in the lower basin. The upper basin sites would provide a total of 6,500-7,800 acre feet of storage, while the lower off-channel storage facility would provide approximately 15,000-18,000 acre feet of storage. The project would control floodwater from an approximate 250 square mile drainage area. As proposed, the planned sites would provide an approximate 40% reduction in the flow of the South Branch at the confluence of the Wild Rice River during a 10-year flood event.

Through 2007 and 2008 the Board continued working on developing potential sites and meeting with area land owners. This project continues to face a good deal of opposition from land owners in the proposed project areas. The District did receive some land owner interest in the CD #18 site in Clay County and approved working with land owners on possible land purchases/swaps and easements in the project area. The Board also approved working on expanding the flood water holding potential of the Becker Dams.

In the fall of 2007, the District's Flood Damage Reduction Project Team essentially recommended the District continue work on seven points in moving forward with the Project #42 process. The Watershed Board did not necessarily agree with all of the suggestions made by the FDR Project Team, but agreed that logical progression to go forward with planning is to continue with the idea of starting in the east and working west, beginning with looking at possible on-stream impoundment sites on the South Branch east of Ulen.

The permitting agencies on the FDR Project Team informed the WRWD they are not interested in discussing on-stream sites on the South Branch west of Ulen, but the WRWD is continuing to pursue this with area legislative assistance in seeking to quantify the mitigation requirements at the proposed sites.

FDR Project Team recommendations, Proj. #42

- 1) Land use treatments to reduce runoff volume and sedimentation**
- 2) South Branch Corridor Establishment**
- 3) Optimize storage capacity of the Becker Dams with Consideration of Natural Resource enhancement opportunities**
- 4) South Branch Upstream Tributary Sites**
- 5) South Branch Upstream On-Channel Sites**
- 6) South Branch Wild Rice Channel Rehabilitation**
- 7) On Channel Impoundment at the Base of the Ridge Near Highway 9**

Through the end of the year, the board heard a great deal of continued concern from land owners in the project area about using agricultural acres for flood water impoundment, in both the upper and lower areas of Project #42, with many land owners urging that the District to continue seeking on-stream water retention on the South Branch.

A portion of the project that did make positive headway in 2008 was a project to enhance the Upper Becker Dams. The Upper Becker Dams are located in the eastern half of the South Branch of the Wild Rice River sub-watershed. This project was originally constructed by the Watershed District in 1980. At that time, the dam was built to store approximately 2,060 acre feet of temporary (non-gated) flood storage. The WRWD is now proposing to improve the structure to add approximately 8,600 acre feet of additional flood storage capacity. With the enhancements, the site will provide 8,200 acre feet of gated storage and approximately 2,300 acre feet of temporary (non-gated) flood storage. It will have the potential to control runoff from about 38 square miles of the total 250 square miles within the South Branch sub-watershed. Total cost is estimated to be in the range of \$8-\$10 million.

In June, the Board approved moving forward with final engineering plans on both the CD #18 project and the Upper Becker Dam enhancement project. Engineer reports on both the the proposed CD #18 site and Upper Becker enhancement project were moving forward at the end of the year, and the District was working with the FDR Project Team on permitting and environmental issues, as well as seeking funding. A final hearing on both proposed

flood protection projects was expected in 2009.

The Board has set aside a 9:00 a.m. time slot at each regular meeting to provide public updates and hear public input on Project #42 as the planning progresses.

Water Management District (WMD) work continues in 2008

As a means to seek a funding mechanism to do maintenance and to raise local funding for flood prevention project, the Wild Rice Watershed District continued investigating the potential of creating a Water Management District (WMD) ordinance in 2008.

The draft ordinance prepared by the District for member counties to consider involves a charge system where land owners outside municipalities would be charged based on runoff contributions, determined by soil type and land use. Property owners in municipalities would be charged a fee based on market value of their property.

The Board of Managers believe that creation of a WMD ordinance is vital to the future of funding flood damage reduction projects and talks continued in 2008.

While managers agreed there is no true consensus of support among county commissioners for a WMD, there was general agreement of conditions to allow the Board to update a draft ordinance.

Those points included: implementing and maintaining infrastructure that support the water quality and natural resource goals listed in the WRWD Management Plan; to provide funding for construction and maintenance of only new projects; limiting the annual levy for a new project to \$1 million annually; funds collected will cover construction, land acquisition, and all other costs after a project is established; include the entire District in the WMD; fees will be determined on runoff contributions on both agricultural and in municipalities; funds collected through a WMD will be no more than 50% of the project cost; a WMD will sunset after 10 years (at which time the WRWD would be required to follow procedures in state statutes to extend the effective time); up to 100% of the local share of project funding could be paid using WMD funding; establish an advisory board consisting of one representative from each of the six counties in the District; create an appeals panel to hear recommendations on appeals related to charging practices; land use will be reviewed every five years or land owners can request that land use be reviewed each year by supplying the required supporting data.

In December the Board approved having their legal counsel and engineering consultant work on an updated draft of a WMD ordinance, and also approved planning a meeting with the Board of Water and Soil Resources to keep them informed.

Wild Rice Farmstead Ring Dike Program

Residents of the Wild Rice Watershed District have received a great deal of protection through the Farmstead Ring Dike Program funding over the past 12 years, with many farmsteads now protected from problem flooding. In 2008, the District completed project work on nine projects with funding allotted from the State Legislature in 2007-08. Through the rural ring dike program, the State funds 50% of the ring dike project, the Red River Management Board provides 25% funding, the watershed district 12.5%, and the applicant 12.5%.

The ring dike projects approved for construction in 2007 and 2008 were all in Norman County, with projects approved for Harvey Christianson in Halstad Township, George Gilbertson in McDonaldsville Township, Kaye Loe in Georgetown Township, Clayton Arthurs (Judy Olson) in Anthony Township, Gerald Arends in Mary Township, Rob Myers in Winchester Township, Tim Koste in Lee Township, Jonathan Grothe in Hendrum Township, and Myron Palum in Mary Township.

Since 1997, a total of 57 rural ring dike projects have been build in the Wild Rice Watershed District to protect homes and out buildings. The Board also approved looking at updating the priority list for new projects when funding is available.

Mahnomen Flood Protection Project

Despite a wet 2008 fall, construction was completed on a tile project to provide drainage and flood protection on Mahnomen's west side.

The Wild Rice Watershed District began working with the City and County of Mahnomen early in 2007 to develop a project to provide protection during excess run off events, which has caused problems to property owners on the west side of Mahnomen. Late last year, a funding package for the project was completed with 50% of funding provided through a grant from the Department of Natural Resources, 25% from the Wild Rice Watershed District, and 25% from the Red River Watershed Management Board.

The project was originally planned as an north/south aligned open ditch project, however, the watershed district board approved modifying the proposed project to a tile installation this past August, at landowner request.

The tile installation was awarded to Nanic Construction in October with the contractor presenting a low bid of \$68,338.

The District is working with landowners on plans to install inlet tile to the primary tile system. A berm will also be erected next spring to complete the flood protection project.

2008 Year in Review

January

A **drainage and flood reduction project on Mahnomen's west side** went to final design and construction preparation with a decision by the Wild Rice Watershed District in January to provide the final funding required for the project.

The proposed \$166,000 project will be a north/south aligned ditch system with a berm which will provide drainage and protection during excess water on the west side of Mahnomen.

The Watershed District has been working with county and city officials on developing a funding package for the project in the past few months. In December, the Red River Watershed Management Board approved funding 25% of the project cost. Grant funds were also approved through a legislative appropriation through the Department of Natural Resources for 50% of the cost.

At the January watershed meeting, both Mahnomen county and city officials noted budget difficulties make it difficult for the county or city to make a cash contribution to the project. However, Commissioner Wally Eid did note that the County agreed they could take care of future maintenance costs. Mahnomen Mayor Joyce Ballard and City Administrator Mitchell Berg also indicated that the City could provide in-kind and easement assistance with the project.

The Board passed a motion to fund the remaining 25% needed to move the project forward with design work to begin.

In other business, the Board closed the meeting to discuss land negotiations related to the County Ditch #18 flood damage initiative. The District is negotiating with land owners in the project area on fee title acquisition and land swap options.

There was a roomful of people at the **Project #42 update** portion of the meeting with concerns related to the proposed County Ditch #18 project. One landowner in the project area told board members that he was not interested in selling his property.

There were also concerns from people in the Project #42 area about taking farm land out of production, how a project would effect neighbors, and eroding the tax base for townships and the County.

It was evident that many people don't support seeing farm land used for flood reduction purposes, and it was noted by the Board that this is pretty much the reaction everywhere they have looked for establishing flood water impoundment projects.

There were also comments that the watershed board should only consider on-channel projects. It was noted that this continues to be an option the board believes is viable, and the watershed is working with local legislators to seek acceptance from the permitting agencies. However, manager Dave Vipond reminded that an on-stream approach will also require using current farm land.

It was also commented that land purchases made by the District make it appear this project is going through. It was noted that the project is still in the developmental phase. Attorney Elroy Hanson explained that if the CD #18 portion of Project #42 can be permitted and goes to final design, the project will require a public hearing and the Board would make a decision after that if they will establish the project. He said the final criteria for managers will be if the project is in the best interest of the public.

In other business, Norman County Commissioner Steve Jacobson met with the board to report that commissioners voted to assist the watershed district in creating an ordinance to develop a possible **water management district** as a funding mechanism to raise funds to pay the local share of flood reduction projects.

In other business:

- *Closed the meeting to discuss pending litigation with JB Associates.

- *Closed the meeting to discuss land negotiations related to a possible Upper Felton Ditch project.

- *Accepted a quote from MinKota Tech in Winger for a computer server system at a cost of \$11,299

February

Wild Rice Watershed District Board members moved to restart a flood water reduction project effort on the **Upper Felton Ditch** in Clay County at their February meeting. Chuck Larson met with the Board and noted that he wants to see the property in his family in Clay County used for the purpose of decreasing the flood problems in the District.

Willing owners ready to provide land for flood protection are in scarce supply in the District, and Board members recognize that having a willing land owner is clearing a major hurdle in developing a project. However, problems with the property that will come into play include environmental concerns, which will likely create permitting issues with the agencies, and the soil conditions are not ideal for levee construction.

The Board approved moving forward with negotiations in an attempt to get options on the property. The board also agreed they would discuss project funding potential with state legislators.

The February watershed district meeting was once again packed during the **Project #42** discussion period, which included a presentation from Houston Engineering CEO Jeff LeDoux on what has led the District to seek flood water storage within the South Branch and Felton Creek subwatersheds, in addition to the Upper Wild Rice subwatershed. LeDoux explained that following the 1997 flood, the District conducted a comprehensive study on how the District would move forward with multiple flood damage reduction activities, which included setting high priority areas for protection. One of the main high priority goals is to decrease flood damage on the approximately 80,000 acres of frequently flooded crop land on the western side of the District. LeDoux explained that the 1997 analysis showed that a main stem project, like a Twin Valley dam, would reduce peak flows at Ada by about 50%, and reduce the peak flow approximately 15% on the Wild Rice River at Hendrum for a storm similar to the June 2000 flood event. This analysis shows that while a Twin Valley Dam would provide substantial flood damage reduction benefits, additional flood storage is needed on the South Branch and Felton Ditch, such as Project 42, to reach the District's flood reduction goals.

Since 1997 additional information has been collected (Lidar, flow changes) and new modeling has been performed. The results indicate for most flood events, a project similar to the Twin Valley Dam would reduce the peak flow on the Wild Rice River flow near Ada by 35-45%, while reducing the peak flow at Hendrum 0-5%. However, the duration of flooding would be reduced considerably. With Project 42 implemented in addition to a project similar to a Twin Valley Dam, the peak flow through the high priority area would be reduced by 15-33%.

The final components of Project 42 are not completely defined, however, alternatives currently being considered include a proposed large off-channel retention site below the beach ridge near Borup, five or six tributary sites above the beach ridge, increasing the storage capacity of the Becker dams, and possible on-channel sites east and west of Ulen.

Land owners in the Project 42 area at the February meeting said they were against seeing current ag acres used for flood water storage. There is support for on-stream storage west of Ulen, with the exception of home owners who live at the sites. The group also noted support for increasing flood holding capacity at the upper Becker Dam. The Board believes the on-stream sites have potential and the Board is working with area legislators to seek some leeway from the permitting agencies to consider on-channel alternatives.

Manager Diane Ista contended at the February meeting that a motion made in March of 2007 by the Board assured that the District would not seek other alternatives until the on-stream effort on the South Branch has been exhausted. Manager Dave Vipond noted that the CD #18 initiative in Goose Prairie Township gained momentum with interest from some willing land owners. There are also land owners in this project site who are not interested.

Administrator Steve Dalen said that the District had begun discussions with people on the Upper Becker Dam about the potential of increasing water holding capacity, and those conversations have been positive.

The Board was urged by people in the Project 42 area to consider other alternatives that would not take farm land, including tiling to reach the water retention goals. It was noted that the group is forming a Citizens for Farm Land Preservation and they hope to work with the District in a positive way.

Engineer Jerry Bents noted that the effectiveness of tiling as a flood reduction method is currently being studied by the Red River Watershed Management Board, but the effort has been moving fairly slowly. The Board did approve setting up a tour of successful recent flood water retention project sites in the Red Lake Watershed District to learn how they worked through similar issues.

In other business, the Board received an update by the **Twin Valley Dam Committee**, and reviewed an informational brochure being created. The Board also approved developing a PowerPoint presentation to present to North Dakota legislative leaders in seeking support for the federal appropriation for the mainstem project re-evaluation. The Board approved moving forward with making a formal federal appropriation request of \$300,000 for fiscal year 2009.

The Board heard from Mari Jo Vik that the Viks would be willing to discuss an easement to the District to provide egress across their property to do maintenance on Project 31 that outlets into the Wild Rice River. She noted that one sticking point is where the spoil would go, and it was agreed to discuss options.

In other business the Board:

- *Approved making an inquiry with the Department of Administration on whether there is a problem with a committee meeting outside the territorial area of the watershed.

- *Approved an additional \$1,340 for a total of \$12,473 as the District's share to see the Pinehurst Resort rip rap project move forward on Twin Lake in Mahnomen County.

- *Approved hiring Hap Ambuehl for dead tree removal on the Wild Rice River to protect downstream bridges.

- *Approved \$100 donation to both the Norman County SWCD and Mahnomen SWCD for the student envirothon.

- *Rescheduled the Board's next regular monthly meeting to Tuesday, March 11, at 10:00 a.m.

The Board approved the following permits: MnDOT, Shelly and Hubbard Townships, replace 10 culverts on Highway 75; Roger Kurpius, Section 27, Spring Creek Township, install culvert; Natural Resources Group, pipeline installation, Bear Creek and Moose Creek townships, Clearwater County.

March

Wild Rice Watershed District Board members approved going forward with a **repair to Project 16 (Anthony Ditch, Norman County)** following a hearing on the project at their March 11 regular monthly meeting. The repair project which will involve the installation of a culvert and 40-foot rock rip rap channel at the outlet. Also, the spillway will be lowered to return the 100-year water surface elevation to the original design elevation. Engineer Jerry Bents commented the repair will cause the ditch to work as it was originally designed. The cost of the repairs is estimated between \$17,000-\$19,000.

The Board decided to decline going forward with seeking an option for land owned by Chuck Larson on the upper **Felton Ditch** for a possible water retention site. Larson offered the 480 acres for \$6,000 an acre on a two-year option, or \$5,000 an acre if the District could finalize the sale within six months. Larson said that he would sign a one-year option for 2% or \$48,000. He also noted that considering the length of time this has been under review, he asked the Board make a decision, one way or the other, at Tuesday's meeting. A draw back of the property from a flood water retention view point, is that soil conditions at the site are not good for construction, and only a portion of the property could be used for flood water retention. The site also has environmental issues; however, the board discussed that the site could have value as a mitigation site for another project. The Board's decision was that the cost per acre foot of possible flood storage puts the purchase price of the land out of reach for the District, and declined making an offer for an option on the property.

In the **Project #42** update, Administrator Dalen said that the state legislators have earmarked \$2 million in the bonding bill for land purchases to expand the Becker Dams. Legislators decided not to pursue additional funding for the CD #18 flood water storage site at this time, due to the controversy surrounding the use of agricultural acres for a water retention project. Dalen said the District closed with one of the land owners for property on the CD #18 site, but design work and construction will be set aside until the District has support for additional funding.

In an effort to improve communication on the project, the Board approved naming a member from the **Citizens for Farmland Preservation** group to membership on the District Flood Damage Reduction Project Team.

The Board also approved moving forward as co-sponsors with the local SWCDs in a grant application to BWSR to seek agricultural watershed restoration grant funding for Best Management Practices, which could include development of sediment basins, buffers, conservation tillage and possibly tiling.

Mark Christianson of the Norman County SWCD also gave a presentation on tiling use as a flood water retention measure, and noted that while tiling is excellent in helping to reduce runoff erosion, there is little data that shows tiling on ag acres provides a significant amount of flood water storage. He did note sediment basins with tiling do an excellent job controlling sediment and erosion control.

In the **Twin Valley Dam re-evaluation project update**, the Board reviewed a Powerpoint presentation explaining the effort to seek authorization of federal funds to go forward with the re-evaluation of the old dam project, authorized in the 2007 WRDA bill. The Board approved the Powerpoint presentation, and also approved letting the Concerned Citizens of the Wild Rice River Watershed District use the presentation. The Board also approved a brochure explaining the project and the effort. It was noted the presentation would also be available to anyone from the public. Curt Jacobson reported that the Concerned Citizens have been meeting with local city councils and other organizations to seek resolutions of support for the re-evaluation. The Watershed District will also be making a request to the Red River Basin Board and the Red River Watershed Management Board, and also the County Boards for resolutions of support. The Board also heard that Ray Hanson of Twin Valley volunteered to be part of the Twin Valley Dam steering committee. Mark Habedank also volunteered to join the steering committee to make it a seven member committee. The Board approved naming Habedank and Hanson to the committee, which also includes Curt Jacobson and Richard Ista of Ada, County Commissioner Steve Jacobson, and Dave Vipond and Mike Christensen from the watershed board.

Engineer Bents said there has been no response from the DNR related to efforts to discuss developing a revised operating plan for the **Moccasin Creek Dam**. Under the current operation plan, the dam can only be used to hold water during spring flood events, and the District would also like to gain approval to operate the dam during summer flood events. The Board approved moving forward with developing a revised plan for consideration by the DNR.

In other business the Board:

- *Held a lengthy discussion about board direction and cohesion and whether the board is dysfunctional. It was decided to meet with the individual county boards about the matter.

- *Gave David Larson authority to coordinate snow removal needs on the Atlanta Township Ditch.

- *Approved exploring having the recordings of the monthly meetings streamed on the District's web site.

- *Denied a request for a study on downstream impacts of the proposed Mahnomen flood control project.

- *Approved holding a hearing on the JD #53 sloughing problem at the April regular board meeting.

- *Approved moving forward with a local TMDL implementation plan to address turbidity problems on the lower Wild Rice River.

- *Approved investigating Ambuehl/Kurpius complaint related to levee construction which caused water to back up.

- *Approved advertising mowing and spraying in the District for 2008.

- *Approved holding and advertising a public information meeting on Saturday, April 5, at 11:30 a.m. at the Ada-Borup High Auditorium with a lunch for those attending and inviting the legislators and the project team.

- *Approved \$100 for the Becker County SWCD Envirothon.

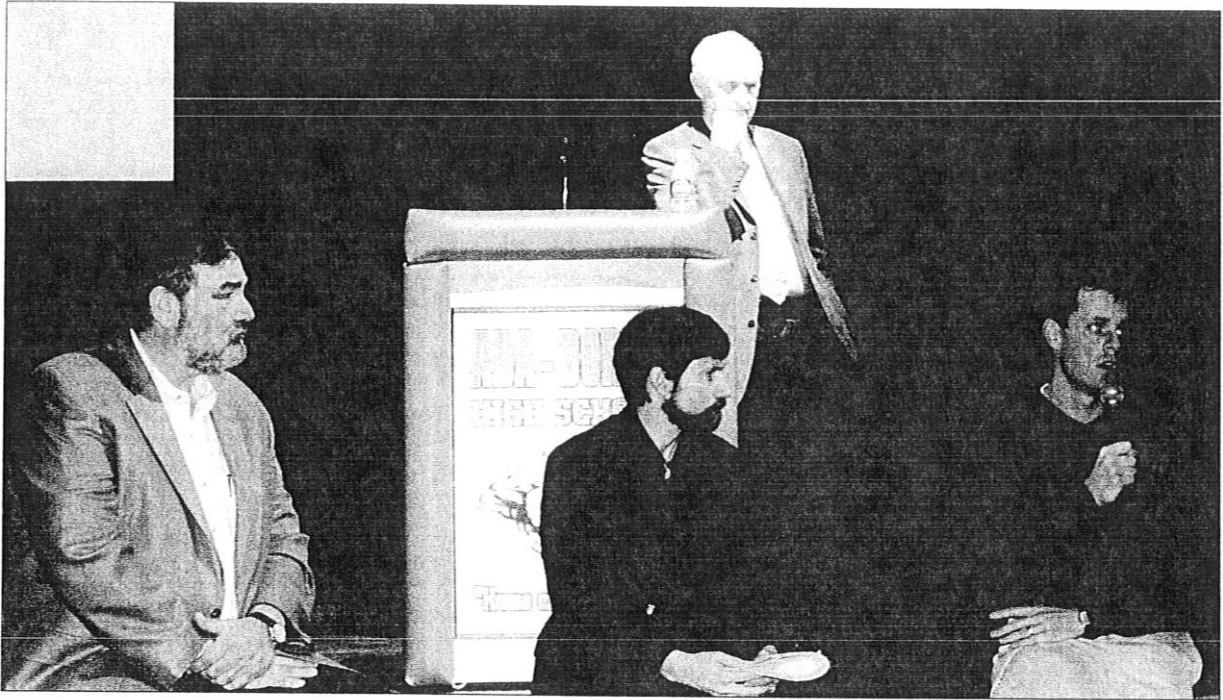
- *Authorized board and staff to attend the Legislative breakfast on Wednesday, March 12.

- *Authorized staff and manager attendance at the Concerned Citizens annual meeting on March 31 at 7:00 p.m.

April

The Wild Rice Watershed District hosted a public information meeting on flood damage reduction activities on Saturday, April 5, at 11:30 a.m., at the Ada-Borup High auditorium in Ada. The meeting was held at 1:00 p.m., following a lunch served from 11:30 - 12:45 p.m. The theme of the meeting was "A Time to Build" and the meeting provided an update of flood damage reduction activities and projects ready for construction. There will also be updates on Wild Rice River mainstem initiatives, including the request to fund a U.S. Army Corps of Engineers re-evaluation of the Twin Valley Dam project.

Guest speakers on the agenda included Red River Management Board consultant, Ron Harnack, and Senator Keith Langseth of Glyndon.



Senator Rod Skoe, Representative Kent Eken, Senator Keith Langseth and Engineer Jerry Bents answer questions during the public meeting hosted by the Wild Rice Watershed District in April, "A Time to Build."

It has been 11 years since the historic 1997 flood, and the progress in moving dirt for new flood protection projects in the Wild Rice Watershed District since that time has been limited. The theme of the public meeting stressed it was time to move forward with flood protection projects, and included history and information on the effort and challenges to seek flood water retention on the South Branch of the Wild Rice River. Also discussed, was the effort to seek the federal re-evaluation of the Twin Valley Dam project, which is included in the 2007 WRDA bill.

To move forward with a re-evaluation by the U.S. Army Corps of Engineers (USACE) of the old Twin Valley dam project, a separate appropriation will be required by Congress, which is expected to be addressed in 2009. The purpose is to look at the old dam project using today's criteria. The Twin Valley dam was shelved in 1987 by the USACE due to a benefit/cost ratio less than 1. Language in the bill also directs the USACE to look at possible alternatives and options, with the object of determining if there is a feasible project that could be funded, and also permitted by the environmental agencies, to reduce flooding caused from the main stem of the Wild Rice River.

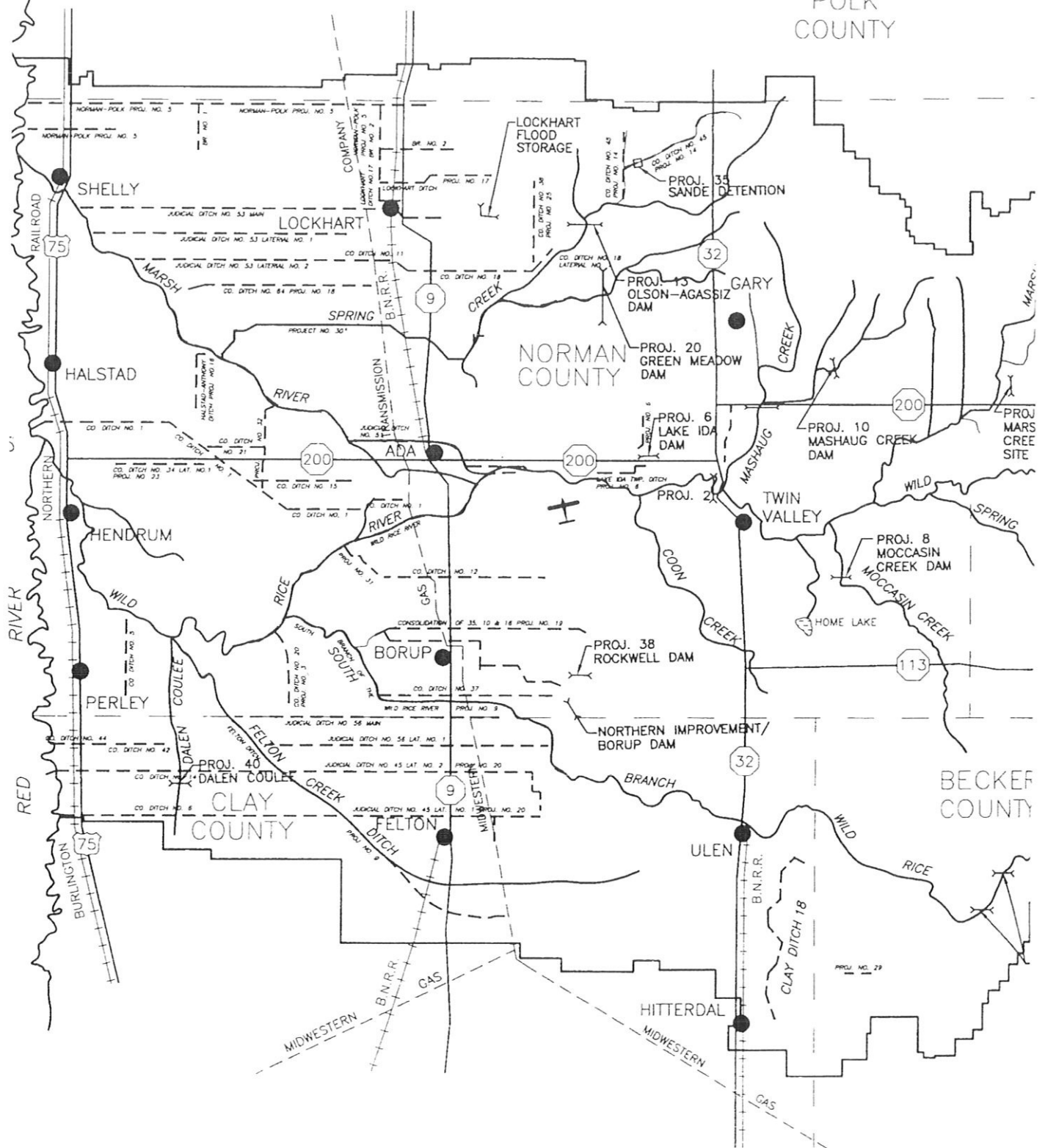
It was noted that there has been a great deal of controversy related to Project #42 projects, especially related to the farm land that would be required to implement numerous portions of the proposed flood control project.

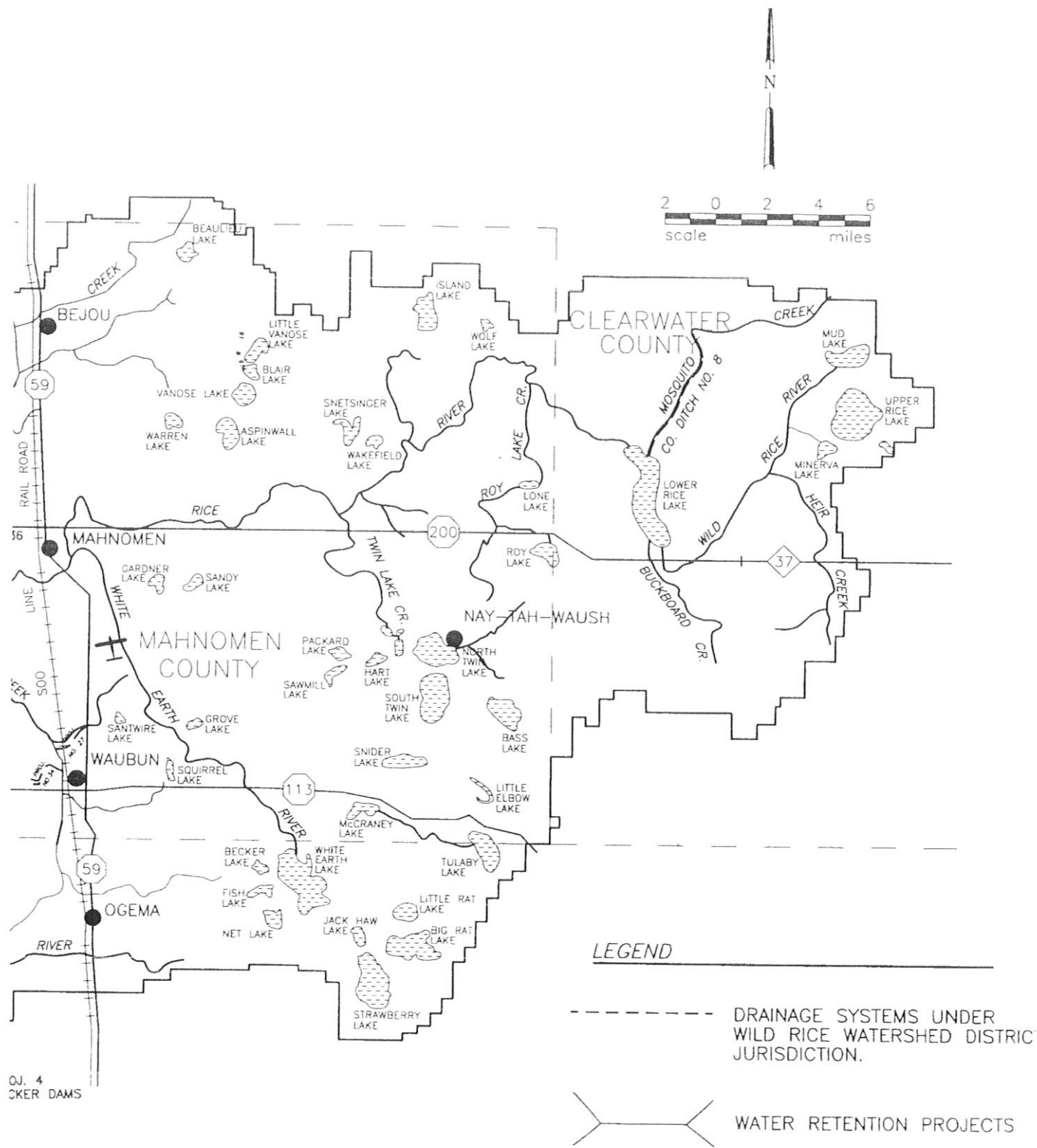
However, the Project #42 initiative includes a project which is likely the closest to actually moving dirt. This would be a project to enhance the Upper Becker Dams. The Upper Becker Dams are located in the eastern half of the South Branch of the Wild Rice River sub-watershed. This project was originally constructed by the Watershed District in 1980. At that time, the dam was built to store approximately 2,060 acre feet of temporary (non-gated) flood storage. The WRWD is now proposing to improve the structure to add approximately 8,600 acre feet of additional flood storage capacity. With the enhancements, the site will provide 8,200 acre feet of gated storage and approximately 2,300 acre feet of temporary (non-gated) flood storage. It will have the potential to control runoff from about 38 square miles of the total 250 square miles within the South Branch sub-watershed. Total cost is estimated to be in the range of \$10 million.

A major theme of the day stressed the need for people in the area to work together in seeking solutions to the flooding problems.

Senator Rod Skoe did a good job of summing up. "It has been 11 years since 1997 folks. And I agree, it is time to build. We have Senator Langseth working with us in his position as chair of capital investments, we have Congressman Peterson in his position in Washington. Let's pull this together, work together, and really start something. Because we all know that it's going to rain and snow too much again."

POLK
COUNTY





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CKER DAMS

At their regular meeting in April, Wild Rice Watershed District Board managers approved moving forward with analyzing soils for a possible project to modify and enhance the **Upper Becker Dams Project** on the South Branch of the Wild Rice River.

Engineer Jerry Bents reported at the Board's April meeting that American Engineering Testing analyzed the original soils review at the project site and the company was asked to prepare an estimate to do the next phase of soils work required to design the project. No other design work has been done at this time.

American Engineering Testing would do 19 borings at a cost of approximately \$24,483 for phase one, and \$8,689 for phase two, which would take the District through the DNR dam safety requirement analysis. The board approved moving forward with the soils analysis.

There was a discussion of whether there should be greater board member participation related to land purchases by the District on **Project #42**. Board member Diane Ista said that the Board does not know what is going on related to land purchases, and she did not believe it is being handled correctly.

The process approved by the Board provides Administrator Dalen and staff to make contact and negotiate with land owners, with Board Member Dave Vipond appointed to oversee negotiations. There was a motion to change the land acquisition organizational chart, which includes the board treasurer in a role to also oversee the land acquisition projects. The change passed with a no vote from Ista, who said she did not believe the land purchase procedure is being handled correctly or in an open manner. A number of people at the meeting commented that the process is not providing a public review of what the watershed district is doing related to land purchases.

In other business, the Board once again discussed the operating plan for the **Moccasin Creek Dam**. Currently, the operating plan approved by the environmental agencies does not allow summer operation of the gated portion of the project. The District would like to propose to the agencies that a summer operation component be considered, to allow closing the gate when flood conditions warrant downstream. It was noted that the District submitted the recommended changes, but didn't get a response from DNR. The board authorized following up on this issue, including developing a revised operating plan that includes a request that the District be allowed to operate the gate during summer flood events. There were people from the area of the dam, who noted that after the vegetation begins to die, it starts to smell, and noted the importance of drawing the water down as soon as possible. But, they were also in favor of seeing the dam project operated to provide the most flood protection.

Dave Stumbo of the **Citizens for Farmland Preservation** group is working to look at flood damage reduction alternatives, but noted the group is against seeing highly productive farmland used for that purpose. They asked in a letter to the District that the board withdraw from current purchase agreements to buy productive farmland; stop all upcoming or potential purchases of productive farmland; refrain from turning productive farmland already purchased into grasslands; and work with the group to find alternative areas and methods for flood damage reduction in the district. The Board agreed to plan a meeting with the group later this spring.

The Board also approved naming delegates from the Citizens for Farmland Preservation group to the Flood Damage Reduction Work Group Team, with John Austinson and Duane Erickson appointed by the Board.

After last month's meeting, the Board agreed to look at flood storage potential in the Felton Ditch sub-watershed. The Board looked at a draft of planning steps to move forward with this, which would include a public meeting in Felton. The Board passed a motion approving the draft to move the process forward. Also, the board authorized having staff and consultants meet with Dave Stumbo to look at the different possible upstream sites on the Felton Ditch.

The Board held a public hearing on the repair of **Judicial Ditch 53 Main** in Shelly Township. The existing ditch within Section 29 currently has approximately 600 feet of bank failure of varying degrees on both the north and south slopes. Generally, the suggested repair consists of realigning and resloping the ditch for an approximate 800-foot reach to prevent future deterioration and to restore the effectiveness of the drainage system. The resloping will provide a minimum of 6:1 slope on both sides of the ditch. Total cost of the repair is estimated at approximately \$45,000, which does not include any costs associated with engineers or required right-of-way acquisition. Following the public hearing, the Board moved to go forward with the repair.

The Board approved the following permits: Menholt Farms, Section 10, Viding Township, construct new ditch and 18" culvert with trap (with conditions); Terry Guttormson, Section 19, Hendrum Township, install 2,906 feet of drainage tile; Norman County Highway Department, Section 9/10, Wild Rice Township, remove and reconstruct a bridge over the Mashaug Creek.

Ray Hanson, who was appointed to the **Twin Valley Dam/Wild Rice River main stem steering committee** in March by the Board, asked for a clear understanding of what direction the Board is requesting as a mission of the steering committee. The Board agreed to develop a mission statement for the steering committee.

In other business the Board:

- *Heard that the District has an alternate route to accomplish the Project #31 (Heitman Coulee) outlet maintenance and approved developing a document covering access and developing a spoil easement area.

- *Heard that the bonding bill passed by the legislature does not include new funding for additional ring dike projects.

- *Approved looking for possible funding sources for the local share of the Corps of Engineers phase two study on the Wild Rice River.

- *Agreed to place the JD #51 clean out on the May agenda.

- *Approved hiring Peterson Farms to mow the Lockhart Township Flood Storage Project for a cost of \$200.

- *Tabled awarding the district wide mowing and spraying until the Board's May meeting.

- *Approved placing the recorded account of the meetings on the District's website and decrease the amount of verbiage in the minutes of the District. Passed with one no vote from Ista.

- *Advertise small project funding available as joint projects with the local county SWCDs. Projects in 2007 with the SWCDs totalled \$15,334, with three projects approved by the Board. The District sets aside \$10,000 a year to assist with these kinds of projects. Eligible projects include small flood water retention, erosion control, shoreline protection and other small soil conservation and food re-

duction projects.

- *Authorized renting a safety deposit box for storing back up tapes from the District's computer server.
- *Set a Flood Damage Reduction Project Team meeting for Wednesday, April 23.
- *Heard from Brian Borgen about a potential erosion control project opportunity in Section 21 of Wild Rice Township.
- *Recessed the meeting until Monday, April 28, at 9:00 a.m.

The Wild Rice Watershed District Board approved a mission statement for the **Twin Valley Dam/Wild Rice River main stem committee** at their reconvened meeting on Monday, April 28, and also approved changing the name of the committee to the Wild Rice River General Re-Evaluation Committee. Manager Dave Vipond suggested changing the name of the committee to better describe what he believed is the purpose of the committee.

The Board also approved a mission statement to provide the committee direction. Manager Mike Christensen suggested a mission statement that follows the language of the authorization for the re-evaluation in the 2007 Water Resources Development Act (WRDA) bill, which authorizes the re-evaluation project. After a good deal of discussion about the language, as well as a recommendation from the committee, the Board approved the following mission statement for the re-evaluation committee:

"To build support for and promote completion of the **General Re-evaluation Report**, including the development of effective alternatives to the Twin Valley Lake/Dam Project for the purpose of flood control in the Wild Rice River and Red River basins."

Vipond also reported on a visit to Washington D.C., where he took the opportunity to meet with Robin Gorecke, aide to Representative Collin Peterson. Vipond said he asked what else the watershed district can do to assist in the process to receive support for the appropriation to fund the re-evaluation process on the Wild Rice River and Peterson's aide didn't indicate that the Congressman will need any additional assistance beyond the requests already made by the District. It is not known when Congress will take up appropriations for the projects in the WRDA bill.

Vipond also asked about cost share of the study, and Gorecke indicated that the re-evaluation would be a 50% federal and 50% non-federal cost share. If a project develops, it is hoped to get a 75% federal 25% non-federal cost share.

Vipond said that he also discussed the "alternative to the lake feature" in the WRDA bill's language. Gorecke indicated to Vipond that the Congressman knows that the lake is a controversial issue, and the language was included to look at alternatives to the lake feature in the re-evaluation process.

The Board also received a recommendation from the committee to scrap the existing brochure created by the District and its distribution, with a majority of committee members agreeing that it does not portray the purpose of the mission statement.

Managers discussed the brochure and generally agreed there is a need for some kind of informational piece to seek funding assistance. A motion passed to discontinue the existing brochure, and that it be sent back to the committee to be reformatted to describe the committee's mission statement.

Members on the re-evaluation committee include board members Dave Vipond and Mike Christiansen, as well as Norman County Commissioner Steve Jacobson, Richard Ista, Curt Jacobson, Ray Hanson and Mark Habedank.

Also related to the main stem project, the Board passed a motion to talk to the U.S. Army Corps of Engineers about the potential for federal funding to seek main stem alternatives under a process where there would not be a local cost share for the first \$100,000.

The **U.S. Army Corps of Engineers feasibility study** on the lower Wild Rice River was also a topic of conversation at the meeting. The District is seeking a way to fund the local share of this study, if the second phase goes forward. At the District's Flood Damage Reduction Team meeting in April, it was suggested that the State could have some interest in moving this study forward as a partner. The Board approved meeting with DNR commissioners and staff to discuss this idea. The Board consensus is that staff would prepare a summary of meetings with DNR and other agencies.

In the **Project #42** update the Board heard that borings to update the soil analysis at the Becker Dam site will go forward once road restrictions allow. The District is working to develop a project which would expand the Becker Dams, which are located in the upper reaches of the South Branch of the Wild Rice River. The Board agreed that they would discuss whether it is time to move forward with the start of an engineer's report at their May meeting. Dalen said that he will also schedule meetings with affected townships to discuss possible road issues if a project develops.

Managers received an update of an on-site meeting with Dave Stumbo on the Upper Felton Ditch related to the possible development of small retention sites or wetland restorations. The Board moved to proceed with looking at the potential of the area and develop possible concepts.

In other business the Board:

- *Approved a permit from Burkel Turkey Farms related to expansion plans, with conditions.
- *Heard that the District is working with property owners related to the proposed west side Mahnomen flood protection project with more information expected in May.
- *Approved a beaver control and maintenance contract with Jim Wagner.

May

Wild Rice Watershed District Board members took the next step on a major flood reduction project with the decision to prepare an engineer's report on a project to modify and expand the **Upper Becker Dams** in Becker County. The action came at the District's May monthly meeting.

The purpose of this project will be to expand the Becker Dams to enhance the project's ability to retain flood water. The Upper Becker Dam is located in the eastern half of the South Branch of the Wild Rice River sub-watershed. The Upper Becker Dam was

originally constructed by the Wild Rice Watershed District in 1980. At that time, the dam was built to store approximately 2,060 acre feet of temporary (non-gated) flood storage. The WRWD is proposing to improve the structure to add approximately 8,600 acre feet of additional flood storage capacity. With the proposed enhancements, the site would provide 8,200 acre feet of gated storage and approximately 2,000 acre feet of temporary (non-gated) flood storage. It will have the potential to control about 38 mile square miles of the 250 square mile area of the South Branch sub-watershed.

Administrator Dalen reported that there are 1,040 acres in the potential project site and 33 parcels of land. The District has discussed obtaining an easement with a majority of the land owners in the project area and a majority have indicated interest in providing easement for a possible sale or land swap. Dalen indicated that there will be some land issues, including a feed lot issue, but said he believed land issues could be resolved.

The Board previously approved going forward with soils analysis which is currently being performed at the site. This will provide information on the suitability of soils for construction and potential borrow sources.

Engineer Jerry Bents said the cost of the engineer's report would be in the range of \$70,000 to \$80,000. The soils analysis work at the site is expected in the range of \$40,000. With the motion to go forward, Bents said it is hoped to have the engineer's report completed by the fall. The engineer's report will also provide a project cost estimate. State funding assistance for this project was included in the 2008 bonding bill. An issue for the board to resolve, if the project proves feasible and goes to construction, will be the local cost share portion of the project.

Also related to land purchases, the Board passed a resolution at their May meeting which spells out the procedure related to land purchases by the District related to **Project #42**. The motion was specific to the Upper Becker and CD #18 sites. The resolution gives the administrator authority to expend up to \$5,000 on options, which would go towards the purchase price of the property. The Board also agreed that the full board will advise the administrator on land acquisitions.

Dalen reported on land purchases completed in the CD#18 site area in Clay County. It was noted that completed purchases are on file for public review in the District office.

In other business, the Board moved two repair requests forward in the Upper Reaches Project area of the Wild Rice River.

The District has been moving forward with a request for repairs of the outlet of **Project #31 (Heitman Coulee)**. The land owner at the outlet has indicated that he does not want the District on his property, however, Attorney Elroy Hanson said the District has 100 feet of right-of-way on the north side of the project for ingress and egress to perform maintenance and to spread soil. The motion by the Board was to move forward with the repair, and if necessary to gain access the District will seek a temporary injunction through the Courts, and request assistance from the county sheriff, if required.

The District also moved to go forward with the repair request on **JD #51**. This repair to clean the channel back to the original grade was placed on hold following a request from the City of Ada to have their engineering firm review downstream effects of the cleaning. That review confirmed the original hydraulic report that the maintenance would not create significant downstream problems. The Board had been waiting until the Corps finishes their review of hydraulic capacity as part of the proposed 205 flood protection feasibility study in Ada, which will likely be completed this summer. Manager Diane Ista raised concerns of the capacity of the Marsh River, and the potential of moving problems from one area to another. Bents explained under current conditions, the river has washed out about seven feet of its bottom behind the weir in the Wild Rice River where water enters JD #51 and the Marsh River. This means that the water has to be seven feet deeper in the Wild Rice River before any water begins travelling up JD #51. The motion passed to go forward with the remainder of the dirt removal between the weir and Highway 200. Don Vellenga abstained from the vote.

The Board approved spending \$3,300 from the small project fund to partner with the **Mahnomen County SWCD** and land owners on two sediment basin projects in Rosedale and LeGarde townships in Mahnomen County.

The Board also approved going forward with a request for an audit of the District's books by the **State Auditor**. Administrator Dalen noted that this has been requested a number of times over the years, and he recommended the District make the request.

The Board also held their **meeting to reorganize for 2008**, which included welcoming **Don Vellenga** of Ada to the Board of Managers. Vellenga is a former school superintendent who was appointed to the Board as a representative from Norman County.

The Board made annual appointments of consulting services which are the same as 2007. The Board accepted the proposal from Houston Engineering of Fargo for engineering services, Marcussen Accounting Service of Ada for accounting services, Elroy Hanson of the Wambach & Hanson Law Office of Mahnomen for legal representation, and Tim Halle of Ada for public information services. The Board accepted the 2008 mowing and seasonal maintenance proposal from Hap Ambuehl of Ada. The Board accepted the spraying proposal from Philbrant's Bigg Dogg Ag of Felton.

The slate of officers elected for 2008 included re-election of Warren Seykora as chairman, Bob Wright was re-elected vice chairman, Don Vellenga was elected secretary, and Mike Christensen was elected treasurer.

In other business the Board:

- *Approved sending a letter related to a complaint and investigation in Section #3 of Marsh Creek Township.
- *Appointed Dalen as the District's government data practices designee.
- *Closed the meeting to discuss administrator evaluation.
- *Approved investigating report of need for debris clean up on a flood buy out site near Halstad.

The Board approved the following permits: West Central Ag, Section 17, McDonaldsville Township, construct grain handling facility with two driveways with culverts and two internal pipes to facilitate drainage; Paul Borgen, Section 8, Anthony Township, replace an 18 inch culvert and flap gate; Skaurud Grain Farms Section 33, Waukon Township, install sub-surface drain tile with two lift station outlets to the township road ditch; Eric Zurn, Section 27/28, Spring Creek Township, install tile and grass waterway; City of Mahnomen, Sections 11 and 14, Pembina Township, install water main, sanitary sewer and replace lift station.

June

After meeting with concerned citizens the previous day, the Wild Rice Watershed District approved going forward with developing an engineer's report on the proposed **CD #18** flood water storage project on in the South Branch of the Wild Rice River sub-watershed at their June meeting.

There has been a great deal of concern by citizens about not only taking farmland out of production for flood storage, but also what the effect of holding water will be on the land surrounding projects due to seepage, back up water, and state and federal lands surrounding the site. These were some of the concerns addressed to watershed managers by landowners, and there was board consensus that the only way to answer citizen concerns is to conduct an engineer's report to learn the technical answers to the questions raised. By taking this approach, Managers agreed that they hope it can result in a project that can benefit landowners, as well as help decrease downstream flooding and erosion.

The District also received a request for cleaning on one-half mile of CD #18 downstream of the proposed project site area. The Board approved surveying the area to learn what will be required to conduct the maintenance on the ditch system.

Also related to **Project #42** initiatives, the Board reviewed a **letter from Minnesota DNR commissioner Mark Holsten** that urged the District to stop efforts to seek large on-channel flood reduction projects. The District has been seeking a way to quantify mitigation requirements in seeking a permit for an on-stream dam at four potential sites west of Ulen on the South Branch. At the FDR Project Team level last fall, the watershed district was informed that the DNR would no longer spend resources on researching on-stream sites west of Ulen that could not be permitted due to environmental impacts, but they did support on-stream flood reduction efforts on the South Branch east of Ulen. Since that time, the District has asked for local legislative assistance in seeking an answer about mitigation requirements to permit an on-stream structure west of Ulen. The letter from the commissioner noted, "The DNR cannot support those projects that have a potential for significant environmental impacts that do not include feasible mitigation or natural resource enhancements. While such projects could be pursued outside of the mediation (Flood Damage Reduction Team) process, these projects would involve a complex, lengthy and expensive state and federal regulator review process with an unpredictable outcome. This would be going back in time to the pre-mediation agreement way of doing business; no collaboration, more litigation and no projects being built. It is our recommendation that the District carefully weigh the time and cost of pursuing such projects. DNR preference would be to focus on area of agreement rather than areas of disagreement.

"The most controversial types of projects are large on-channel storage structures that involve high hazard dams. The DNR position is that a high hazard dam, such as the Twin Valley Dam, for the purposes of agricultural flood protection is not an acceptable risk, especially when other reasonable options exist. A permit for a high hazard dam in this or similar situations would not be approved and pursuit of these projects would be futile. Large main stem dams also have the greatest environmental impacts, and mitigation for these types of projects is essentially impossible. The benefits would likely not exceed the costs and obtaining funding would be difficult," he writes.

Board members agreed that the effort to seek mitigation requirements on the South Branch was not about the Twin Valley Dam re-evaluation request, where managers agreed that the goal is seeking federal assistance in re-evaluating or seeking alternatives to the big on-stream project on the Wild Rice River.

The Board did pass a motion to send a letter back to the DNR and local legislators explaining the District's position in seeking to quantify mitigation requirements for permit approval, and the Board will seek to set up a full board meeting with legislators and the DNR commissioner. This will tell the Board if it is feasible to consider a large on-stream structure on the South Branch as a viable option. The motion passed with one no vote from Warren Seykora, who said that he did not see the value in continuing the impasse with the DNR.

Engineer Jerry Bents also reported that the U.S. Army Corps of Engineers has agreed that the hydraulic analysis to be performed as part on the Engineer's Report for the proposed **Upper Becker Dam enhancement** will be eligible as work-in-kind as part of the Wild Rice River feasibility study, which will put the District \$50,000 on the positive side of the cost share study. The District would like the USACE to proceed with a sedimentation analysis on the Wild Rice as the next phase of the study. The District is also talking to the DNR about state interest in the initiative.

In other business, the Board of Managers approved a goal statement to begin the process of working with landowners in seeking water retention sites in the **Felton Ditch** sub-watershed. The goal statement adopted by the Board is to seek flood reduction efforts to provide a 25-30% reduction in the 10-year discharge at the outlet of the Felton Ditch and reduce erosion and downstream sedimentation. Whenever possible, proposed projects would be designed to operate to have the capability to control flood water to avoid contributing to downstream peak discharges on the Wild Rice River and Red River of the North. The Board agreed that the next step in this process will be to schedule a public meeting in the Felton Ditch area to explain the approach the Board is taking and ask landowners if there are any possible sites for flood damage reduction efforts.

The District has been discussing possible wetland enhancements in the Upper Felton area with interested landowners and the project team. The Board authorized preliminary hydraulics on the site, however, Ducks Unlimited is also interested in evaluating the sites for possible wetland enhancement. The Board approved staff attendance at meetings and sending Ducks Unlimited a letter explaining the District's hope to maximize the flood damage reduction potential along with wetland enhancements.

In other business the Board:

- *Approved board review and approval of board documentation presented to county commissioners as the watershed management district (**WMD**) initiative continues for raising the local share of future project costs.

- *Heard that the maintenance on Project #31 (Heitman Coulee) outlet has been completed.

- *Approved meeting with Mahanomen City Council to discuss funding for the west side flood protection project in Mahanomen.

- *Approved making a DNR water safety permit application in an effort to address amending the operations and maintenance plan

at the Moccasin Creek Dam.

*Accepted a quote from Brugen Environmental totalling \$4,375 for asbestos removal from the Merkens acquisition project and also getting an additional quote from the company for the Roger Lee acquisition.

*Heard that the Division of Emergency Management has provided funding for two more flood property acquisitions and letters have been sent out to home owners that they were accepted for the program.

*Set manager gas compensation at the IRS approved rate and per diem maximum of \$130 for lodging and \$50 for meals and incidentals.

*Accepted the low quote from D & J Excavating of \$18,000 to do cleaning and maintenance at the JD #51 inlet.

*Approved sending letters where there have been Right-of-Way encroachments on the District's ditches and the requirement of maintaining the grass buffer strips to control erosion and maintenance costs on the ditch systems.

*Set the FDR Project Team meeting for June 25.

*Authorized attendance at the Becker SWCD summer tour.

*Approved payment of \$12,020 on work done to date by D & J Excavating on the Jonathan Grothe ring dike project.

*Authorized chairman, treasure and secretary to sign checks, and authorized accountant to negotiate CDs and direct debit up to \$10,000 as needed.

The Board approved the following permits: City of Twin Valley, Section 16, Wild Rice Township, install a light post on the levee adjacent to the Heiberg Dam; Agassiz Recreational Trail, Section 10, Home Lake, Replace three 30-inch culverts and one 36# culvert through the recreational trail; Greg Zillmer, Section 18, Ulen Township, install a field approach with 30 inch culvert; Clay County Highway Department, Section 12, Morken Township, install a driveway with a 30 inch culvert; MNDOT, Section 19, Lee Township, replace a 57X38 culvert with a 58X36 inch culvert and lower .5 feet; Lyndon Bendickson, Section 3, Pembina Township, replace a 12 inch culvert with a 15-inch culvert and widen the field approach; Roy Christianson, section 35, Halstad Township, install a field approach with an 18 inch culvert and flap gate; Gregory Township, section 3 and 4, Gregory Township, extend the existing culvert and lower it by two feet.

July

At their July monthly meeting, Wild Rice Watershed District managers reviewed a number of levee configurations for a possible flood water storage facility on **County Ditch #18**, in Goose Prairie Township in Clay County.

The Board approved preparing an engineer's report on this proposed project in June. As a part of that process, one of the initial steps is looking at possible dike configurations to begin on-site analysis to evaluate the feasibility of constructing an impoundment. Board members also stressed their desire to take landowner concerns into consideration as part of this process.

The three dike configuration concepts range from taking the greatest advantage of flood water storage opportunities through use of storage easements on surrounding property, to a concept strictly controlling flood water storage to land purchased by the District. Engineer Jerry Bents noted that the concept selected will make a difference in wetland mitigation requirements when determining permit requirements.

Bents said his intent was to provide three options to consider at the CD #18 site. He noted the next step will be to discuss the concepts with landowners in the project site for their input, and meeting with the Flood Damage Reduction Project Team to begin discussing landowner concerns and likely mitigation requirements for permitting.

The Board named Bents, Administrator Steve Dalen and Manager Dave Vipond to a committee to meet with landowners in the project site. This passed with one no vote from Diane Ista, who noted she preferred having the landowner meetings with the entire board.

After landowner and project team meetings, Bents said he could report to the board on the relative cost differences between the concepts. Along with levee configuration, likely ecological mitigation requirements will be major considerations.

Also related to the CD #18 project, it was reported that the U.S. Army Corps of Engineers agreed that costs related to preparing the engineering report on CD #18, as well as the Becker Dam enhancement project engineering report costs, will be eligible as local in-kind dollars towards the on-going Wild Rice River Feasibility Study, which is a continuing effort to look at set back levees and channel restoration in the lower reaches of the Wild Rice River. This will allow the Corps to continue the study through the current fiscal year, and still put the District \$47,000 on the positive side of the ledger for 2009.

The Board also discussed the similarities between the possible CD #18 project and the North Ottawa Project the board toured earlier this summer. The Board agreed that it would be valuable for landowners and other stake holders to tour this flood prevention project in the Bois De Sioux District, and Administrator Dalen will work on a tour for early September.

Also, related to **Project #42**, the Board heard that the Flood Damage Reduction Team toured the Upper Becker Dam site at their June meeting and will discuss possible design options at their July meeting. This proposed project would increase the flood water holding capacity of the current dams located in Spring Creek Township in Becker County. The Board also approved holding an open house to answer questions from land owners in the Becker Dam site area. It is planned to hold the open house at the Callaway Community Center on the evening of July 17.

Managers heard that Red River Watershed Management Board project manager Ron Harnack has been discussing the \$8 million **RIM Reserve funds** set aside for wetlands and flood damage reduction in the Red River Valley with BWSR, and how the funding could be available to interested landowners on the development of a corridor project on the Wild Rice River mainstem. Harnack said he would have additional information at the RRWMB meeting in July.

The Board approved the following permits: Norman County Highway Department, Halstad Township, Section 2, replace bridge over JD 53, Lateral two, with three 14X14 box culvert; Becker County Highway Department, Atlanta (Township Section 4) and Walworth Township (Section 33), replace existing bridge over the South Branch with a row of three concrete box culvert; Becker County

Highway Department, Walworth Township, Section 30, replace an existing bridge over the South Branch with two concrete box culvert; Greg Zillmer, Ulen Township, section 18, construct a new field approach and remove old approach; Lyle Berg, Fossum Township, Section 32, remove sediment and trees from natural waterway (with conditions); Agassiz Recreational Trail, Ulen Township, Section 10, replace existing centerline culvert through the trail (with condition); Keith Chisholm, Waukon Township, Section 18, remove a field approach with 18 inch culvert and install a field approach with a 36 inch culvert at a different location; David Johnstad, Good Hope Township, Section 12, install two field approaches with 18 inch culvert; Kurt Anderson, Section 17, McDonalddsville Township, install a field approach with a culvert.

A **Water Management District (WMD)** meeting with county commissioners was scheduled for Thursday, July 17, at 9:00 a.m., at the Callaway Community Center. The District is considering WMDs as a possible funding mechanism to charge residents a fee to cover the local share of flood damage reduction project costs. A poll of managers showed they agreed this effort should continue, with a majority of the Board agreeing that to be successful, development of a WMD would likely have to be project specific. The Board also discussed gathering additional information from Districts that have or are working on the development of WMDs. Diane Ista also suggested developing a new information statement on the WMD process.

In other business the Board:

- *Approved pay requests on work done to date on the Jonathan Groethe and Clayton Arthurs homestead ring dike project.
- *Approved advertising the Mahnomen West Side Flood Control Project when land acquisition is completed.
- *Received an update on mowing and spraying of ditches.
- *Heard that work had started on the the JD #51 inlet cleaning.
- *Set the July Flood Damage Reduction Project Team meeting for July 23.
- *Authorized awarding demolition of flood damaged property acquisition projects to the low bidder.

August

Wild Rice Watershed District Board members were updated at their August meeting on efforts to seek land owners who may be interested in providing land to create flood protection in the **Felton Ditch** Sub-Watershed.

A public information meeting was held at the Felton Community Center on July 22, which had about 10 people from the public attend. This was followed by a mailing sent to 442 land owners in the Felton sub-watershed. The mailing resulted in five responses, with three interested people noting that they may have land that could be available for flood protection purposes. A land owner who has previously offered acres for sale also remains interested in working with the District.

The District's goal in the Felton Sub-Watershed is focused on identifying projects that could cumulatively provide a 25-30% reduction in the 10-year discharge at the outlet of the Felton Ditch, as well as to reduce downstream peak discharges and sediment loads on the Wild Rice and Red Rivers. The problem for the District in creating water retention sites is willing land owners. The District urges anyone in the Felton Sub-Watershed with interest to fill out the form they received in the mail and return it to the watershed district. In their mailing, the District stressed that there is no commitment on the part of the land owner, but allows the District to look at the potential of the site for water retention purposes. The Board will be updated once again at their September meeting.

In the **Project #42** report, Engineer Jerry Bents reported that the engineer's reports are progressing on both the proposed Becker Dam enhancement project and proposed CD #18 flood water retention site. The FDR Project Team reviewed possible levee alignments on the CD #18 project at their July meeting, with the greatest support heard for an alignment that would allow continued cropping of acres on the upstream portion of the retention pool site. This option would require flowage easements on the property, and Administrator Steve Dalen reported that there would be additional information related to how these options could be developed at the September meeting. Bents also indicated that with this option, it will be likely that the District will have to look outside the project site area for wetland mitigation requirements. Land owner concerns in the area include how a project would impact sub-soil moisture conditions surrounding the project site, and it was noted that soil borings and site analysis will be part of the engineer's report and hopefully address these concerns.

Dalen reported that he is continuing to work with land owners in the Becker Dam enhancement project site area with good success. He noted there is general support from both the FDR project team and local land owners for this project that would enhance the flood water holding capability of this dam built in the 1970s.

Also related to Project #42, the Board met with Henry Van Offelen, natural resource scientist with the Center for Environmental Advocacy, who is a member of the **District's FDR Project Team**. Van Offelen covered some of the history following the basin wide environmental impact statement and flood of 1997, which led to the mediation agreement and the formation of Flood Damage Reduction Project Teams in each watershed district. He said from his perspective, he believed more would be accomplished with increased focus on an individual project on the FDR Project Team. He also suggested it could be valuable to have individual project teams on each proposed project.

The Watershed District Board is scheduled to meet with the Department of Natural Resources in St. Paul on September 2 to discuss the recent letter from the DNR commissioner, recommending that the District carefully weigh the time and cost of pursuing larger on-stream flood protection projects. The board also invited the Twin Valley Dam Project Re-evaluation Committee to attend the meeting.

In other business:

- *Approved setting Wednesday, September 3, as a special meeting date.
- *Approved a committee to discuss possible resolutions from the District for consideration by the Minnesota Association of Watershed District legislative agenda.
- *Approved a 4% cost of living salary increase for the assistant administrator and executive assistant.

- *Heard that ditch spraying is up to date, helicopter spraying is being organized with Norman County.
- *Approved the proposed 2009 administrative budget totalling \$250,000, which is the same as 2008, and approved setting the budget hearing for September 10 at 10:00 a.m.
- *Reappointed Bob Wright as the district representative on the Red River Watershed Management Board and Joe Spaeth as the alternate.
- *Approved working with Norman County SWCD in seeking a possible solution to a diking without a permit complaint in Sections 35/36 of Hegne Township.
- *Discussed the option of installing tile, instead of an open ditch, as a drainage solution on the west side of Mahnomen with the board approving meeting with the city, county and land owners to discuss easement and other options.
- *Heard that ditch cleaning at the JD #51 inlet has been completed and approved payment to the contractor for additional negotiated dirt removal.
- *Approved payment on work done to date on seven rural ring dike projects.
- *Heard that there was erosion damage to a levee in the Upper Reaches Project Area near the Billy Lee bridge, with a decision to table a decision on repairs to look at options.
- *Approved looking into hiring a consultant to assist managers in creating a better functioning board.
- *Heard that the next **water management district** discussion meeting with county commissioners is scheduled for September 8 in Mahnomen County at 12:00 noon at the Shooting Star Casino. The agenda at the meeting will include the District's ability to fund the local share of project costs. The Board also named Don Vellenga as committee chairman at the meetings with commissioners.

The Board approved the following permits: Keith Chisholm, Section 13, Green Meadow Township, install drain tile on west half of the section; David Schneiderman/Kim Syverson, Section 25, widen an existing field approach and replace the existing 36 inch culvert with an 18 or 24 inch longer culvert; David Overbo/Clay County, Section 13, Ulen Township, install new field approach with an 18 inch culvert and remove an existing field approach (dry block); Brandon Ruud, Section 2, Flom Township, install a new field approach (condition of 18 inch culvert); Mark Habedank, Section 32, Fossum Township, widen an existing approach and add a new pipe, remove an existing dry block; Bill Stalboerger, Section 1, Popple Grove Township, install a water and sediment control basin; Vig Farms, Section 28, Heier Township, install a water and sediment basin; Robert Sharpe, Section 30, Shelly Township, construct a farmstead ring dike.

September

Localized flooding along the Wild Rice River after the recent heavy rains in the watershed is a reminder of a need for protective measures against flooding. One possible area of assistance could involve a new wrinkle from the **Reinvest in Minnesota (RIM)** program.

Wild Rice Watershed District managers discussed the outline of the program with Ron Harnack of the Red River Watershed Management Board at their September meeting. Harnack reported that a proposal to address areas adjacent to rivers was submitted to the Board of Water and Soil Resources (BWSR), with support from the RRWMB and Mediation Work Group. The 2008 Minnesota Legislature provided up to \$8 million in bonding funds targeted for RIM in the Red River Valley. Harnack said BWSR will be meeting in October to refine how the program will work. In the interim, Harnack suggested the District's Flood Damage Reduction Project Team work on developing a proposal. Board members asked if Harnack would meet with interested land owners in the near future, and he agreed. It was noted the greatest area of need for protection is in the Heitman Coulee area of the Wild Rice River.

Managers approved moving in a new direction with the flood protection project on Mahnomen's west side, approving a land owner preferred option that a tile line be installed to provide drainage, compared to an open ditch. The Board approved finishing the development and cost estimate for the optional plan and continuing to meet with land owners. This project is being funded through funding assistance from the State, Red River Watershed Management Board and the Wild Rice Watershed District.

In the **Project #42** update, Engineer Jerry Bents presented an upstream impact analysis on **CD #18**, showing the effect on the ditch when the proposed project is full to the riser pipe or emergency spillway. It was noted that if the project moves forward, a public hearing will be required on the legal drainage system. Two land owners upstream of the proposed project were at the meeting and voiced their continued concern about the effect of a project on sub-soil moisture, which they said is already a problem in the area. Both of the land owners were adamant that they are not interested in selling land for the project or providing the District with a flowage easement.

Administrator Steve Dalen reported that he has been working with an appraiser in developing a draft of a flowage easement process in determining a fair value for water damage. He noted the process will be a benefit and provide a process to follow in other projects as well.

Also related to CD #18, the Board held a conference call with special counsel, Jerry Von Korf, to discuss the land purchases in the proposed CD #18 project site. Von Korf assured managers that the resolution passed by the Board provided approval for the land acquisitions.

Also related to Project #42, it was reported that work continues on the engineer's plan on the proposed project to modify the **Upper Becker Dam** to increase its flood water holding capabilities, with discussions continuing with agencies on potential wetland mitigation requirements. Administrator Dalen also reported that discussions with land owners also continue related to land acquisition for the proposed project, with one land owner interested in trading land in the project area for other land.

Engineer Bents reported that comments from agencies are due back in early October related to the District's efforts to modify the operations and maintenance plan on the **Moccasin Creek Dam**. The District is hoping to win approval from the DNR to operate the dam to hold flood water during summer flood events, as well as spring flood events.

In other business, the Board awarded the outlet repair and clean out on **Project 16** (Sections 19 and 30 in Anthony Township) to the low bidder, Lyle Wilkens, Inc., with a bid of \$19,984. There were four contractors bidding on the project. Engineer's estimate was

\$17,500 to \$19,500.

The Board also awarded a repair project to **Judicial Ditch #53**, in Section 29, Shelly Township. The repair project was awarded to the low bidder, All Seasons Construction of Blackduck, with a bid of \$40,152. Engineer's estimate was \$45,520. There were three bids on the project.

A bridge removal and culvert replacement on **County Ditch 45**, Lateral 1, in Section 26 of Felton Township was also awarded. The project was awarded to All Seasons Contracting, with a low bid of \$49,450. There were two bidders on the project. Engineer's estimate on the project was \$45,550.

In other business the Board:

- *Approved the proposed **2009 administrative budget totalling \$250,000**, which is the same amount as 2008.

- *Approved moving forward with bank erosion repairs in the **Upper Reaches Project** area, approximately one/quarter mile north of the County Road #33 bridge over the Wild Rice River in Section 3 of Mary Township. There is approximately 400 feet of bank erosion that extends nearly to the top of the levee on the east slope of the channel.

- *Approved proposed levies for 2009 on projects/ditches requiring work or maintenance or that currently have a negative fund balance.

- *Approved a policy related to cost share funding for small flood retention projects, providing 25% of the cost up to a maximum of \$3,000.

- *Approved cost share funding for two water and sediment control projects in Mahanomen County (Vig Farms and Steve Spaeth).

- *Heard that the Board will have an estimate of cost for a state audit at the Board's October meeting.

- *Scheduled and approved advertising a tour of recent flood damage reduction projects in the Red Lake and Snake River watershed districts for October 27.

The Board approved the following permits: Ruth Hansen, Section 26, Winchester Township, install drainage tile in the west half of the SW quarter of the section (with condition that outlet will be installed no more than 24 inch above the ditch bottom and the applicant is responsible for erosion control at the outlet); Rudy Braseth, Section 4, Ulen Township, install tile (with conditions that they contact NRCS prior to installation); Carol Halverson, Section 31, Hendrum Township, install field approach with culvert; Steve Anderson, Section 4, Halstad Township, install field approach with culvert; Peter Revier, Section 21, LaGarde Township, install water and sediment control basin project; Peter Revier, Section 2, Rosedale Township, install water and sediment control basin project; Brad Olek, Section 6, Flowing Township, install a field approach with a culvert; Dale Fischer, Section 35, Felton Township, install drainage tile in the east half of the NE 1/4 Section; John Hastings, Section 32, Ulen Township, install a field approach with a culvert; Carol Halverson, Section 20, Hendrum Township, remove a field approach with culvert and construct new field approach with culvert north of the old approach; Carol Halverson, Section 20, Hendrum Township, lower an existing centerline culvert; Carol Halverson, Section 20, Hendrum Township, extend a culvert and widen a field approach; Dave Scherfenberg, Section 24, Anthony Township, install a field approach and culvert; Jerry Chisholm, Section 11, Green Meadow Township, extend a culvert and widen a field approach.

October

At their regular meeting in October, Wild Rice Watershed District Board members decided they will likely seek outside help with trying to find a means to improve the working effectiveness and relationship of the Board and its members.

The Board heard the concerns of Administrator Steve Dalen at a special meeting on September 30, where Dalen said he believes outside help with **Board issues** is something that is needed. Dalen suggested hiring a private consultant to assist the District in this area, and presented a proposal from Bonnie Ewert of Customer Connections of Fergus Falls. The project cost for Customer Connections proposal would be \$5,250, plus expenses.

Brian Dwight of BWSR told Board members that BWSR offers watershed district boards and other agencies a very similar self assessment program. The coordinator for the self assessment program is Cliff Tweedale, project consultant with the Headwaters Regional Development Commission. Dwight said BWSR has worked with a number of watershed district boards in the State and the program has been successful at identifying areas of concern. This program is offered at no cost by BWSR, which was attractive to a number of board members.

Dalen said his concern with making a request to BWSR would be when BWSR would be available to start work with the Board.

The Board ultimately decided to gather more information on both approaches for review at their October meeting. This included how soon BWSR would be available to work with the District, and also a time line from Customer Connections, and information about what boards the private company has assisted in the past.

In other business, the Board:

- *Approved meeting with Norman County in conjunction with the Norman County SWCD to discuss making a joint Challenge Grant application to BWSR for a project to modernize county and district ditch information using new technology.

- *Approved sending a letter of support to NRCS State Water Resource Team in providing assistance in seeking a solution to water problems in the Heitman Coulee area.

- *Approved the following permits: John Jossund, Section 32, Lee Township, remove a field approach with a 24 inch pipe and install a field approach with a 30 inch pipe at a different location; Steve Braseth, Section 28, Ulen Township, install a driveway with an 18 inch pipe; Lanae Harless, Section 27, Winchester Township, install drainage tile in the south half of the SE quarter of the section; Jay and Ann Tommerdahl, Section 3, Lee Township, remove an existing 24 inch culvert from a field ditch; Mark Habedank, Section 32, Fossum Township, install drain tile in the NE 1/4 of the section.

Wild Rice Watershed managers heard at their October meeting that repairs in **Upper Reaches Project** area are expected to be substantially higher than earlier estimated.

Engineer Jerry Bents reported that the estimate to repair bank erosion on the east side of the Wild Rice River, approximately one-quarter mile east of the County Road #33 bridge (Billy Lee Bridge) is estimated at \$65,000. It was earlier thought that the repair would be about half that cost. The repair plan calls for the installation of riprap along a 400-foot reach, and backsloping the channel bank above the rip rap 6:1 to move the levee further from the river channel for added protection.

Because of the estimated cost, Bents and managers agreed that if possible, it would be wiser to move the levee back from the bank of the river. However, this fix would also require an easement from the adjacent land owner. Managers decided to contact the land owner.

Also related to the Upper Reaches project area, the Board heard that land owners have been working with the Norman County SWCD in seeking a solution to the flooding problem at the Heitman Coulee. The group has requested that NRCS assist with seeking a solution to the problem, including a possible flood control structure on the coulee, where water backs out of the river and causes flooding problems. Engineer Bents noted that a problem in seeking a solution will likely result in the same problem that's plagued proposed solutions at this location in the past, which is how to control flooding in this area while maintaining minimal downstream impacts. A complaint was filed with the District by Roger Kurpius related to a levee constructed without a permit by Eugene Vik in this area, but Kurpius asked that the Board table action on the complaint until they hear back from the NRCS. The Board approved that request. The board also appointed Don Vellenga to serve as a board liaison and work with the group of land owners.

In other business, the Board heard that they should be able to award the flood protection project on **Mahnomen's west side**. At land owners request, this project has changed from plans for an open ditch to a tile installation to help control water and provide protection on the City's west side. The estimated cost with the proposed tiling remains very close to the original estimate.

Available **ring dike funding** approved by the State Legislature in 2007 has allowed the District to build nine new ring dikes for flood threatened rural home owners. The District has partnered with the State, RRWMB and local residents to build 57 ring dikes since the flood of 1997. The Board heard in October that there is enough contingency funding left in the 2007 grant to build one additional project. The Board approved moving forward with the George Kane ring dike request from the project priority list, and selected the Keith Stevenson project as an alternate. It is hoped to receive additional funding from the State Legislature in 2009 to do additional ring dike projects on the project request list.

Managers approved moving forward with a slope repair project on the outlet of **JD #53** in Norman County at their September meeting. The Board approved executing options for easement required and also approved a plan to reset utility poles in the project area.

Managers also approved moving forward with erosion repairs on Project 30, in Section 7, Green Meadow Township. Erosion has caused damage to the south levee, and the repair estimate is \$37,500.

In other business the Board:

- *Scheduled a meeting with Minnesota DNR Commissioner for October 30 in Brainard to discuss the agency's negative response to developing on-stream flood protection measures.

- *Agreed that instead of a FDR Project Team meeting in October a subcommittee of the Project Team will meet to review the volunteer flood storage response received from land owners within the Felton sub-watershed.

- *Reviewed a proposed flowage easement agreement to go to land owners on the proposed CD #18 Project (Project #42), who will be invited to discuss possible flowage easements with the Board at their November meeting.

- *Went into closed session to discuss possible litigation against the District with special counsel Jerry Von Korff.

- *Approved deeding former railroad property owned by the District at Mashaug Creek to the Agassiz Recreational Trail, keeping authority to do maintenance or future project work at the site.

- *Approved a final pay request to Ziegler Construction for completed demolition work on two flood damaged property acquisition projects.

- *Approved moving forward with ditch cleaning request in a one-half mile reach of Clay County Ditch 18, Section 37, Goose Prairie Township, pending necessary agency permission.

- *Approved scheduling a meeting to update commissioners in Clearwater and Norman County on the Watershed Management District (WMD) initiative.

- *Heard a progress update on the U.S. Army Corps of Engineers flood protection feasibility study for Ada and how it may affect the JD #51 ditch.

- *Approved moving forward with a request to clean two miles of Norman County Ditch #37.

- *Approved requesting that Bonnie Ewett of Customer Connections of Fergus Falls meet with the Board to provide additional information about the 360 Degree feedback process and how it could assist the Board.

- *Agreed that each manager will submit one name of individuals who may be interested in service on the Watershed District Advisory Board.

- *Set a public information meeting "Time to Build II" for January 28 at the Ada-Borup auditorium.

- *Approved proposed resolutions to be forwarded the Minnesota Association of Watershed District resolution committee for consideration for MAWD's 2009 legislative agenda.

- *Approved manager attendance at the annual Minnesota Association of Watershed Districts meeting in Brainard December 4-6/

November

Wild Rice Watershed District managers decided in November to continue to push towards an agreement to modify the operations and maintenance (O&M) Plan for the **Moccasin Creek Dam**. The watershed board is seeking DNR approval to operate the dam dur-

ing summer flood events, as well as during spring flooding.

The Moccasin Creek Dam is located in Fossum Township in Norman County, and the gated flood storage project has the capability of holding 1,800 acre feet of flood water. The current O&M plan allows for spring operation of the dam, however, not in the summer months. Managers hope to modify the operation, which would allow flood water storage during summer flood events, and help decrease downstream flooding.

The request to the DNR to modify the O&M plan has met a request for additional information. The DNR area hydrologist's letter to the board notes that the proposed changes could have significant impact to the floodplain vegetation, contrary to the original agreement on dam operation. "Historically, the longer water is held, the more changes in floodplain vegetation occur. It can be seen on site that areas that hold water longer (such as near the gate) tend to have less native vegetation and more invasive species. The native vegetation does not survive well under inundation."

Another concern noted by the hydrologist is the effect of the pool on floodplain forest. "With summer operation, these trees could die. In addition, the summer operation could change the wetland types around the pool, which could require a mitigation plan," the letter notes.

The DNR hydrologist asks for additional information on what types of flood damage would be reduced by changes in the plan, as well as alternatives to the proposed changes in the operation plan, as well as an evaluation of the changes by the District's Flood Damage Reduction (FDR) Project Team.

Managers agreed that with the costs and difficulties in seeking new flood protection sites, working to modify the O&M plan on Moccasin Creek is economically favorable, and approved gathering the information requested by the DNR. Board members agreed that gaining acceptance for holding water behind the dam for even seven days during summer flood events would prove beneficial.

Board members discussed the meeting held with **DNR Commissioner Mark Holsten in Brainerd** on October 30. The meeting was requested by the watershed district to discuss a letter from the commissioner related to permitting on-channel flood damage reduction projects. The commissioner was clear at the meeting that he held out little hope to the District for DNR acceptance and permit approval of a high hazard on-channel dam in the future, and urged the District to work within the mitigation agreement and with the Flood Damage Reduction (FDR) Project Team in the District in seeking flood damage reduction solutions. The Board approved sending a letter to Holsten, thanking him for the meeting and the frank discussion, and also invited him to visit the District in the near future.

Administrator Dalen suggested that the Board consider what he saw as the current facts related to on-channel FDR alternatives: The DNR will not presently permit high hazard dams under current law; the Watershed District has limited resources and funding for current FDR initiatives; the on-channel issue will be addressed in the federal re-evaluation study waiting for congressional appropriation approval in the WRDA bill. He suggested that possible options for Board consideration include: 1. Continue to work to develop the best possible FDR alternatives within the current FDR mitigation process; 2. Identify roles within the FDR process and clarify them to the public; 3. Ask legislators to work to change the FDR process and clarify to the public; 4. Allow the re-evaluation request in WRDA to address the on-channel issue and clarify to the public; 5. Continue seeking mitigation requirements from the DNR on proposed on-channel projects downstream of Ulen; 6. Provide specific direction to the FDR Project Team regarding on-stream alternatives. Board members agreed this will be a continued discussion item at future meetings.

The Board invited land owners in the proposed **CD #18** flood water project area of Project #42 to the November meeting to discuss possible land options in the project site, which could include purchase, lease, land swaps, and flowage easements. Land owners attending were adamant that they did not believe the site where their property is located in the proposed project area is suitable for a flood water holding project, and none of the land owners present were interested in any of the options discussed.

Dalen noted that land acquisition discussions on the Upper Becker Dam site have been going forward, and he would likely have additional information for the Board at their December meeting. An open house to answer land owner questions on the Upper Becker Dam site is also being planned for December.

Engineer reports on both the the proposed **CD #18** site and Upper Becker enhancement project are moving forward, and the District is working with the Flood Damage Reduction Project Team on permitting and environmental issues, as well as seeking funding. A final hearing on both proposed flood protection projects is likely in 2009. At that time, managers will have to make a decision if going forward with these flood protection projects is in the best interest of the public.

In other business the Board:

*Heard an update on meetings with county commissioners to develop an acceptable Water Management District ordinance in the watershed district.

*Agreed to schedule a special meeting with land owners in the Heitman Coulee area of the Wild Rice River to discuss efforts to seek a solution to a violation of the District's rules and whether land owners will agree to signing documentation holding the District harmless if the levee constructed without a permit is not addressed before spring.

*Heard that BWSR is working on details of a RIM program which focuses on river corridor areas often damaged by flooding, however, the financial benefit for interested land owners is likely going to be less than earlier hoped for. The Board approved the Wild Rice River Upper Reaches Project area as a corridor where they would like to see the RIM funding made available.

*Heard that the District will seek \$165,000 in new rural ring dike funding during the 2009 state legislative session.

*Named Don Vellenga, Diane Ista and Mike Christiansen to a committee to meet with Houston Engineering to discuss billing and time requirements as part of a proposal made by Vellenga to look into hiring a full time Level I engineer in the District as a cost saving measure, compared to a consultant firm.

*Named Diane Ista and Mike Christiansen as delegates to the Minnesota Association of Watershed District annual meeting, slated for December 4-6 in Alexandria.

*Heard that Don Vellenga will be resigning from the Board as a representative from Norman County, effective January 31, 2009. His family will be moving to Sioux Falls, South Dakota.

December

As the Wild Rice Watershed District continues efforts toward possible flood damage reduction project construction, there have been a lot of discussions with county commissioners about the development of a **Watershed Management District (WMD)** as a charging mechanism to collect funds for the local share of project costs. Managers approved moving forward with a draft ordinance for a district-wide WMD at their December meeting.

The District has been discussing state funding assistance with legislators for the proposed flood damage reduction projects (CD #18 and Becker Dam enhancements) being considered as part of Project #42 on the South Branch of the Wild Rice River. If the projects are ultimately approved, local funding for the cost-share portion of an approved project will have to be secured.

The District has been discussing the creation of a Water Management District over the entire watershed with commissioners in each of the six counties as a way to raise funds for the local share of flood damage reduction projects. While managers agreed there is no true consensus of support among commissioners for a WMD, there is general agreement of conditions to allow the Board to update a draft ordinance. Those points included: implement and maintain infrastructure that support the water quality and natural resource goals listed in the WRWD Management Plan to provide funding for construction and maintenance of only new projects; limiting the annual levy for a new project to \$1 million annually; funds collected will cover construction, land acquisition, and all other costs after a project is established; include the entire District in the WMD; fees will be determined on runoff contributions on both agricultural and in municipalities; funds collected through a WMD will be no more than 50% of the project cost; a WMD will sunset after 10 years (at which time the WRWD would be required to follow procedures in state statutes to extend the effective time); up to 100% of the local share of project funding could be paid using WMD funding; establish an advisory board consisting of one representative from each of the six counties in the District; create an appeals panel to hear recommendations on appeals related to charging practices; land use will be reviewed every five years or land owners can request that land use be reviewed each year by supplying the required supporting data.

The Board approved having their legal counsel and engineering consultant work on an updated draft of a WMD ordinance, and also approved planning a meeting with the Board of Water and Soil Resources to keep them informed.

In other business, managers approved **hiring a consultant to assist with the organization of the watershed district office and operation.** Manager Dave Vipond noted that hiring the consultant was the recommendation of the personnel committee, and he believes the consultant's neutral perspective will assist the District in identifying strengths and weaknesses in the operation. The consultant is Bruce Watkins, who is a former Superintendent of the St. Cloud School District, who is now consulting with a focus on advice to public employers in the area of management strategies and employee performance. His letter of introduction notes that he offers a special perspective to public employers, because he has performed management service in the context of public employment constraints, such as collective bargaining agreements, data practices, open meeting laws, PELRA, and the special need to engage in transparency and public accountability. As a first step, Watkins will interview managers and staff and will likely provide preliminary recommendations at the Board's February meeting. Motion to hire was approved with one no vote from Manager Diane Ista, who said she questioned the value and cost of hiring the consultant for \$5,000, but said she would work with the consultant.

In the **Project #42** update, Engineer Jerry Bents reported that recent meetings have been held with the DNR related to permitting. One area was related to dam safety, with both the Upper Becker modifications and the dam would likely fall into category #2, and not in the category of a high hazard dam. A meeting was also held to discuss natural resource enhancements that could be incorporated into the Upper Becker Dam project, as well as opportunities for upstream buffer strips to help control erosion. It was noted the biggest permitting hurdle at both sites will be wetland issues. Bents said engineering reports on both proposed projects should be completed and ready for the Board's January meeting.

Administrator Dalen updated the board on meetings with land owners in the project sites, and also reported that a meeting was scheduled with townships in the Becker Dam enhancement project to discuss roads.

Randy Pallum, Borup mayor, noted the continued public opposition to Project #42 as envisioned by the Watershed District Board, and asked why the Board continues to pursue the project.

The Board met with Kim Durbin of Drees, Risky and Vallager of Grand Forks who conducted the 2007 audit of the District. The Board held a lengthy discussion related to the District's request for a **state audit**. However, it was noted that the requests to the state auditor are on a priority basis, and it is not known if they would be available to conduct the District's 2008 audit. Durbin said her firm has to know by January 31 if they will be conducting the District's 2008 audit for planning purposes. Managers passed a motion to leave the District on the list for a state audit, but will continue with Drees, Risky and Vallager to conduct the 2008 audit.

The Board determined that a levee constructed by Eugene Vik in Mary Township is in violation of the District's rules, and ordered that the levee be removed back to ground level by April 1. The Board agreed that the April 1 deadline provides the land owner time to make a permit request to the District for consideration before spring.

In other business the Board:

- *Went into closed session to discuss possible litigation related to the proposed CD #18 water retention site.

- *Heard that the drain tile has been installed as part of the flood protection project on the west side of Mahnomen with the berm construction to be completed next spring.

- *Heard that approval was received from DNR, Army Corps of Engineers, U.S. Fish and Wildlife for cleaning 4,900 feet of County Ditch #18 in Goose Prairie Township, with work scheduled to be completed in December.

- *Approved scheduling a Ring Dike Committee meeting to update the project priority list if additional funding is approved by the state legislature.

- *Approved payment for work completed on the JD 56 outlet repairs.

- *Approved payment on Project 16 ditch clean out work in Sections 19 and 30 of Anthony Township.

Financial Summary

This section summarizes the District's financial activity for 2008. The information provided in this section is a summary of the activity for the year. A detailed report of all activity within the respective fund accounts is available for review at the District's office in Ada. By law the Wild Rice Watershed District is allowed to establish a number of funds for the purpose of carrying out their duties. To finance these funds the District levies an "ad valorem" tax, meaning in "proportion to the value," over the entire district and is based on the property value, rather than benefits. The following is a brief summary of types of funds established and the ways they assist in carrying out the goals of the District.

The **Administrative Fund** is the general operating fund of the District. The fund is set up for the purpose of providing for the general administrative expenses and for the construction and maintenance of projects of common benefit to the District. The levy to fund the Administrative Fund may not exceed 0.02418 percent of the tax capacity or \$250,000, whichever is less.

The **Survey and Data Acquisition Fund** is established and used only if other funds are not available to the District to pay for surveying and/or obtaining additional data. The levy against the taxable market value of property in the District may not exceed 0.02418 percent. The balance of the fund is not to exceed \$50,000. When a project is proposed and there was surveying done prior to establishing the project, the newly established project shall repay the survey and data acquisition fund for such costs.

The **Works of Common Benefit Fund** is established to cover costs attributable to the basic management features of projects initiated by the District. This Works of Common Benefit Fund receives its support from the Administrative Fund.

The **Red River Watershed Management Board Construction Fund** is established and used for the development of programs and projects of benefit to the District. The levy to fund the Red River Water Management Construction Fund may not exceed .0486 percent of the taxable market value of the property in the District. One-half of the levied funds received are sent to the Red River Watershed Management Board for programs and projects that have common benefit in the Red River Basin.

Special Levies are collected on certain flood control and drainage projects that have an established benefiting area under Minnesota law. Each project is its own entity unto itself, managed by the District. Special levies are used to fund repair and maintenance of the individual projects. Each project maintains its own account, with surplus funds invested in interest bearing deposits. An annual review is conducted in August to review and determine if establishment of maintenance levies is needed.

Other income sources that are received by the District include funds from grants and aids, as well as reimbursement from other governmental agencies.

