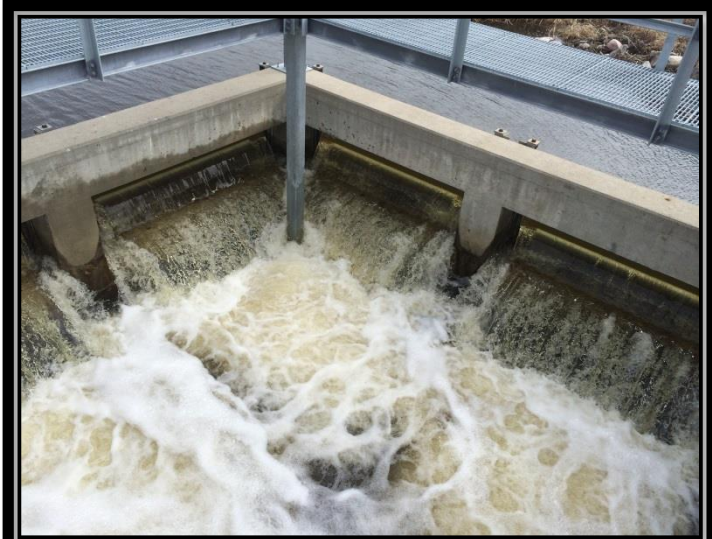


Wild Rice Watershed District

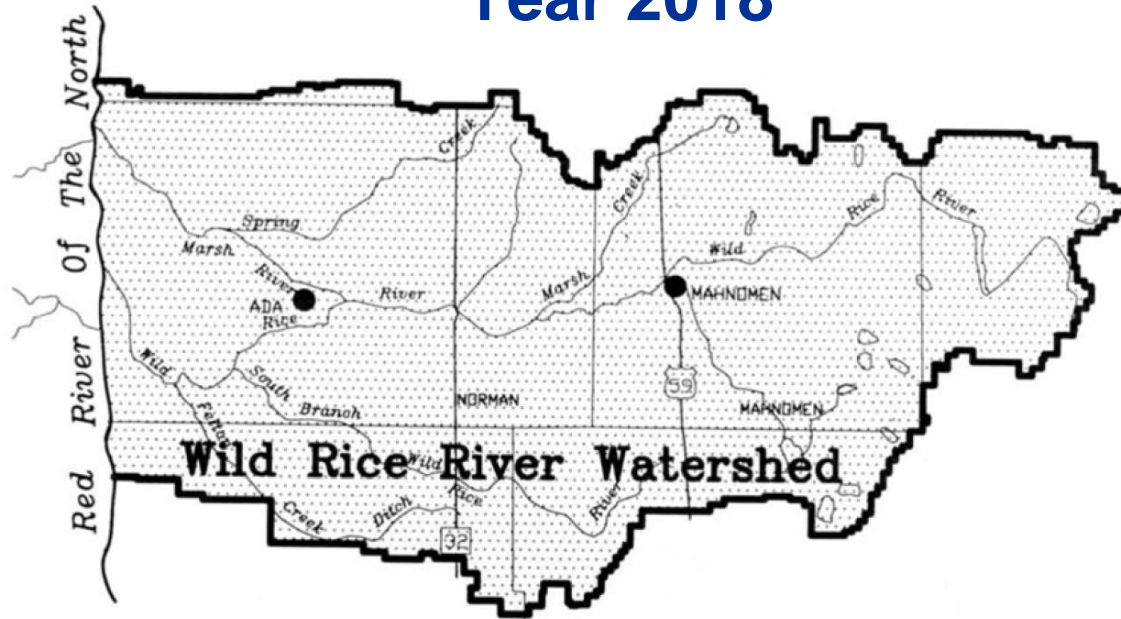


2018 Annual Report

Wild Rice Watershed District

49th Annual Report

Year 2018



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 the 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, Mahnomen, Becker, Clearwater and Polk counties, which include the watershed of the Wild Rice River and the Marsh River.

The photos on the cover are from the Olson Agassiz Wildlife Management Area outlet structure, located in Section 21 of Spring Creek Township, Norman County, Minnesota.

Published by:

Wild Rice Watershed District

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Ada, MN 56510

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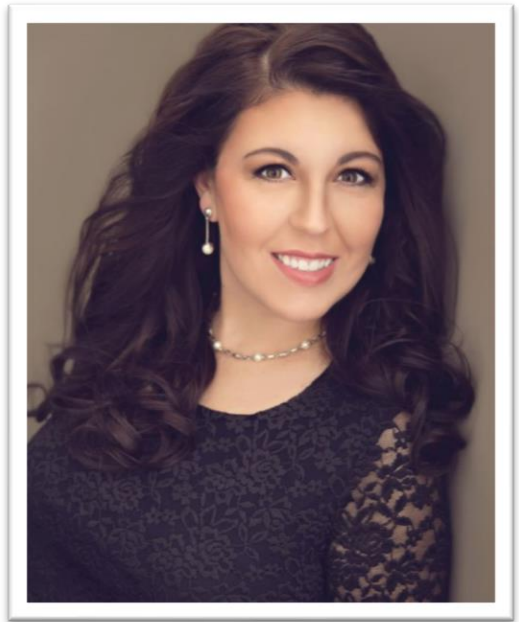
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2018 WRWD Staff



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Tera Johnson
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(effective 2/14/2018)



Nicole Swenson
Administrative Assistant
(resigned 1/22/2018)

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I. Executive Summary

Pursuant to Minnesota Statutes Section Chapter 103D of the Minnesota Watershed Act, the Board of Managers hereby submits the 49th Annual Report of the Wild Rice Watershed District (WRWD), which covers the period of January 1 to December 31 of 2018. The report includes the District's members, technical and citizen advisors, summaries of the plans, goals, water management projects, and communication programs of the District as well as a summary of the District's financial condition.

The District distributes its Annual Activity Report to the Minnesota Department of Natural Resources and the Board of Soil and Water Resources as provided by law. Copies of the report or audit may be obtained from the District's Managers or through www.wildricewatershed.org.

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 give 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 Managers invite comments and suggestions concerning this report.

**Respectfully submitted by
Wild Rice Watershed District
Board of Managers
Greg Holmvik
2018-2019 Chairman**

II. From the Desk of the Administrator

As the Administrator of the Wild Rice Watershed District for the last eight years, I would like to add some of my thoughts as to how the 2018 year went.

We started the process of the 1W1P by applying and receiving a grant from BWSR. The first kickoff meeting of the Steering Committee was held in December.

City of Halstad Ring Dike Construction began in the summer and continued until bad weather stopped the project. A contingency plan was put into place in case of a spring flood. The RRWMB approved providing funding of \$1,000,000.00 for this project.

We have been working on pursuing additional funding for infrastructure improvements on the Hendrum and Perley ring dikes with the MNDOT and Norman County. The RRWMB approved funding for the Hendrum project of \$625,000.00.

The Green Meadow Project had Braun Intertec do borings to verify the status of the dam. We are awaiting the results. We are also working on additional hydraulic studies on Moccasin Creek, South Branch, and the Green Meadow RCPP projects.

The Lower Wild Rice Corridor project are working with the Board of Soil and Water Resources to use a RIM like process to acquire easements. An Income Contract and a Memorandum of Understanding has been signed. The Board approved paying an additional 20% on top of the RIM payment for the Supplemental Easement that we need for future work.

We were approved for a \$600,000.00 for the Goose Prairie project from the LSOHC. We did soil borings in December to determine the location of the ditch and the quality of material from there to be used for the raising of the Township road. We are working on securing additional funding from the DNR and RRWMB. We also held a preliminary resolution hearing for the start of Project #45.

We have substantially completed improvement to a ring dike in cooperation with the State of Minnesota, Red River Water Management Board, Watershed, and the local landowner all contributing to it.

We did a bank stabilization project just west of the Highway #9 bridge.

The Board approved a lease agreement with the Red River Water Management Board for office co-location. They also approved a contract with Schmitz Builders out of Red Lake Falls for the remodeling of the office for \$440,000.00. Work will begin after the first of the year.

We also had another employee move on, Nikki Swenson, who was replaced by Tera Johnson. Thank goodness, they don't spell their names the same so I can keep them apart in my mind.

A total of 131 permits were issued for various projects throughout the district.

At the MAWD Annual Conference we received a plaque for 50 years for being a Watershed District.

Kevin Ruud, Administrator



III. Appointments Board of Managers

Standing, L to R: Duane Erickson, Mike Christensen, Mark Harless, Greg Holmvik
Seated, L to R: Dean Spaeth, Curt Johannsen, Raymond Hanson

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 County Commissioners for a three-year term. Three managers are appointed by Norman County, two managers are appointed by Mahnomen County, and two managers are appointed by Clay County.

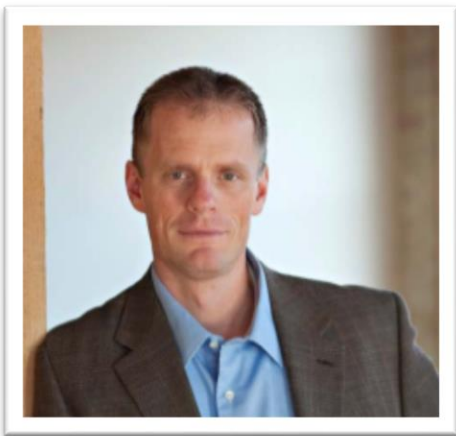
The Board of Managers meets regularly on the second Wednesday of each month at 8:30 a.m. at the District office in Ada, Minnesota.

Name and Office	Appointing County	Year Appointed	Contact Information for Current Managers	Date of Term Expiration
Mike Christensen	Norman	2006	4539 Co Hwy 29 Twin Valley, MN 56584 (218) 584-5510 sunnybrookfarms@gmail.com	04/25/19
Raymond Hanson	Mahnomen	2010	4333 Co Hwy 29 Twin Valley, MN 56584 (218) 584-5545 raynmargo@gmail.com	04/25/19
Curt Johannsen	Norman	2010	PO Box 111 Hendrum, MN 56550 (701) 799-6732 chj74@live.com	04/25/19
Greg Holmvik	Norman	2009	401 7th Ave W Ada, MN 56510 (218) 567-8277 gholmvik@loretel.net	04/25/20
Duane Erickson	Clay	2009	11849 390th St Ulen, MN 56585 (218) 596-8322 duaneerickson@arvig.net	04/25/21
Mark Harless	Clay	2017	PO Box 37 Borup, MN 56519 (218) 494-3330 mlharlessz4@gmail.com	04/25/21
Dean Spaeth	Mahnomen	2009	1526 210th St Mahnomen, MN 56557 (218) 935-2127 jspaeth@arvig.net	04/25/21

Consultants

The WRWD Board of Managers retains independent contractor consultants who provide all of the necessary engineering, auditing, legal and other services and serve at the pleasure of the Board. The District's independent consultants effectively fulfill its obligations, goals and objectives within the approved finances and budget. The following consultants served the District in 2017:

Name	Service Provided	Company Name	Contact Information
Elroy Hanson	Legal Services	Wambach and Hanson Law Office	P.O. Box 340 Mahnomen, MN 56557 Phone: (218) 935-2266
Jerry Bents	Engineer	Houston Engineering, Inc.	1401 21st Ave N Fargo, ND 58102 Phone: (701) 237-5065
Christopher Clasen	Auditor	Justin Clasen & Company, Ltd.	P.O. Box 90 Pequot Lakes, MN 56472 Phone: (218) 568-5242



Jerry Bents,
Civil Engineer
Vice President
Houston Engineering Inc.



Elroy Hanson,
Attorney,
Wambach & Hanson Law Office



Christopher Clasen
Certified Public Accountant
Justin Clasen & Company, Ltd.

Citizens 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 the Citizens Advisory Committee, as required under Minnesota Statute. Meetings are scheduled for the first Monday in April and the last Monday in November at 10:00 am at the District Office, unless otherwise noted.

Name of Committee Member	Contact Information
Steve Jacobson	1437 County Hwy 4 Hendrum, MN 56550 (218) 861-6155
Robert Braseth	25415 190th Ave N Ulen, MN 56584 (218) 596-8754
Terry Guttormson	1141 175th Ave Hendrum, MN 56550 (218) 861-6800
Corey Hanson	2758 330th St Gary, MN 56545 (218) 356-8678
Cynthia Julin	318 E Main St Ada, MN 56510 (218) 784-2520
Steve Kahlbaugh	2450 160th Ave Mahnomen, MN 56557 (218) 261-0952
Jerome (Joe) Slette, Chairman	1141 237th St Mahnomen, MN 56557 (218) 936-7147
Matt Speer, Vice-Chairman	2435 140th Ave Mahnomen, MN 56557 (218) 261-0645

May 9, 2018 – The draft meeting minutes from the April 2, 2018, Citizens Advisory Board meeting were presented to the Board for review.

December 12, 2018 – The Board was presented with draft meeting minutes from the November Citizen's Advisory Meeting. The Committee recommended the Board explore the opportunity to install live stream capabilities in the conference room as a part of the office remodeling project.

Flood Damage Reduction (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 waters management agencies and stake-holder 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 sectors, to provide input regarding flood damage reduction and environmental impacts.

On January 27, 2010, consensus of the WRWD Board was to schedule Project Team Meetings the fourth Wednesday of every month.

The FDR Project Team in the Wild Rice Watershed District delegates includes:

Name	Organization Represented	Contact Information
Jerilyn Swenson	Counties	814 East Main Street Ada, MN 56510 218-784-7126 Jerliyn.swenson@co.norman.mn.us
Steve Bommersbach	Counties	PO Box 352 Twin Valley, MN 56584 218-584-5512 bommer@tvutel.com
Mark Harless	Landowner	1467 300th St Borup, MN 56519 218-582-3360
Paul Hougum	Landowner	1539 County Hwy 39 Perley, MN 56574 218-861-6464
Eric Zurn	Landowner	18629 County Hwy 14 Callaway, MN 56521 218-375-2368
Bruce Tufte	Landowner	1264 240th St Borup, MN 56519 218-784-7571
Joe Slette	Landowner	1141 237th Street Mahnomen, MN 56557 218-935-5918
Brett Arne	MN Board of Water and Soil Resources (BWSR)	26624 N Tower Rd Detroit Lakes, MN 56501 218-850-0934 brett.arne@state.mn.us
Pete Waller	MN Board of Water and Soil Resources (BWSR) MN BWSR	1004 Frontier Drive Fergus Falls, MN 56537 218-736-5445 pete.waller@state.mn.us

Name	Organization Represented	Contact Information
Nathan Olson	MN Department of Natural Resources (DNR) Fisheries	14583 County Hwy 19 Detroit Lakes, MN 56501 218-847-1579 nathan.olson@state.mn.us
Rodger Hemphill	MN DNR Hydrologist	14583 County Hwy 19 Detroit Lakes, MN 56501 218-846-8384 rodger.hemphill@state.mn.us
Rob Baden	MN DNR	14583 County Hwy 19 Detroit Lakes, MN 56501 218-846-8383 robert.baden@state.mn.us
Henry Van Offelen	MN DNR	14583 County Hwy 19 Detroit Lakes, MN 56501 218-847-1817 henry.van.offelen@state.mn.us
Danielle Kvasager	MN Pollution Control Agency (MPCA)	714 Lake Avenue, Suite 220 Detroit Lakes, MN 56501 218-847-1519 danielle.kvasager@state.mn.us
Jim Courneya	MPCA	714 Lake Avenue, Suite 220 Detroit Lakes, MN 56501 218-847-1519 jim.courneya@state.mn.us
Josh Bork	Natural Resources Conservation Services (NRCS)	10 E 2nd Ave S Ada, MN 56510 218-784-4000 josh.bork@mn.usda.gov
Edward Musielewicz	NRCS	809 8th St SE Detroit Lakes, MN 56501 218-847-9392 ed.musielewicz@mn.usda.gov
Randy Tufton	NRCS/FSA	10 E 2nd Ave S Ada, MN 56510 218-784-4000 randall.tufton@mn.usda.gov
Wayne Goeken	River Watch	440048 160th Ave SE Erskine, MN 56535 218-574-2622
Aaron Neubert	Soil and Water Conservation District (SWCD)	123 W Monroe Ave Mahanomen, MN 56557 218-935-2987 aaron.neubert@mn.nacdnet.net

Name	Organization Represented	Contact Information
Mark Christianson	SWCD	100 Main Ave E Twin Valley, MN 56557 218-584-5169 markc@arvig.net
Lori Thronson	SWCD	100 Main Ave E Twin Valley, MN 56557 218-584-5169 lorit@arvig.net
Peter Mead	SWCD	801 Jenny Avenue Perham, MN 56573 218-846-7360 pemead@co.becker.mn.us
Kevin Kassenborg	SWCD	1615 30th Ave S Moorhead, MN 56560 218-287-2255 kevinkassenborg@mn.nacdnet.net
Nan Bischoff	US Army Corps of Engineers	190 5th St E St Paul, MN 55101-1638 651-290-5426 nanette.m.bischoff@mvp02.usace.army.mil
Craig Jarnot	US Army Corps of Engineers	4111 Technology Dr Ste 295 Bemidji, MN 56601 651-290-5339 craig.l.jarnot@usace.army.mil
Ryan Frohling	US Fish & Wildlife Service (USFWS)	26624 N Tower Rd Detroit Lakes, MN 56501 218-847-3402 ryan.frohling@fws.gov
Mike Swan	White Earth Reservation	4044 South Ice Cracking Ponsford, MN 56575 218-573-3007
Curt Johannsen	Wild Rice Watershed District (WRWD)	11 East 5th Avenue Ada, MN 56510 218-784-5501
Duane Erickson	WRWD	11 East 5th Avenue Ada, MN 56510 218-784-5501
Mike Christensen	WRWD	11 East 5th Avenue Ada, MN 56510 218-784-5501
Jerry Bents	WRWD Engineer	11 East 5th Avenue Ada, MN 56510 218-784-5501

Red River Watershed Management Board (RRWMB)

The Wild Rice Watershed District is a member of the Red River Watershed Management Board (RRWMB).

The RRWMB's jurisdiction and authority encompasses the area managed by the individual watershed districts that have membership on the Board. Eight watershed districts within the Red River Valley from the RRWMB including the Bois de Sioux, Joe River, Middle-Snake-Tamarac Rivers, Red Lake, Roseau River, Sand Hill River, Two Rivers, and Wild Rice.

The RRWMB was created by an act of the Minnesota legislature in 1976 to provide an organization with a basin-wide perspective concerning flooding. Funding is by ad valorem tax levies, as provided by Chapter 163 of the Minnesota Session Laws.

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

Manager Greg Holmvik is the delegate to the board with Manager Raymond Hanson as the alternate.

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 the executive branch, agencies and other policy makers at the local government level.

IV. Plan Performance

Community Levee Improvements – City of Halstad

Proposers

Wild Rice Watershed District and City of Halstad

Description/Location:

A levee was constructed around the city of Halstad by the USACE in the early 1970s in response to flooding threats against the city. This levee currently removes the city from the designated 100-year floodplain.

However, Norman County has recently updated the Flood Insurance Study (FIS) to account for more recent hydrologic conditions. As part of this effort, the City of Halstad has been offered a Provisional Accredited Levee (PAL) letter. This designation requires the City to make necessary improvements to certify the levee meets at least the minimum requirements per CFR 65.10 or else all protected property will go into the floodplain.



Phase 1 Funding was previously provided by the MNDNR FDR Grant Assistance Program on a 50/50 cost- share to complete the initial survey, geotechnical analysis, and engineering for needed improvements.

Phase 2 Funding was used to finish the land acquisition, structural, embankment, and other improvements recommended from Phase 1 in order to meet the requirements of the Provisional Accredited Levee (PAL) letter and to undergo the necessary USACE review.

Phase 3 Will be a cooperative project between the City of Halstad, Norman County, RRWMB, MNDOT and the Wild Rice Watershed District to provide grades raises and eliminate the emergency closure needs. When completed, this will eliminate the added costs for flood fighting, extended transportation closures, costly damage to the existing roadways, and public safety concerns for the traveling public. The road resurfacing project is scheduled by MNDOT to begin in 2019.

Flood Control Benefits:

- Flood Protection for nearly 600 residents / 250± households
- Eliminate future roadway damages and public safety concerns
- Cooperative effort with multiple funding sources

Project Cost:

Phase 1 – Design/Permitting/Acquisition - State \$0.375M / Non-state \$153K (2% MHI)

Phase 2 – Levee Improvements: \$4.125M - State \$4.125M / Non-state \$0K (Phase 2A and 2B)

Phase 3 – Roadway Improvements - \$2.0M - State \$0.5M / Non-state \$1.5M (Phase 3) – MNDOT Schedule for 2019

- Status:**
- **Phase 1 - Complete** – Previously funded
 - **Phase 2 – Levee Improvements** – 50% Complete – Finished in FY2020
 - **Phase 3 – Roadway Improvements** – Construction FY2020

	Prior Years	FY 2020 (7/19-6/20)	FY 2021 (7/20-6/21)	FY 2022 (7/21-6/22)	FY 2023 (7/22-6/23)
Funding	FDR \$4.50M WD/City \$0.153M	FDR \$0.50M WD \$1.50M* *(Including DOT and County/City/WD/ RRWMB)			
Project Status	Design/ Acquisition Permitting/ Construction (Phases 1 and 2)	Phase 3 Grade Raises Acquisition & Construction	Construction Completion		

Key: City = City of Halstad; DNR=Minnesota DNR; DOT= MN Dept of Transportation (and other road authorities); FDR=Flood Damage Reduction Work Group; RB=Red River Watershed Management Board; WD=Wild Rice Watershed District.

Partners: Cooperative Project between City of Halstad, Norman County, WRWD, and State of Minnesota Flood Damage Reduction Program

January 10, 2018 – The archeological report was received and artifacts were located near the river. Borrow location will stay away from area noted. It is anticipated that bids will be advertised around the March Regular Meeting with construction beginning following spring melt. It was also noted that several parties are being approached by the City of Halstad seeking an extension on temporary easement rights.

February 14, 2018 – We are currently waiting on a response of the submittal of design document for the City of Halstad from the USACOE. Funding has been approved for completing the south side improvements, with the north side funding being applied for in the next bonding session. Coordination efforts with MNDOT are continuing in cities along TH 75.

March 14, 2018 – We are waiting for USACOE comments for the City of Halstad. Once a response has been received, staff will meet with city officials. Current plan is to advertise for bids in April, open in May, and begin construction in June. A conference call with the City of Hendrum, City of Halstad, MNDOT and WRWD representatives was recently held. The DOT is looking at requiring additional ROW for the projects. Approved paying parties for options to purchase ROW necessary for the projects, noting that the transaction of acquiring the ROW would take place once grant funding has been secured.

April 11, 2018 – Approved advertisement of bids for the City of Halstad levee improvement project. Approved a zero dollar permit for MNDOT granting a temporary easement necessary for the City of Halstad levee project.

May 9, 2018 – Rejected all bids and send out new advertisement for bids. Bids from the three contractors came in significantly higher than engineer estimates for the project. HEI is working with bidders in attempt to determine the large difference prior to the June 5th bid opening.

June 13, 2018 – Awarded the contract for Halstad construction to Sellin Brothers for 1A/1B, in the amount of \$3,163,708.00 contingent on formal USACOE 408 permission. Adopted Resolution 6-13-18-1 for Flood Hazard Mitigation Grant Funding Assistance to the Wild Rice Watershed District of the City of Halstad Flood Risk Reduction Project.

July 18, 2018 – Approved a zero dollar permit presented by the MNDOT for work on the Halstad grade raises. Approved Administrator or Chairman to enter into agreement for service locations to be moved on the Halstad Ring Dike. The contractor will begin work in Halstad next week. HEI is encouraging FEMA to delay the publishing of the final maps until following the levee improvements being completed. Discussion was held regarding flood mapping, grade raises and timing of process for both Halstad and Hendrum.

August 8, 2018 – Halstad improvements are underway. It is anticipated that all three gateway structures will be completed by the end of the year as well as filling cracks in the existing levee. The north end phase will be completed in 2019 along with the grade raises. Pay request 1 from Sellin Bros in the amount of \$157,393.71 for work completed on the Halstad Levee Project was approved. A letter to submit to FEMA is being prepared, asking for a delay in flood map publishing for the communities of Hendrum and Halstad. Staff will request local participants to sign the letter, offering support of the request. It is anticipated that grade raises will be completed within months of the currently scheduled map updates being released.

September 12, 2018 – Pay Request 2 in the amount of \$482,939.97 payable to Sellin Bros was approved. Board was updated on the construction progress in Halstad. Gatewells are currently being replaced and the levee should be closed back up prior to construction halting for the winter. Discussion continued to public meetings being held for road raises through the communities.

October 10, 2018 – Aerial photos of the work being completed on the Halstad levee improvements were presented. Pay Request #3 presented by Sellin Brothers for Halstad Levee improvements in the amount of \$400,118.51 was approved. Coordination with the contractor regarding a temporary levee construction began today incase weather prevents planned work from being completed this fall. A 90 day appeal notice for the flood map release was received for both Halstad and Hendrum. HEI will coordinate a response to the appeal notice prior to the deadline.

November 14, 2018 – Pay Request 4 from Sellin Brothers in the amount of \$453,133.52 was approved. The contractor has returned the levee to the required height prior to leaving the site for the winter. Due to inclement weather, the gatewell structure work was not able to be completed. An emergency flood protection plan was presented by Sellin Brothers and was accepted by the City of Halstad. MNDOT is expected to submit 60% plans in the coming month on the road work to be completed through Hendrum and Halstad.

December 12, 2018 – Staff met with the City of Halstad to update them regarding the project and discuss the weather related emergency plan. The City of Halstad found the plan acceptable. Pay request from Sellin Brothers in the amount of \$179,570.31 for work completed on the project was approved. A request for \$1,000,000.00 in funding (15% of total project costs) was submitted to the RRWMB for consideration at the December meeting.

Community Levee Improvements – Phase 2 – Perley and Hendrum Grade Raises

(Cooperative Project between Cities of Hendrum and Perley, Norman County, MNDOT and the Wild Rice Watershed District)

Proposers

Wild Rice Watershed District and Communities Perley and Hendrum (in cooperation with Norman County and the Minnesota Department of transportation).

Description/Location:

Both the cities of Perley and Hendrum have been threatened by Red River flooding on numerous occasions over the years. To prevent these damages, the Cities, along with support from US Army Corps of Engineers, National Guard, and hundreds of volunteers, have previously raised the existing flood control levees using combinations of sandbags and clay.

Under Phase 1, the MNDNR FDR Grant Assistance Program provided funding to construct levees around the cities of Hendrum and Perley. However, Phase 1 did not include any adjustment to the roadway elevations that pass through the cities. As a result, the cities are still susceptible to flooding (for events less than the 100- year) through these openings thereby requiring emergency closures in these locations. The closures have been required five times since 1997. The installation of these emergency closures result in added costs for flood fighting, extended transportation closures, costly damage to the existing roadways, and public safety concerns for the traveling public.



Phase 2 will be a cooperative project between the Cities of Hendrum and Perley, Norman County, MNDOT, and the Wild Rice Watershed District to provide grades raise and eliminate the emergency closure needs. Design and R/W acquisition will be completed in 2018-2019, and construction will begin in 2019 in Hendrum. Construction in Perley is funding dependent but could begin as early as 2021.

Flood Control Benefits (Phase 2)

- Complete Flood Protection Efforts for the two Communities
- Over 400 residents /175± households protected
- Eliminate future roadway damages and public safety concerns
- Cooperative effort with multiple funding sources - FDR Cost Share 50% or less

Project Cost (Combined for 2 communities): \$5M State \$1.25 / Non-state \$3.75M*

*Non- State based on 75% assumed MNDOT and County Cost-Share of Road Improvements

Status: • **Phase 1 Levee Construction Completed - Previously funded**

- **Phase 2 - R/W Acquisition, Final Design, and Construction**

	Prior Years	FY 2020 (7/19-6/20)	FY 2021 (7/20-6/21)	FY 2022 (7/21-6/22)	FY 2023 (7/22-6/23)
Funding	FDR \$4.800M WD \$ 0.140M	FDR \$0.625 WD \$1.875M* <small>*(Including DOT and County/City/WD/ RRWMB)</small>	FDR \$0.625 WD \$1.875M* <small>*(Including DOT and County/City/ WD/ RRWMB)</small>		
Project Status	Design/ Acquisition/ Construction Phase 1 Completed	Design, Right-of-way and Construction (Ph. 2 Grade Raises - Hendrum)	Design, Right-of-way and Construction (Ph. 2 Grade Raises - Perley)	Construction	Construction Completion

Key: DNR=Minnesota Department of Natural Resources; DOT= Minnesota Department of Transportation; FDR=Flood Damage Reduction Work Group; O=Other; RB=Red River Watershed Management Board; WD=Watershed District.

Partners: Cooperative Project between Cities of Hendrum and Perley, Norman County, WRWD, Minnesota Department of Transportation, and State of Minnesota Flood Damage Reduction Program

February 14, 2018 – Coordination efforts with MNDOT are continuing in cities along TH 75 (Hendrum).

March 14, 2018 – A conference call with the City of Hendrum, City of Halstad, MNDOT and WRWD representatives was recently held. The DOT is looking at requiring additional ROW for the projects.

May 9, 2018 – Resolution No. 05-09-17-1 requesting funding from the State of Minnesota flood damage reduction program to assist the cooperative project between the City of Hendrum, City of Perley, Norman County, MnDOT, and the Wild Rice Watershed District to provide grade raise to the roadway elevations that pass through the cities' levees in order to eliminate the need for emergency closures and complete flood protection for the City of Hendrum and the City of Perley was approved.

June 13, 2018 – A draft letter for submittal for funding assistance with the Hendrum Ring Dike was distributed to the Board. Staff was authorized to present the request of up to 25% cost share assistance to the RRMWB prior to their June 19, 2018, regular meeting, and a WRWD contribution towards the project of up to 12.5% of the total project costs (up to \$312,500) was authorized. Manager Johannsen abstained from voting and Manager Erickson voted against. It was noted that staff will continue to attempt to secure funding through legislative bonding, however securing alternate funding will allow the project to continue forward regardless of future legislative bonding bills.

July 18, 2018 – Discussion was held regarding flood mapping, grade raises and timing of process for both Halstad and Hendrum.

August 8, 2018 – A letter to submit to FEMA is being prepared, asking for a delay in flood map publishing for the communities of Hendrum and Halstad. Staff will request local participants to sign the letter, offering support of the request. It is anticipated that grade raises will be completed within months of the currently scheduled map updates being released.

September 12, 2018 – Discussion was held regarding public meetings being held for road raises through the communities. It was noted that a request for additional funding will be sought from the legislative bonding for 2019 once the session begins.

October 10, 2018 – A 90 day appeal notice for the flood map release was received for both Halstad and Hendrum. HEI will coordinate a response to the appeal notice prior to the deadline. In a meeting with NCHD regarding the Hendrum road raises it was determined that the WRWD will design the project and the NCHD will advertise for bids on County roads.

November 14, 2018 – MNDOT is expected to submit 60% plans in the coming month on the road work to be completed through Hendrum and Halstad. During the USACOE annual inspections in Hendrum and Perley it was determined that the pipes through the levee and those critical for interior drainage need to be televised. Jetway was approved to televise required pipes in Hendrum (\$11,090.00) and in Perley (\$10,480.00). Manager Johannsen abstained.

December 12, 2018 – 60% plans for Hendrum were received from MNDOT this morning. The NCHD anticipates having 60% plans completed the following day. Staff will present the plans to the City of Hendrum. Discussion was held regarding a letter received from FEMA indicating that the request to delay the release of the updated flood maps was denied. It was determined that once the bid for the project has been awarded, a change in determination might be available.

Goose Prairie Wildlife Management Area Enhancements

Proposers:

Wild Rice Watershed District and MNDNR

Description/Location:

The Wild Rice Watershed District and Minnesota Department of Natural Resources have been cooperatively working to develop a plan to **provide improved wildlife management operational capabilities and enhanced flood damage** reduction benefits at the Goose Prairie Wildlife Management Area (WMA). The WMA (491 acres) has long provided hunting options for forest game birds and waterfowl as well as wildlife viewing options for wetland and prairie wildlife. However, the WMA currently has no operable outlet and has undergone significant degradation in recent years due to high water levels. The proposed plan would install an operable outlet structure to allow for enhanced wildlife management capabilities, while also providing additional runoff retention capacity.



Project Benefits:

Wildlife Management	The project will allow for improved wildlife pool management and improve habitat for spring and fall migrating waterfowl, shorebirds, and related species by enhancing the diversity and composition of wetland plant communities and aquatic invertebrate populations.
Habitat Restoration	The establishment of an additional 119 acres of permanent vegetation buffer areas to the WMA to improve upland wildlife habitat.
Water Quality	Improve water clarity by providing a seasonal variation of water levels which will restore wetland plant communities and control rough fish numbers.
Flood Control	The project will provide approximately 1,500 ac-ft of retention in the headwater area of the South Branch of the Wild Rice River drainage basin. This will provide both local (<i>approximately an 80% local peak flow reduction</i>) as well as Red River flood damage reduction.

Project Cost: \$1,700,000 State (65%±) \$1,100,000 / Non-state (35%±) \$600,000

Status: EAW Review – Record of Decision Complete - \$600K LSOHC Approved

	Prior Years	FY 2020 (7/19-6/20)	FY 2021 (7/20-6/21)	FY 2022 (7/21-6/22)	FY 2023 (7/22-6/23)
Approvals		WD/DNR/COE/O			
Funding	LSOHC \$0.600M WD - \$200K* (Early Design and Concept Development) RRWMB - \$250K	FDR \$.500M (30%) WD - \$150K			
Project Status	Pre-design / EAW Design/Permitting/ Acquisition Options	Permitting/ Acquisition & Construction	Construction Completion		

Key: DNR=Minnesota DNR; FDR=Flood Damage Reduction Work Group; RB=Red River Watershed Management Board; WD=Wild Rice Watershed District.

Partners: Cooperative Project between MNDNR, Township, WRWD, RRWMB and State of Minnesota Flood Damage Reduction Program

January 10, 2018 – Administrator Ruud stated that himself, Engineer Bents, and Manager Erickson visited the Kjos residence and met with several adjacent landowners regarding soil borings. The borings have been completed and we are waiting for the results of lab tests, which should be available for the February or March Board meetings.

February 14, 2018 – A preliminary resolution hearing report is being developed. Once this is complete a landowner meeting will need to be held. Discussion was held regarding the verbal agreement on the operating plan. Attorney will be developing a resolution to initiate the project prior to the March Board Meeting.

March 14, 2018 – Preliminary resolution for the Goose Prairie WMA was approved. It is noted that the project will be referred to as “Project 45 Goose Prairie WMA”. A public hearing regarding the preliminary resolution regarding project 45, Goose Prairie WMA, was scheduled on Wednesday, April 11, 2018, 11:00 am at the West Central Ag Meeting Room, 329 1st St SW, Ulen, MN. The regular monthly board meeting will also be held at this location beginning at 8:30 am on the same date.

April 11, 2018 – An overview was given of the presentation for the 11:00 public hearing, highlighting that following the presentation, public comments would be received. Following the comment period, and closing of the hearing, the board has the opportunity to adopt the preliminary resolution, moving forward with the project, or halting progress. The public hearing was called to order at 11:00 am with 23 landowners and agency representatives in attendance. An overview of the purpose of the public hearing and a power point presentation overviewing project details were given to those in attendance. Several landowner questions were presented including spring draw down time, maintenance costs, water level, project benefitting area, and funding sources. Questions presented were addressed utilizing the presentation slides. One landowner voiced opposition to the project. No other landowner presented opposition to the proposed project. The Preliminary Resolution establishing Project 45 – Goose Prairie WMA was approved.

May 9, 2018 – Manager Erickson stated that he would like to see retention done in the near future. Engineer Bents suggested obtaining options to purchase flowage easements to expedite the process once funding is available. He also added that a step 1 submittal is being prepared to present to the RRWMB to request funding at a future meeting. Board requested Manager Erickson and Administrator Ruud to begin meeting with landowners to secure options for flowage easements.

June 13, 2018 – Easement and ROW needs have been complied. Once legal documents have been prepared by Wambach and Hanson staff will work on securing options. An overview of the step 1 submittal, which will be presented to the RRWMB to request funding assistance for the project, was distributed to Managers for review. Staff will attend the June 19 RRWMB meeting to request funding assistance. A project team meeting has been scheduled for Tuesday, July 24th. Staff and consultants will continue to explore available funding sources prior to the project team meeting.

July 18, 2018 – The step 1 submittal received a \$250,000 funding commitment from the RRWMB at yesterday's meeting. We are still hopeful to receive DNR and state bonding funding in upcoming fiscal years. The current funding will assist to secure options for flowage easements. Administrator Ruud added that he will begin meeting with landowners to secure options once final paperwork is received from Attorney Hanson's office. A project team meeting will be held next Tuesday to work on funding details, project design and permitting with agency representatives serving on the team.

August 8, 2018 – A project team meeting was held on July 24. The USFWS had a request to change to straighten a portion of CD18, allowing a wetland to be restored in the process. District staff felt the requested change would allow for easier cleaning of the channel as well. One road raise location was eliminated. Administrator Ruud stated that following the meeting himself and Tera Johnson met with Kyle Bergren regarding a flowage easement, right of way, and temporary right of way necessary for the project located in the West Half of the Southeast Quarter (W1/2 SE1/4) lying West of Ditch #18; the Northeast Quarter of the Southeast Quarter (NE1/4 SE1/4); and the Northeast Quarter (NE1/4) less that part West of Ditch #18 and less 5.83 acres, all in Section Twenty-two (22), Township One Hundred Forty-one (141) North of Range Forty-four (44) West of the Fifth Principal Meridian in Clay County, Minnesota.. A total offer of \$56,383.17 was made to Bergren by staff (Permanent Flowage Easement: \$12,654.35; Permanent Right of Way Easement: \$38,391.91; Temporary Right of Way Easement \$5,336.91). Board entered a closed session for the purpose of considering a counter offer and develop a reponse for the property located in the West Half of the Southeast Quarter (W1/2 SE1/4) lying West of Ditch #18; the Northeast Quarter of the Southeast Quarter (NE1/4 SE1/4); and the Northeast Quarter (NE1/4) less that part West of Ditch #18 and less 5.83 acres, all in Section Twenty-two (22), Township One Hundred Forty-one (141) North of Range Forty-four (44) West of the Fifth Principal Meridian in Clay County, Minnesota at 10:20 am. Manager Hanson opposed. The closed session ended and the meeting was reopened at 10:55 am. The counter offer presented by Bergren was rejected. Staff was authorized to continue negotiations with landowners along the Goose Prairie WMA.

September 12, 2018 – Administrator Ruud asked the Board if they would like to enter a closed session to discuss the ongoing negotiations. Manager consensus was that a closed session could be entered into following the counter offer being discussed if necessary. Kyle Bergren was contacted following the August meeting and informed that the counter offer was denied. One option has been signed and payment is being processed. Another landowner has indicated that they will stop by the office to sign an option. Many of the other landowners have been contacted and communications are ongoing regarding the project and options. One landowner presented the idea of getting the landowners together in a group for communication without the watershed being present. It was discussed that staff could be present to answer questions if needed, but would not sit in on discussions if landowners preferred to communicate privately. Managers approved offering Bergren a 20% premium on original offer, along with \$1/yard of dirt used for project purposes. DNR will be the LGU for Goose Prairie wetlands.

October 10, 2018 – Three option agreements have been signed by landowners. Contact has been made with the majority of the others. Following the September Board meeting, the approved offer was extended to Bergren for consideration and communication has not been returned by him.

November 14, 2018 – An update regarding the current option acquisitions was provided. Managers approved increasing the offer to Olek as requested by the landowner. Further survey of the project area determined that the concern regarding trees by the Kjos party should be addressed with removal not necessary. A project hearing could potentially be held in February or March.

December 12, 2018 – An update regarding securing options necessary for the project was given. HEI is working on the engineer's report for the project. A hearing for the project is anticipated to be held in March.

Lower Wild Rice Corridor Restoration and Setback Levees – Phase 1

Proposers

Wild Rice Watershed District

Description/Location: The overall proposed corridor restoration project extends along the Wild Rice River from just SE of Hendrum, MN to about six miles east of Ada, MN. The overall restoration corridor length is approximately 23 miles long. Within this reach of river, the adjacent existing levees would be set back to encompass the river's historic meander belt (about ½ mile wide). Oxbows that were cut off by the 1950s Corps' channelization project would be reconnected to the river channel. Flows above an approximate Two-year event would exceed bank full capacity and inundate the leveed floodway/riparian corridor similar to natural riverine behavior. This feature would restore form and function to the floodplain, increase natural habitat, and restore connectivity to segmented floodplain forest. Due to the overall size of the initiative, the project will be conducted in multiple phases over the next 10 – 15 years. Phase 1 of this project will include an approximately 5-mile reach of this corridor.



Project Benefits:

Flood Control The setback levees will be constructed to provide a minimum 10-year level of protection for adjacent property.

Water Quality The Wild Rice River is currently listed as impaired water for turbidity. In addition, to reducing bank erosion, the proposed project will improve water quality by allowing suspended sediment to continue through the system and reduce turbidity in the river.

Wildlife and Habitat: The establishment of the permanent vegetation corridor & restored river channel along 23 miles will improve wildlife habitat and provide enhanced connectivity along the river.

Steps: **Step 1 – Design Land Acquisition** – Locally Funded along with LSOHC and existing land programs

Step 2 – Corridor Vegetation and Setback Levee Construction – Future 2021-2024 Requests

Step 3 – Channel Rehabilitation – Future Funding from L-SOHC and Other Sources

Project Cost: \$8,000,000 State 75%± (\$6.0M) / Non-state 25%± (\$2.0M)

Status Phase 1: Acquisition is underway utilizing LSOHC funding and other applicable programs at an estimated \$10.7M in anticipated costs.

	Prior Years	FY 2019 (7/18-6/19)	FY 2020 (7/19-6/20)	FY 2021 (7/20-6/21)	FY 2022 (7/21-6/22)	FY 2023-2024 (7/23-6/24)
Funding	WD/RB & Mdt Wk Grp \$0.015M LSOHC \$2.270M	Mdt Wk \$0.015M	FDR \$0.15M WD/RB \$0.1M LSOHC \$2.27M O \$ 1.500M	FDR \$0.600M WD/RB \$0.100M LSOHC \$2.000M O \$1.200M	FDR \$2.25M WD/RB \$0.75M	FDR \$3.0M WD/RB \$1.0M
Project Status	Project Development; Assessment & Pre-Design	Pre-Design & Acquisition Continuation (Appraisals)	Design; Permitting; Acquisition	Acquisition; Corridor Vegetation; Construction	Acquisition; Corridor Vegetation; Construction	Acquisition; Corridor Vegetation; Phase 1 completion

Key: DNR=Minnesota DNR; FDR=Flood Damage Reduction Work Group; LSOHC = Lessard Sams Outdoor Heritage Council; O=Other; RB=Red River Watershed Management Board; WD=Wild Rice Watershed District.

Partners: Cooperative Project between MNDNR, WRWD, and State of Minnesota Flood Damage Reduction Program

January 10, 2018 – Discussion with BWSR regarding easement language has continued. It is hopeful that we will have a memorandum of understanding to present at the February meeting if a timely response from BWSR is received. Discussion was held regarding the project area, setback levees, and storage required.

February 14, 2018 – An overview of the project area was given and a draft MOU was presented to the board, allowing landowners to enroll in a RIM style program, which also reserves the rights for future channel restoration along the project area once enough land has been acquired. The documents still need to be reviewed by BWSR. Board managers were asked to review the MOU prior to the March meeting and return comments at that time. It was noted that the proposed payment from this program would be based on tillable versus untillable acres, providing a supplementary payment on top of this rate to allow the District to do future work with the corridor restoration.

March 14, 2018 – Staff is waiting on an opinion from the Attorney General on the memorandum of understanding. Three different funding scenarios for providing payments to landowners were presented. Discussion was held regarding the information presented. Potential cost scenarios will be returned to the board showing what various percentages could cost.

April 11, 2018 – Information regarding current RIM rates for townships, including acres of tillable and non tillable land needed for the project in each township and costs based off current rates was presented. Board approved offering eligible landowners a payment equal to 20% of RIM rates, in addition to funds they would be receiving for enrolling land in the developed program. Manager Erickson opposed.

May 9, 2018 – Staff is currently working with BWSR on the MOU, thus far LSOHC has been receptive to the concept of the idea. An application for an additional \$4 million in funding from LSOHC is being prepared and will be submitted prior to the deadline. If approved, funds are not available for approximately 14 months. Staff is hopefully that additional funding will provide continuity to the program once it is unveiled.

June 13, 2018 – An application for an additional \$5,000,008.00 from LSOHC was submitted in attempt to provide continuity to the program once it is established. The current grant with LSOHC is being amended to extend funding to 2021. It is anticipated that the program might be available to landowners as early as August.

July 18, 2018 – Paperwork for a single source agreement with BWSR for the RIM program was completed and returned. A MOA is expected to be signed in the near future. The grant agreement is currently being updated to reflect the extension granted. Once the updated agreement is received it is anticipated that acquisition could begin.

August 8, 2018 – LSOHC is satisfied with the amendment to the plan. Minor changes have been made to the original MOU which was approved by the Board. Chairman was approved to sign the updated MOU. Another application has been submitted to LSOHC for additional funding for the process. The district was approved for a hearing, which will take place on September 7th at the State Office Building.

September 12, 2018 – Administrator Ruud recently attended a LSOHC hearing and gave a presentation regarding the project, seeking more funding for easement acquisition along the corridor. Favorable responses regarding the program were received following the hearing.

Following today's meeting, staff will meet with local SWCD and BWSR representatives regarding the establishment of the RIM style program being developed for the corridor.

October 10, 2018 – Administrator Ruud attended a recent LSOHC hearing in which the council approved \$2,975,000 in funding for the LWR Corridor Restoration Project. The council approved funding requires legislative approval in the upcoming session before it becomes available. Attorney Hanson is working on option documents and supplemental easements required. The program should be available to landowners in the coming months.

November 14, 2018 – Documents for the RIM program are being reviewed by legal consultants. Discussion ensued regarding funding for the project. Clarification of when the corridor would be established as an official project was given that it would be done closer to implementation as the exact design would be dependent on what easements are obtained.

December 12, 2018 – A teleconference was held the previous week, working on details of the easement purchase. Staff is hopeful an income contract will be ready for approval at the January Board Meeting. The SWCD is currently working with the first applicant for the program.

Upper Reaches

September 12, 2018 – Quotes for repairs west of the highway 9 bridge were approved for solicitation and staff was authorized to award a contract within 30% of engineer's cost estimates.

October 10, 2018 – Bids were received from contractors, and construction is anticipated to begin at the end of the month pending determination of a possible USACOE permit for the proposed work.

November 14, 2018 – Bank stabilization along the Wild Rice River south of Ada began earlier this week. An overview of the work being completed was given.

December 12, 2018 – Pay request from Spruce Valley in the amount of \$44,209.00 for bank stabilization repairs was authorized.

Judicial Ditch 53, Lateral 2

May 9, 2018 –. Norman County Highway Department Engineer, Jerilyn Swenson, was in attendance requesting the District to cost share sloughing repairs along JD 53 Lat 2. The areas to be repaired are located on the road side of the ditch and are out of the road authority right of way. The cost share request presented by Swenson was denied. Discussion ensued surrounding responsibility for repairs, previous instances, and ditch fund balance. Managers Spaeth, Erickson, and Christensen opposed. Manager Johannsen stated that he would like to see a policy developed to provide guidance in the future. Attorney Hanson advised that a policy would require a joint powers agreement with each county and township, making it difficult to create a one size fits all policy.

Clay County Ditch #52

August 8, 2018 - Administrator Ruud was approved to enter into a contract to clean the ditch system following harvest. Staff is working to secure spoil release agreements along the ditch.

Clearwater County Ditch #3

June 13, 2018 – Attorney Hanson was authorized to communicate with the White Earth Tribe regarding existing easement obligations on the property, which were existing when the land was transferred to tribal possession.

July 18, 2018 – Attorney Hanson is completing a letter to present to parties regarding parcels being accepted subject to existing ditches. Once the research is completed he will send it to all parties necessary. Discussion was held regarding the system having several government properties which could present an increased tax burden to private landowners if maintenance levy taxes are not paid by these entities.

August 8, 2018 – Attorney Hanson stated that he has sent a letter to the Clearwater County attorney and he is waiting for a response.

September 12, 2018 – Administrator Ruud and Attorney Hanson discussed the progress of determining if trust land is subject to assessment. Attorney Hanson will coordinate with the Clearwater County Auditor's office in an effort to obtain better copies of ditch records establishing the system.

Rural Ring Dike Program

January 10, 2018 – A meeting was held onsite with the septic installer regarding the adjusted levee alignment. The information will be returned to the landowner prior to sending out a request for quotes for 2018 construction.

March 14, 2018 – Board entered into contract with Northern States Excavating for the Todd Ring Dike project.

April 11, 2018 – The contract for Todd ring dike construction was awarded at the previous board meeting. Currently there are no updates to the project.

May 9, 2018 – The power is being moved out of the way and the septic work will be completed around the middle of the month. Ring dike construction will begin around the end of the month.

June 13, 2018 – Pay request from Northern States Excavating in the amount of \$40,977.00 for work completed on the Todd Ring Dike was approved.

July 18, 2018 – Pay request in the amount of \$37,856.70 and a change order in the amount of \$1,000.00 from Northern States Excavating for the Todd Ring Dike was approved.

August 8, 2018 – Pay request from Northern States Excavating in the amount of \$7,007.44 for work completed on the Todd Ring Dike was approved. Engineer Bents stated that we are waiting for grass to establish on the Moore ring dike. The Germolus ring dike has been completed.

September 12, 2018 – Final pay request for the Todd Ring Dike in the amount of \$1,751.86, payable to Northern States Excavating was approved. A change order in the amount of \$2,016.63 and final pay request for the Moore Ring Dike in the amount of \$5,841.68, payable to Gordon Construction was approved. A refund is being processed for the excess landowner share paid by John Germolus.

NRCS RCPP

January 10, 2018 – Review point 2 was submitted to the NRCS prior to the beginning of the year on the South Branch and Moccasin Creek Project areas. We are still waiting for a response. It is anticipated that spring meetings will be held to consider alternatives in each area.

February 14, 2018 – Houston Engineering is continuing to complete work on the South Branch and Moccasin Creek projects, with a meeting likely to be held in April. Nearly 300 notices were mailed to landowners within the Green Meadow subwatershed notifying them of a landowner/stakeholder meeting on March 29, in the district office.

March 14, 2018 – A landowner meeting was held for the Green Meadow RCPP at the end of February and it was well attended. Following the meeting a mailer was sent to all landowners in the subwatershed with a requested response time by March 28th. Meetings will be held at the end of April for the South Branch and Moccasin Creek areas. Staff is waiting to hear a response from the NRCS on review point 2, which he is hoping to receive prior to the meetings.

April 11, 2018 – Data is being compiled from comments returned in the Green Meadow Subwatershed. For the Moccasin Creek and South Branch subwatersheds, we are waiting for response from the NRCS on Review Point 2. Engineering has begun work on Review Point 3 which will be presented to the Interdisciplinary Team at meetings later in the month.

May 9, 2018 – A response was received on May 7 from the USACOE regarding the Moccasin Creek and South Branch of the Wild Rice River Review Point 2 submittal. Review Point 3 has since been submitted for review. At recent project team meetings, alternatives were discussed to address concerns in each of the two project areas. An overview of landowner comments following the February meeting has been developed. It was recommended that the committee review the comments, place areas on a map, and return recommendations to the Board on the future of the area.

June 13, 2018 – A committee meeting will be scheduled to review comments for the Green Meadow subwatershed. The Moccasin Creek and South Branch subwatersheds are both awaiting comments regarding review point 3. A drone flyover of Moccasin Creek is being completed. Project team meetings may occur later in the summer or early fall. Manager Spaeth recommended checking with the DNR to determine if they have completed some of the Moccasin channel survey in attempt to eliminate duplicate field work.

July 18, 2018 – Review Point 3 has been submitted for the South Branch and Moccasin Creek Project areas. While waiting for a response, work is being completed on alternative evaluation for interdisciplinary team review in September or October. A Green Meadow committee meeting will be held following the Board meeting today to review information gathered from landowners.

August 8, 2018 – The Green Meadow managers committee met following the July Board meeting to review public responses received this spring. The committee determined that based on landowner concern, RCPP funded studies should continue, focusing on dam issues and localized concerns that were presented.

September 12, 2018 – The Green Meadow RCPP project area has continued forward evaluating the dam site and various surveys within the subwatershed area. The South Branch and Moccasin Creek areas will have Interdisciplinary team meetings at the end of October. Plan status updates were presented for all three project areas.

October 10, 2018 – Survey work is being completed on the Green Meadow dam. Project team meetings were scheduled for the end of October but will likely be delayed due to the late harvest.

November 14, 2018 – Project team meetings for the Moccasin Creek and South Branch studies will be held on November 27th. Studies are still being completed in the Green Meadow Subwatershed.

December 12, 2018 – Project team meetings for the Moccasin and South Branch project areas were held on November 27. Engineer Bents presented the information from the meeting to the Board. Board discussion was held regarding the presented information. Board supported the Project team recommendation to further investigate various alternatives in each of the subwatersheds.

One Watershed One Plan

June 13, 2018 – An overview of what will be discussed at the meeting scheduled for the afternoon following the Board meeting was given. An application for funding will be submitted prior to the end of the month, with funding granted this winter. A One Watershed One Plan Committee consisting of Manager Johannsen, Manager Harless, and up to one other Manager to be named at a future date was developed.

July 18, 2018 – An application for the 1W1P was submitted. Manager Erickson volunteered to serve on the committee with Managers Harless and Johannsen.

November 14, 2018 – The Board was updated regarding the 1W1P orientation which was held the previous week and gave an overview of the three working committees that will be formed. Manager Harless was assigned to serve on the Policy Committee and Manager Johannsen was assigned to serve on the Advisory Committee representing the WRWD.

December 12, 2018 – A 1W1P steering committee meeting will be held on Monday, December 17 to review the application and MOU documents.

Permit Applications

For all permit application for **subsurface drain tile installations**, the watershed adopted the following standard conditions and recommendations:

- 1) Recommendation that the applicant contact and coordinate with the NRCS/SWCD offices to ensure approval/clearance regarding any potential wetland issues (and with the USFWS for installation of tile on any parcel that is under easement from the USFWS).
 - 2) Recommendation that the applicant obtain approval from the necessary road authorities (township, county, state...) for any work in the road R/W and the drainage authorities (county) for outlets to legal ditches not under WRWD Watershed jurisdiction.
 - 3) Approved with the condition that the applicant is responsible for adequate erosion control measures at the outlet of the tile system. This should include the installation of riprap or other protection measures at pump outlets. It will remain the responsibility of the applicant to maintain this protection as long as the tile is in place and operating.
 - 4) Approved with the condition that all gravity outlets be installed about (however not more than 2 feet above) the elevation of the original design gradeline of the receiving ditch or channel.
 - 5) Pumped Outlets Only – Approved with the condition that the pump(s) not be operated during freezing conditions and during times of downstream flooding, and that pumps and associated pipes will not be installed about ground and will block vehicle traffic on the R/W of ditch systems. Also all disturbed areas in ditch R/W's will be restored and reseeded to preexisting conditions.
 - 6) Pump stations or other tile control structures, shall not be placed within the R/W of existing legal ditch systems or within a distance determined as follows (6 times the depth of the ditch, measured from top of spoilbank elevation to bottom of ditch from the field side bottom of the ditch), whichever is greater, unless otherwise approved in writing by the WRWD. For example, if the vertical depth measured from top of spoilbank elevation to the bottom of the ditch is 8 ft., the pump station shall not be located within 48 ft. from the field side bottom of the ditch, or within the existing R/W, whichever is greater.
-

January 2018

Approved

- Norman County Highway Department, Sections 16, 17, 20, 21, 28, 29, 32, and 33, McDonaldsville Twp. Permit # 17-131 to construct a 2.25" mill and a 2.25" overlay on CSAH 64 from TH 200 to CR 142. It is noted that this permit application was revised from the original application submitted on 11-16-2017.
- Norman County Highway Department, Section 16, Fossum Twp Permit #17-133 to remove a bridge and restore the river banks with the condition that the applicant regrade the slopes to match the adjacent upstream and downstream channel section and obtain appropriate vegetative cover.

Tabled

- Russel Olson, Section 32, Wild Rice Twp Permit #17-128 to install subsurface drain tile pending written approval from the landowners in the E1/2 of Section 30 of Wild Rice Township. Carried.

February 2018

Approved

- MN Dot, District 2, Section 16, Wild Rice Twp. Permit #18-002 to replace an existing bridge over the Mashaug Creek, remove and replace an existing 18" culvert in the Twin Valley Park Driveway, and install a new 18" approach culvert.

Tabled

- Russel Olson, Section 32, Wild Rice Twp. Permit #17-128 to install subsurface drain tile pending previously requested information from the applicant (written approval from the landowners – Thompson and Hendricks – located in the E1/2 of Section 30 of Wild Rice Township.
 - WBI Energy, Section 11, Flowing Twp. Permit #18-001 to install a new driveway and new field approach with 24" pipes pending a field review to verify adjacent culvert sizes.
 - Clay County Highway Department, Sections 2-3, Highland Grove Twp. Permit #18-003 to replace an 18" centerline culvert with the same size at a lower elevation, requesting that the applicant provide written approval from the Clay County SWCD regarding Wetland Conservation Act Compliance and plans showing any revisions to the proposed elevations or layouts.
 - Norman County Highway Department, Sections 18, 19, W18, W24, Shelly Twp. Permit #18-005 to reconstruct CSAH 3, road surface will be approximately one inch lower, relocate a centerline culvert, and move a number of field culverts to notice adjacent property owners.
-

March 2018

Approved

- Norman County Highway Department, Many Sections, Shelly Twp. Permit #18-005 to reconstruct CSAH3, road surface will be approximately one inch lower, relocate a centerline culvert, and move a number of field approaches and culverts.
- Mark Chisholm, Section 16, Strand Twp. Permit #18-006 to widen a field approach and install a 24" culvert.
- Arvig Enterprises, Many Sections, Riceville, Atlanta, Goose Prairie Twps. Permit #18-009 to install fiber optic lines with the condition that the utility line is installed a minimum of 30" below any ditch channel bottoms, the applicant is responsible for adequate erosion control measures during construction, and if a Watershed District project or other legal ditch project is hereafter initiated, repaired or improved over permitted utility, the owner of said utility shall be responsible for the cost of moving or deepening the utility if the Watershed District deems it necessary for the construction of the repair, improvement or initiation of the project.

- Norman County Highway Department, Many Sections, Fossum Twp. Permit #18-010 to resurface CSAH 40 from TH200 to CSAH 29, the roadway surface would increase by 2.25 inches, with the condition that there will be no elevation change to the roadway surface in areas where the 100-year event currently overtops the roadway. The NCHD engineer was provided with a map noting these locations.
- Norman County Highway Department, Many Sections, Lake Ida and Wild Rice Twps. Permit #18-011 to resurface CSAH 27 from TH32 to CSAH 24, the roadway surface would increase by 0.25 inches, with the condition that there will be no elevation change to the roadway surface in areas where the 100-year event currently overtops the roadway. The NCHD engineer was provided with a map noting these locations.
- Barry Halland, Section 11, Waukon Twp. Permit #18-012 to wide two crossings and install longer 24" pipes. It is noted that the drainage authority for the adjacent ditch was noticed and the NCHD engineer was in attendance at the meeting and had no objection to the permit on their ditch system.
- Norman County Highway Department, Many Sections, Mary Twp. Permit #18-013 to resurface CSAH 12 from CSAH 39 to the Norman-Clay County line, the roadway surface would increase by 0.75 inches.
- Arvig Enterprises, Many Sections, Hendrum, Lee, Georgetown, Mary, Hegne, and Winchester Twps. Permit #18-016 to install fiber optic lines with the condition that the utility line is installed a minimum of 30" below any ditch channel bottoms, the applicant is responsible for adequate erosion control measures during construction, and if a Watershed District project or other legal ditch project is hereafter initiated, repaired or improved over permitted utility, the owner of said utility shall be responsible for the cost of moving or deepening the utility if the Watershed District deems it necessary for the construction of the repair, improvement or initiation of the project.

Tabled

- WBI Energy, Section 11, Flowing Twp. Permit #18-001 to install a new driveway and a new field approach with 24" pipes pending a field review to verify adjacent culvert sizes
- Clay County Highway Department, Sections 2 & 3, Highland Grove Twp. Permit #18-003 to replace an 18" centerline culvert with the same size at a lower elevation to request that the applicant provide written approval from the Clay SWCD regarding Wetland Conservation Act Compliance and plans showing any revisions to the proposed elevations or layouts. Noticed the E1/2 of Section 3 and the W1/2 of Section 2 of Highland Grove Township. Carried.
- Jared Visser, Section 20, Fossum Twp. Permit #18-007 to construct a new field approach with a 24" culvert pending a field review.
- Jared Visser, Section 29, Fossum Twp. Permit #18-008 to construct a new field approach with a 24" culvert pending a field review.
- Circle E Farms, Schneiderman Bros, and Mark Habedank, Sections 1 & 2, Ulen Twp. Permit #18-015 to construct a berm, increase the size of a centerline culvert, and improve a ditch to divert low flow run off to request additional information (height of the berm relative to the upstream culvert, depth and grade of the ditch to be constructed and the existing and proposed culvert sizes); then notice the adjacent landowners one mile downstream (NE1/4 of Section 2, of Ulen Township, S 1/2 and NW 1/4 of Section 35 of Home Lake Township, the MN DNR and the road authority (Ulen Township). Manager Erickson abstained.

Returned

- Russel Olson, Section 32, Wild Rice Twp. Permit #17-128 to install subsurface drain tile, informing the applicant that they can reapply if they acquire the requested information [written approval from the landowners (Thompson and Hendricks) located in the E1/2 of Section 30 of Wild Rice Township].
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April 2018

Approved

- WBI Energy, Section 11, Flowing Twp. Permit #18-001 to install a new driveway and a new field approach with 24" pipes.
- Jared Visser, Section 20, Fossum Twp. Permit #18-007 to construct a new field approach with a 24" culvert.
- Jared Visser, Section 29, Fossum Twp. Permit #18-008 to construct a new field approach with a 24" culvert.
- Garden Valley Technologies, Many Sections, Many Townships. Permit #18-014 to install fiber optic cable with the condition that the utility line is installed a minimum of 30" below any ditch channel bottoms, the applicant is responsible for adequate erosion control measures during construction, and if a Watershed District project or other legal ditch project is hereafter initiated, repaired or improved over permitted utility, the owner of said utility shall be responsible for the cost of moving or deepening the utility if the Watershed District deems it necessary for the construction of the repair, improvement or initiation of the project.
- Greg Zillmer, Section 12, Hagen Twp. Permit #18-017 to install subsurface drain tile with standard tile conditions.
- Greg Zillmer, Section 12, Hagen Twp. Permit #18-018 to remove two field approaches and culverts and install a field approach and culvert.
- Greg Zillmer, Section 10, Hagen Twp. Permit #18-019 to install subsurface drain tile, outlet into an existing drain tile system, and widen an existing ditch with standard tile conditions and the condition that the applicant get written permission from the owner of the tile system to be used as an outlet. It is noted that township representatives were in attendance voicing their objection to trees being removed, however they understood that landowners cannot be prevented from removing trees if they choose to do so.
- Robert Haverkamp, Section 14, Lake Grove Twp. Permit #18-021 to install water and sediment control basins with standard tile conditions.
- American Crystal Sugar, Section 17, Hegne Twp. Permit #18-022 to install a new driveway with a 24" culvert.
- Gary Schlick, Section 10, Rosedale Twp. Permit #18-023 to install water and sediment control basins with standard tile conditions.
- Gary Schlick, Section 24, Chief Twp. Permit #18-024 to install water and sediment control basins with standard tile conditions.
- Darrel Neisen, Section 10, Rosedale Twp. Permit #18-025 to install a grassed waterway with support tile with standard tile conditions.
- David Vilmo, Section 9, Green Meadow Twp. Permit #18-026 to install subsurface drain tile with standard tile conditions.

- David Vilmo, Section 10, Green Meadow Twp. Permit #18-029 to install subsurface drain tile with standard tile conditions.
- Dave Vilmo, Section 7, Green Meadow Twp. Permit #18-030 to install subsurface drain tile with standard tile conditions
- Robert Haverkamp, Section 17, Spring Creek Twp, Becker County. Permit #18-031 to install subsurface drain tile, outlet into an existing drain tile system with standard tile conditions and the condition that the applicant get written permission from the owner of the tile system to be used as an outlet.
- Robert Haverkamp, Section 14, Lake Grove Twp. Permit #18-032 to install water and sediment control basins and subsurface drain tile with standard tile conditions.

Tabled

- Clay County Highway Department, Sections 2 & 3, Highland Grove Twp. Permit #18-003 to replace an 18" centerline culvert with the same size at a lower elevation requesting that the applicant provide written approval from the Clay SWCD regarding Wetland Conservation Act Compliance and plans showing any revisions to the proposed elevations or layouts. Noticed the E1/2 of Section 3 and the W1/2 of Section 2 of Highland Grove Township.
 - Circle E Farms, Schneiderman Bros, Mark Habedank. Permit #18-015 to construct a berm, increase the size of a centerline culvert and improve a ditch to divert low flow run off, requesting additional information (height of the berm relative to the upstream culvert, depth and grade of the ditch to be constructed and the existing and proposed culvert sizes); then notice the adjacent landowners one mile downstream (NE1/4 of Section 2, of Ulen Township, S 1/2 and NW 1/4 of Section 35 of Home Lake Township, the MN DNR and the road authority (Ulen Township). It is noted that Manager Erickson was seated in the audience and did not vote on the motion. Tenant of the Schneiderman property was in attendance at the meeting, as well as Duane Erickson representing Circle E Farms. Discussion was held regarding the permit application.
 - Duane Brendemuhl, Section 2, Flowing Twp. Permit #18-020 to remove two field approaches with culverts, install two new field approaches with culverts, widening the south approach and installing a longer culvert pending possible permit revisions by the applicant.
 - David Vilmo, Section 9, Green Meadow Twp. Permit #18-027 to install subsurface drain tile to complete an additional field review of the outlet based on the road authority concerns.
 - David Vilmo, Section 9, Green Meadow Twp. Permit #18-028 to install subsurface drain tile to complete an additional field review.
 - John Brandt, Section 25, Pleasant View Twp. Permit #18-033 to remove a field approach and culvert and install a field approach and culvert to notice the south ½ of Section 24 and the north ½ of Section 25 of Pleasant View Twp.
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May 2018

Approved

- David Vilmo, Section 9, Green Meadow Twp. Permit #18-027 to install subsurface drain tile with standard tile conditions.
- David Vilmo, Section 9, Green Meadow Twp. Permit #18-028 to install subsurface drain tile with standard tile conditions.
- Eric Visser, Section 20, Winchester Twp. Permit #18-035 to install a field approach with a 24" culvert.
- Steve Kahlbaugh, Section 11, Pembina Twp. Permit #18-037 to install water and sediment control basins with standard tile conditions.
- David Eiyneck, Section 11, Lake Grove Twp. Permit #18-038 to install water and sediment control basins with standard tile conditions.
- Matt Vig, Section 9, Gregory Twp. Permit #18-039 to install water and sediment control basins with standard tile conditions.
- Gerald Johnson, Section 21, Heier Twp. Permit #18-040 to install water and sediment control basins with standard tile conditions.
- John Pazdernik, Section 2, Lake Grove Twp. Permit #18-042 to install water and sediment control basins with standard tile conditions.
- Ben Kettner, Section 35, Waukon Twp. Permit #18-045 to install a side inlet structure with standard tile conditions and with the condition that the applicant get approval from Drainage Authority (Norman County) for Norman County Ditch 9 for any work done in ditch right-of-way.

Tabled

- Clay County Highway Department, Sections 2 & 3, Highland Grove Twp. Permit #18-003 to replace an 18" centerline culvert with the same size at a lower elevation pending previously requested information at the request of the applicant.
- Circle E Farms, Schneiderman Bros, Mark Habedank, Sections 1 & 2, Ulen Twp. Permit #18-015 to construct a berm, increase the size of a centerline culvert, and improve a ditch to divert low flow runoff to notice the adjacent landowners one mile downstream (NE1/4 of Section 2 of Ulen Twp., S1/2 and NW1/4 of Section 35 of Home Lake Twp, the MN DNR and the road authority (Ulen Twp).
- Duane Brendemuhl, Section 2, Flowing Twp. Permit #18-020 remove two field approaches with culverts, install two new field approaches with culverts, the south approach will be wider with a longer culvert, at the request of the applicant who is considering a possible permit revision.
- Randall Gorder, Section 22, Waukon Twp. Permit #18-034 to install a new 24" or 36" centerline culvert to notice downstream property owners to the west and also to ask applicant to consider amending permit to ask for an 18" or to install additional pip capacity in driveway to the south to address the problems.
- Jeff Radke, Sections 10 & 15, Home Lake Twp. Permit #18-036 to install subsurface drain tile to notice the N1/2 of the NW1/4 of section 15 of Home Lake Twp or the Permit is approved if the applicant provides written permission from landowners noticed.
- USDA – NRCS, Sections 34 & 35, Chief Twp. Permit #18-041 to construct wetland restorations and request applicant provide additional details on how seepage will be controlled to protect downstream property from proposed basin 2-4.

- Haugo Bros, Sections 20 & 29, Marsh Creek Twp, Section 33, Pembina Twp. Permit #18-044 to install water and sediment control basins pending additional land use agreements from the NRCS.
- Doug Kettner, Section 16, Pembina Twp. Permit #18-046 to install a grade stabilization structure pending additional land use agreements from the NRCS.

Denied

- John Brandt, Section 25, Pleasant View Twp. Permit #18-033 to remove a field approach and culvert and install a field approach and culvert based on concern of adjacent hydraulic impacts.
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June 2018

Approved

- Clay County Highway Department, Sections 2, 3, Highland Grove Twp. Permit #18-003 to replace an 18" centerline culvert with the same size culvert at a lower elevation.
- Randal Gorder, Section 22, Waukon Twp. Permit #18-034 to install a new 18" centerline culvert. Managers Christensen and Johannsen and Chairman Holmvik opposed.
- USDA – NRCS, Sections 34 & 35, Chief Twp. Permit #18-041 to construct wetland restorations to request that the applicant provide details, calculations, and statement from engineer on how seepage will be controlled to protect downstream property from the proposed basin 2-4; and request a hydraulic analysis that shows surface water impacts at the east and west property lines resulting from the restoration structure for basin 3-2 for a full range of storm events. Managers Spaeth and Erickson opposed.
- Haugo Brothers, Sections 20, 29, Marsh Creek Twp, Section 33, Pembina Twp. Permit #18-044 to install water and sediment control basins with standard tile conditions.
- Doug Kettner, Section 16, Pembina Twp. Permit #18-046 to install a grade stabilization structure with standard tile conditions.
- Robert Brandt, Section 28, Green Meadow Twp. Permit #18-047 to remove a field approach and install a field approach.
- Robert Brandt, Section 33, Green Meadow Twp. Permit #18-048 to remove a field approach and install a field approach.
- Mike Appert, Section 26, Georgetown Twp. Permit #18-049 to install subsurface drain tile with standard tile conditions.
- Mike Kramer, Section 15, 22, Gregory Twp. Permit #18-051 to install a grade stabilization structure with standard tile conditions and with the condition that the emergency spillway is constructed at elevation 1251 or a block is installed on the east end of the pool to prevent runoff from backing into section 14 of Gregory Twp.
- Bursch Farms, Sections 15, 15, 21, 22, Marsh Creek Twp. Permit #18-052 to install subsurface water and sediment basins and grade stabilization structures with standard tile conditions.
- Bryan Klabunde, Section 17, Marsh Creek Twp. Permit #18-053 to install water and sediment basins and grade stabilization structures with standard tile conditions.

- Waukon Twp, Section 25 & 36, Waukon Twp. Permit #18-054 to replace a 5' diameter culvert with a longer culvert with the condition that the applicant get approval from the Ditch Authority for any work in Norman County Ditch 8.
- Leon Sip, Section 32, Lockhart Twp. Permit #18-055 to remove a field approach and install a field approach.
- Rodney Olson, Section 24, Anthony Twp. Permit #18-056 to remove a field approach and install a field approach with the recommendation that the applicant obtain permission from the ditch authority (Norman County).
- Jeff Gillespie, Sections 10 & 15, Home Lake Twp. Permit #18-057 to install subsurface drain tile with standard tile conditions.
- Red River Valley Coop, Section 26, Georgetown Twp. Permit #18-058 to bore a high voltage underground power line under Clay County Ditch no. 6 with the condition that the utility line is installed a minimum of 30" below any ditch channel bottoms, the applicant is responsible for adequate erosion control measures during construction, and if a Watershed District project or other legal ditch project is hereafter initiated, repaired, or improved over permitted utility, the owner of said utility shall be responsible for the cost of moving or deepening the utility if the Watershed District deems it necessary for the construction of the repair, improvement or initiation of the project.
- Skaurud Grain Farms, Section 12, Fossum Twp. Permit #18-059 to install subsurface drain tile with standard tile conditions.
- Skaurud Grain Farms, Section 16, Fossum Twp. Permit #18-060 to install subsurface drain tile with standard tile conditions.

Tabled

- Circle E Farms, Schneiderman Bros, Mark Habedank, Sections 1, 2, Ulen Twp. Permit #18-015 to construct a berm, increase the size of a centerline culvert, improve a ditch to diver low flow run off to request additional information (height of the berm relative to the upstream culvert, depth and grade of the ditch to be constructed and the existing and proposed culvert sizes); then notice the adjacent landowners one mile downstream (NE1/4 of Section 2, of Ulen Township, S 1/2 and NW 1/4 of Section 35 of Home Lake Township, the MN DNR and the road authority (Ulen Township). Tabled and Notice the adjacent landowners one mile downstream (NE1/4 of Section 2, of Ulen Township, S 1/2 and NW 1/4 of Section 35 of Home Lake Township, the MN DNR and the road authority (Ulen Township). Manager Erickson abstained.
 - Duane Brendemuhl, Section 2, Flowing Twp. Permit #18-020 to remove two field approaches with culverts, install two new field approaches with culverts, the south approach will be wider with a longer culvert at the applicants request pending a possible permit revision.
 - Circle E Farms, Section 3, Home Lake Twp. Permit #18-061 to install subsurface drain tile to notice adjacent landowners and the MNDNR. Manager Erickson abstained.
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July 2018

Approved

- Circle E Farms, Section 3, Home Lake Twp. Permit #18-061 to install subsurface drain tile with standard tile conditions and the condition that no perforated tile is installed within 200 feet of the property line without written permission from the adjacent property owner. Manager Erickson abstained.
- Halstad Twp, Section 36, Halstad Twp. Permit #18-063 to extend a centerline culvert and widen the roadway slopes.
- Mike Revier, Section 1, Spring Creek Twp, Becker County. Permit #18-064 to install subsurface drain tile with standard tile conditions.
- Sundal Twp, Section 30 & 31, Sundal Twp. Permit #18-066 to replace a box centerline culvert (approx. 7.9ft² with an equivalent sized longer centerline culvert with the condition that the culvert diameter be 36".
- CHS Inc, Section 35, Marsh Creek Twp, Section 2, Pembina Twp. Permit #18-069 to construct a railway spur line with culvert extensions, new approach, driveways, culvert replacements and drain tile.
- Waukon Twp, Sections 1 & 2, Waukon Twp. Permit #18-070 to lower a 24" centerline culvert approximately 12-13 inches.
- Eric Visser, Section 15, Winchester Twp. Permit #18-071 to install a field approach and culvert.
- John Brandt, Section 13, Pleasant View Twp. Permit #18-073 to install subsurface drain tile with standard tile conditions
- Jesse McCollum, Section 21, Beaulieu Twp. Permit #18-075 to install water and sediment control basins with standard tile conditions.

Tabled

- Circle E Farms, Schneiderman Bros, Mark Habedank, Sections 1 & 2, Ulen Twp. Permit #18-015 to construct a berm, increase the size of a centerline culvert and improve a ditch to divert low flow runoff pending previously requested information from the applicant/approval from the MNDNR for proposed work.
- Duane Brendemuhl, Section 2, Flowing Twp. Permit #18-020 to remove two field approaches with culverts, install two new field approaches with culverts, the south approach will be wider with a longer culvert, at the applicant's request pending a possible permit revision.
- USDA-NRCS, Section 34 & 35, Chief Twp. Permit #18-041 to construct wetland restorations pending previously requested information requested from the applicant.
- Charles Borgen, Section 21, Georgetown Twp. Permit #18-062 to replace a 24" culvert in a field approach with a 36" culvert pending a field review of areas downstream of TH 75 that were identified as concerns from adjacent property owner.
- Georgetown Twp, Sections 21 and 22, Georgetown Twp. Permit #18-065 to replace a 24" centerline culvert with a 36" centerline culvert pending a field review of areas downstream of TH 75 that were identified as concerns from adjacent property owner.

- Russel Olson, Section 12, Rockwell Twp. Permit #18-067 to install subsurface drain tile requesting a tile plan with tile sizes and outlet locations. Rockwell Township presented a letter of support for the project. A representative for an adjacent landowner requested a detailed tile plan prior to the meeting.
 - Norman County Highway Department, Sections 1 and 2, Halstad Twp. Permit #18-068 to install sheet piling for a roadway stabilization project to request information from applicant on details on where sheet pile has or will be placed in the repair locations. Carried.
 - Mike Revier, Section 5, White Earth Twp. Permit #18-072 to install subsurface drain tile and notice the east half of section 6 and section 5 of White Earth Township and notice Mahnomen County, Drainage Authority for Mahnomen County Ditch 3.
 - Clay County Highway Department, Section 30, Georgetown Twp. Permit #18-074 to replace a bridge with two box culverts pending a field review.
-

August 2018

Approved

- Charles Borgen, Section 21, Georgetown Twp. Permit #18-062 to replace a 24" culvert in a field approach with a 36" culvert.
- Russel Olson, Section 12, Rockwell Twp. Permit #18-067 to install subsurface drain tile with standard tile conditions.
- Norman County Highway Department, Sections 1 & 2, Halstad Twp. Permit #18-068 to install sheet piling for a roadway stabilization project.
- Mike Revier, Section 5, White Earth Twp. Permit #18-072 to install subsurface drain tile with standard tile conditions.
- Clay County Highway Department, Section 30, Georgetown Twp. Permit #18-074 to replace a bridge with two box culverts.
- Bryan Jacobson, Section 17, Good Hope Twp. Permit #18-076 to construct a field approach with an 18" culvert.
- Skaurud Grain Farms, Section 17 & 18, Wild Rice Twp. Permit #18-077 to install subsurface drain tile with standard tile conditions.
- Kevin Anderson, Section 19, McDonaldsville Twp. Permit #18-078 to install a field approach with an 18" culvert.
- Kevin Anderson, Section 24, Hegne Twp. Permit #18-079 to install field approaches and culverts with the condition that Option B is implemented and Option A is not. Manager Hanson opposed.
- Norman County Highway Department, Waukon & Bear Park Twps. Permit #18-080 to replace nine centerline culverts with the same size except at two locations.

Tabled

- Circle E Farms, Schneiderman Bros, Mark Habedank, Sections 1 & 2, Ulen Twp. Permit #18-015 to construct a berm, increase the size of a centerline culvert, and improve a ditch to divert low flow runoff pending approval from the MNDNR for proposed works.
- Duane Brendemuhl, Section 2, Flowing Twp. Permit #18-020 to remove two field approaches with culverts, install two new field approaches with culverts, the south approach will be wider with a longer culvert at the applicant's request pending a possible permit revision.

- USDA-NRCS, Section 34 & 35, Chief Twp. Permit #18-041 to construct wetlands pending previously requested information from the applicant: details, calculations, and statement from engineer on how seepage will be controlled to protect downstream property from the proposed basin 2-4; and requested a hydraulic analysis that shows surface water impacts at the east and west property lines resulting from the restoration structure for Basin 3-2 for a full range of storm events.
- Darin Erickson, Section 17, Walworth Twp. Permit #18-083 to install subsurface drain tile to notice the SW1/4 of Section 17 of Walworth Twp or the permit is approved with conditions if the applicant provides written approval from the landowners in the area noticed.
- Darin Erickson, Section 33, Flom Twp. Permit #18-084 to install subsurface drain tile to notice Section 33 of Flom Twp, the SE1/4 of Section 32 of Flom Twp, and the NE1/4 of Section 4 of Walworth Twp or the permit is approved with conditions if the applicant provides written approval from the landowners in the area noticed.
- Darin Erickson, Section 6, Flom Twp. Permit #18-085 to install subsurface drain tile to notice the E1/2 of Section 1 of Home Lake Twp or the permit is approved with conditions if the applicant provides written approval from the landowners in the area noticed.
- Darin Erickson, Sections 14, 22 & 23, Walworth Twp. Permit #18-086 to install subsurface drain tile and construct a ditch to notice the E1/2 of Section 15, the S1/2 of Section 22 and, Section 23 all of Walworth Twp, and Walworth Twp supervisors. Also request that the applicant provide additional details regarding the ditch (slope and cross sections) and any culverts that will be added.

Denied

- Georgetown Township, Sections 21 & 22, Georgetown Twp. Permit #18-065 to replace a 24" centerline culvert with a 36" culvert.

September 2018

Approved

- USDA-NRCS, Sections 34 & 35, Chief Twp. Permit #18-041 to construct wetlands contingent on applicant providing revised plans and design report for staff review, and staff concurrence that revised application addresses previous concerns presented.
- Chris Brauhn, Section 2, Ulen Twp Permit #18-081 to construct a field approach with an 18" culvert.
- Ty Ellefson, Section 21, Home Lake Twp. Permit #18-082 to install subsurface drain tile with standard tile conditions.
- Darin Erickson, Section 17, Walworth Twp. Permit #18-083 to install subsurface drain tile with standard tile conditions and the condition that the applicant provide written approval from the adjacent property owner in the SW ¼ of Section 17 of Walworth Twp.
- Darin Erickson, Section 33, Flom Twp. Permit #18-084 to install subsurface drain tile with standard tile conditions.

- Darin Erickson, Section 6, Flom Twp. Permit #18-085 to install subsurface drain tile with standard tile conditions based on the amended tile plan received 8-28-2018.
- Kyle Bergren, Section 11, Atlanta Twp. Permit #18-087 to install subsurface drain tile with standard tile conditions.
- Austin Broden, Section 27, Sundal Twp. Permit #18-088 to install two new culverts and lengthen existing culvert with the condition that the new culverts have a minimum size of an 18" diameter pipe.
- Austin Broden, Section 14, Sundal Twp. Permit #18-089 to construct a field approach with a 24" culvert.
- Kevin Anderson, Section 24, Hegne Twp. Permit #18-091 to install culvert and approach with the condition that two 30" culverts are installed.
- Gerald Chisholm, Section 1 & 12, Green Meadow Twp. Permit #18-093 to straighten a ditch.
- Aaron Borgen, Section 5, Mary Twp. Permit #18-094 to replace an 18" culvert with a longer 18" culvert, lower new culvert and widen approach.
- Aaron Borgen, Section 32, Hegne Twp. Permit #18-095 to replace an 18" culvert with a longer 18" culvert, lower new culvert and widen approach.
- Duane Erickson, Section 14, Home Lake Twp. Permit #18-096 to install subsurface drain tile with standard tile conditions.
- Brian Borge, Section 27, Lockhart Twp. Permit #18-098 to install a culvert and approach with the condition that the culvert is a 30" diameter pipe.
- Michael Christensen, Section 23, Fossum Twp. Permit #18-099 to install subsurface drain tile with standard tile conditions. Manager Christensen was seated in the audience.
- City of Hitterdal, Section 4, Goose Prairie Twp. Permit #18-100 to install 3" PVC drain pipe (city street) within ROW.
- City of Hitterdal, Section 5, Goose Prairie Twp. Permit #18-101 to install 3" PVC drain pipe (city street) within ROW with the condition that the applicant provide written approval for the downstream landowners (David Nelson, Merlin Lofgren, and Oscar Aranda)
- Corey Jacobson, Section 3 & 4, McDonaldsville Twp. Permit #18-102 to remove 24" concrete culvert and replace with 24" steel culvert, install two field approaches with 24" culverts.
- Darin Erickson, Section 18, Spring Creek Twp, Becker County. Permit #18-103 to install subsurface drain tile with standard tile conditions and the condition that the applicant provide written approval from the adjacent property owner (Krelitz) in the NW ¼ of Section 18 of Spring Creek Twp.
- Eric Dyrdaahl, Section 2, Felton Twp. Permit #18-104 to replace an 18" culvert with a longer 18" culvert at two locations and widen approaches.
- Rod Olson, Section 26, Good Hope Twp. Permit #18-105 to install subsurface drain tile with standard tile conditions.
- Marsh Creek Twp, Section 13, Marsh Creek Twp. Permit #18-110 to replace two 18" centerline culverts with one 30" centerline culvert.

Tabled

- Circle E Farms, Schneiderman Bros, Mark Habedank. Sections 1 & 2, Ulen Twp. Permit #18-015 to construct a berm, increase the size of a centerline culvert, and improve a ditch to divert low flow runoff pending previously requested information/approval from the MNDNR.

- Duane Brendemuhl, Section 2, Flowing Twp. Permit #18-020 to remove two field approaches with culverts, install two new field approaches with culverts, the south approach will be wider with a longer culvert at the applicants request pending a possible permit revision. Carried.
- Richard Balstad, Section 3, Gregory Twp. A motion was made by Manager Johannsen and seconded by Manager Spaeth to table Permit #18-090 to install a culvert pending information requested from the applicant: a sketch of the proposed project showing the cross section and plan view of the overflow, the location of the new pipe showing the distance from the existing centerline culvert, elevation of the new culvert and the elevation of the overflow section relative to the upstream pipe and existing ditch channel and any proposed erosion measures such as rip rap or grass seeding.
- Perry Ellingson, Section 36, Hendrum Twp. Permit #18-092 to install a culvert to request that the applicant provide written documentation of a MNDNR permit.
- Chris Erickson, Section 14, Walworth Twp. Permit #18-107 to remove a culvert and deepen a ditch to notice Walworth township and the S1/2 of section 11 of Walworth Twp. Motion carried with Manager Erickson opposed.
- Chris Erickson, Section 23, Walworth Twp. Permit #18-106 to install subsurface drain tile pending applicant revising permit application based on concerns from downstream property owners. Manager Erickson was seated in the audience.
- Chris Erickson, Section 14, Walworth Twp. Permit #18-107 to remove a culvert and deepen a ditch to notice Walworth township and the S1/2 of section 11 of Walworth Twp. Motion carried with Manager Erickson opposed.
- Adam Stalboerger, Section 6, Lake Grove Twp. Permit #18-108 to restore wetlands and construct ditch plugs to notice adjacent landowners and the road authority. Carried.
- Pheasants Forever, Sections 28 & 29, Home Lake Twp. Permit #18-109 to restore wetlands and construct ditch plugs pending comments from Road Authority, or permit is approved with applicant provided written documentation of no concerns from Home Lake Township.
- Chris Erickson, Section 14, Walworth Twp. Permit #18-107 to remove a culvert and deepen a ditch to notice Walworth township and the S1/2 of section 11 of Walworth Twp. Motion carried with Manager Erickson opposed.

Denied

- Chris Erickson, Sections 14, 22 & 23, Walworth Twp. Permit #18-086 to install subsurface drain tile and construct a ditch due to concerns presented by downstream landowners. Carried. Manager Erickson was seated in the audience.

October 2018

Approved

- Chris Erickson, Section 23, Walworth Twp. Permit #18-106 to install subsurface drain tile with standard tile conditions and the condition that the applicant provide written approval from Walworth Twp and the landowners in the SW1/4 of Section 22 of Walworth Twp based on the revised application received before the meeting.

- Chris Erickson, Section 14, Walworth Twp. Permit #18-107 to remove a culvert and deepen a ditch with the condition that the applicant get approval from the township for any work in the township road right of way.
- Red River Valley Coop Power Assn, Section 6, Shelly Twp. Permit #18-111 to install a high voltage underground powerline with the condition that the utility line is installed a minimum of 30" below any ditch channel bottoms, the applicant is responsible for adequate erosion control measures during construction, and if a Watershed District project or other legal ditch project is hereafter initiated, repaired or improved over permitted utility, the owner of said utility shall be responsible for the cost of moving or deepening the utility if the Watershed District deems it necessary for the construction of the repair, improvement or initiation of the project.
- Dave Johnstad, Section 32, Ries Twp. Permit #18-112 to cut through a dike and route water west into JD 53. Carried.
- David Schneiderman, Section 25, Ulen Twp. Permit #18-113 to install an 18" centerline culvert under 170th ave with the condition that the applicant get written permission from the W1/2 of Section 24 of Ulen Twp.
- NCHD, Section 2, Hegne Twp. Permit #18-114 to install a field approach with an 18" culvert with a flap gate with the condition that the culvert does not have a flap gate.
- Ducks Unlimited, Section 27, Goose Prairie Twp. Permit #18-115 to construct wetland restorations and creations based on the applicant request to eliminate all wetlands proposed along the south and west lines (specifically wetlands 8, 10, 15, 31, 32, 33, and 34).
- Roger Foltz, Section 21, Spring Creek Twp., Becker County. Permit #18-116 to install subsurface drain tile with standard tile conditions and the condition that the applicant provide written approval from downstream property owners (Joshua Safar and Joanne Stalberger). Motion carried with Manager Erickson abstaining.
- Darin Erickson, Section 6, Walworth Twp. Permit #18-118 to install subsurface drain tile with standard tile conditions.
- Ryan Halland, Section 2, Waukon Twp. Permit #18-119 to install a field approach with a 24" culvert pending staff review.

Tabled

- Richard Balstad, Section 3, Gregory Twp. Permit #18-090 to install a culvert pending previously requested information from the applicant as follows: a sketch of the proposed project showing: the cross section and plan view of the overflow, the location of the new pipe showing the distance from the existing centerline culvert, elevation of the new culvert and the elevation of the overflow section relative to the upstream pipe and existing ditch channel, and any proposed erosion measures such as rip rap or grass seeding.
- Perry Ellingson, Section 36, Hendrum Twp. Permit #18-092 to install a culvert pending written documentation of a MNDNR Permit for proposed works.
- Darin Erickson, Section 17, Walworth Twp. Permit #18-097 to install a ditch crossing and culvert pending previously requested survey information.
- Adam Stalboerger, Section 6, Lake Grove Twp. Permit #18-108 to restore wetlands and construct ditch plugs pending engineering review of concerns expressed by adjacent property owners. Adjacent landowners were in attendance and presented concerns regarding flooding impacts due to the proposed project plans.

- Pheasants Forever, Sections 28 & 29, Lake Ida Twp. Permit #18-109 to restore wetlands and construct ditch plugs at the request of Home Lake Twp or the Permit is approved with written documentation of no concerns from Home Lake Twp Board.
- NRCS, Sections 23, 26, 34, 35, Lake Ida Twp. Permit #18-117 to notice surrounding landowners (Section 23, E1/2 Section 22, Section 35, and E1/2 Section 34 all of Lake Ida Twp and the ditch authority for NCD 29 (NCHD).

Returned

- Circle E Farms, Schneiderman Bros, Mark Habedank, Sections 1 & 2, Ulen Twp. Permit #18-015 to construct a berm, increase the size of a centerline culvert, and improve a ditch to divert low flow runoff pending approval from MNDNR.
 - Duane Brendemuhl, Section 2, Flowing Twp. Permit #18-020 to remove two field approaches with culverts, install two new field approaches with culverts, the south approach will be wider with a longer culvert.
-

November 2018

Approved

- Adam Stalboerger, Section 6, Lake Grove Twp. Permit #18-108 to restore wetlands and construct ditch plugs with the condition that the applicant get approval from the Road Authority.
- NRCS, Sections 23, 26, 34, 35, Lake Ida Twp. Permit #18-117 to fill in ditches and construct ponds with the condition that the applicant get approval from the adjacent property owners for any wetlands restored or created within 200 feet of the property line and from the Ditch Authority (Norman County) for any work within the ROW of Norman County Ditch 29. Carried with Manager Erickson opposed.
- Kraig Nelson, Section 10, Atlanta Twp. Permit #18-120 to construct a field crossing with two 18" culverts and a 50' wide overflow section with a flowline that is 18" above the existing ditch bottom with the condition that the applicant provide written permission from the landowner upstream (Bergren) and that the field crossing is constructed with two 18" culverts and a 50' wide overflow section with a flowline that is 18" above the existing ditch bottom.
- David Vipond, Section 8, Ulen Twp. Permit #18-121 to install subsurface drain tile with standard tile conditions and the condition that the applicant provide written approval from the road authority (Ulen Twp) and from the landowner in the N1/2NE1/4 of Section 17 of Ulen Twp.
- James Borgen, Section 7, Hendrum Twp. Permit #18-124 to install a field approach with an 18" culvert, Carried.

Tabled

- Richard Balstad, Section 3, Gregory Twp. Permit #18-090 to install a culvert pending previously requested information from the applicant.
- Perry Ellingson, Section 36, Hendrum Twp. Permit #18-092 to install a culvert pending previously requested information including a permit from MNDNR
- Darin Erickson, Section 17, Walworth Twp. Permit #18-097 to install a ditch crossing and culvert to request survey information as shown on an attached project map.
- Falk Twp, Section 22, Falk Twp. Permit #18-122 to lower an existing centerline culvert requesting that the applicant provide written approval including any required mitigation from the WCA LGU (Clearwater County).
- Allen Halland, Section 19, Strand Twp. Permit #18-123 to construct a field approach and access road with an 18" culvert and request that the applicant provide written approval including any required wetland mitigation from the Norman County WCA LGU (Norman SWCD).

Returned

- Gerald Chisholm, Section 4, Lake Ida Twp. Permit #18-125 to cleanout and possibly improve existing ditches was returned to the applicant as it was determined through phone conversation with the applicant that ditch improvements would not be completed, only cleaning of existing ditchways which does not require a permit.

December 2018

Approved

- Falk Township, Section 22, Falk Twp. Permit #18-122 to lower an existing centerline culvert with the condition that the centerline culvert is installed with the north end (inlet side) at the current elevation and the south end (outlet end) lowered to match the current elevation of the north end, which is 26" below the bench mark established by the Clearwater County as described in their November 20, 2018, letter.
- Kurt Anderson, Section 25, McDonaldsville Twp. Permit #18-126 to replace an 18" culvert with a longer 18" or 24" culvert in a field approach with the condition that the replacement pipe is an 18" diameter pipe.
- Paul Harless, Section 12, Winchester Twp. Permit #18-127 to install subsurface drain tile with standard tile conditions. Manager Harless was not seated at the Board table.
- Scott Stevenson, Section 2, Viding Twp. Permit #18-130 to install an 18" side inlet culvert with a flap gate with the condition that the outlet is installed above (however not more than 2 ft above) the elevation of the original design grade line of the receiving ditch and the condition that the ditch banks and/or levees are restored to the pre-project geometry and the condition that the applicant is responsible for adequate erosion control measures at the outlet. This could include the installation of riprap or other protection measures necessary.
- Randy Green, Section 8, Green Meadow Twp. Permit #18-131 to install subsurface drain tile with standard tile conditions pending a staff review of application. Motion carried with Manager Johannsen voting against.

Tabled

- Richard Balstad, Section 3, Gregory Twp. Permit #18-090 to install a culvert pending previously requested information from the applicant: a sketch of the proposed project showing the cross section and plan view of the overflow, the location of the new pipe showing the distance from the existing centerline culvert, elevation of the new culvert, elevation of the overflow section relative to the upstream pipe and existing ditch channel, and any proposed erosion measures such as rip rap or grass seeding.
- Perry Ellingson, Section 36, Hendrum Twp. Permit #18-092 to install a culvert pending information from the applicant (MNDNR Permit). It is noted that Engineer Bents will communicate with MNDNR to determine what information they need from the applicant and relay the information.
- Allen Halland, Section 19, Strand Twp. Permit #18-123 to construct a field approach and access road with an 18" culvert requesting that the applicant provide written approval including any required mitigation from the Norman County WCA LGU (Norman County SWCD).
- Verdell Olson, Section 7, Sundal Twp. Permit #18-128 to install subsurface drain tile and request that the applicant provide a complete tile plan including the locations of the tile, sizes, depths, and the type of outlet.
- Norman County Highway Department, Sections 18-19, Shelly Twp. Permit #18-129 for roadway construction and culvert changes to notice the City of Shelly and suggest the applicant reconsider the locations of the proposed slide gates to the south side of the roadway.

Withdrawn

- Darin Erickson, Section 17, Walworth Twp. Permit #18-097 was withdrawn by the applicant prior to the board meeting.

V. 2018 Meeting Minutes in Review

All meeting minutes from 2018 have been reviewed and approved by the Watershed Managers. Within this report, the items pertaining to certain projects or programs have been moved to the section titled **IV. Plan Performance** of this report. All other items have been included and somewhat abbreviated under the monthly headings shown below. Approved, unedited monthly meeting minutes are available in their entirety on the district website www.wildricewatershed.org or at the District office.

January 2018

A **REGULAR MEETING** of the Wild Rice Watershed District Board of Managers was held on **WEDNESDAY JANUARY 10, 2018**. Managers in attendance included: Greg Holmvik, Mike Christensen, Duane Erickson, Raymond Hanson, Mark Harless, Curt Johannsen and Dean Spaeth. In addition, the following persons were in attendance: Administrator Kevin Ruud, Engineer Jerry Bents, Attorney Elroy Hanson, Tara Jensen, and various other interested taxpayers and landowners.

Chairman Holmvik called the meeting to order 8:30 a.m. with the pledge of allegiance. The agenda was approved as presented, with the addition of DOT easement and electronic meeting attendance. Payment of billings was approved with as presented. December 13, 2017, Regular Meeting Minutes were approved as presented.

The December 31, 2017, year ending 2017 financial reports, and year-end transfers from unassessed projects and ditches, permits and violations to the Red River Construction Account were also approved as presented. The 2018 Auto Pay Vendor list, was approved.

Board approved officer signatures on the temporary easement for TH32 improvements presented by MNDOT. A MAWD resolution was recently presented seeking support in asking legislators for the ability to managers to attend meetings via electronic means outside of the District. The Board expressed their desire to not offer support to the request. The Board reviewed an office space proposal with will be given to RRWMB Executive Director Robert L. Sip. Favorable comments were returned by Managers regarding the possibility of hosting the RRWMB staff in the WRWD office building. The Board approved a lease request from Brandon Borgen for the Merkle property. Terms of the lease agreement will be \$100 annually plus all applicable property taxes for a length of 5 years. Carried. Discussion was held regarding delegating an official newspaper for the WRWD. Attorney Hanson will research the topic for continued discussion at the February Board meeting.

Administrator Ruud was authorized to transfer between Money Market and Checking Accounts, with a daily limit of \$500,000, and between Checking and Debit card accounts, with a daily limit of \$2,000 at Frandsen Bank and Trust. Administrator Ruud must notify finance committee members of account transfers once they occur. District Staff was authorized to internally transfer funds between unassessed projects and ditches and the Red River Construction account, bringing transfers for board notification and approval at regular Board Meetings.

Manager Erickson presented questions regarding district owned property. Administrator Ruud asked Manager Erickson to present his questions during regular business hours, when staff is able to meet with him individually and answer any questions that he may have rather than during the meeting time when such information is not readily available.

Payment of Managers per diems and expenses were approved as distributed.

There being no further business to come before the Board of Managers, Chairman Holmvik adjourned the meeting at 9:49 a.m.

February 2018

A **REGULAR MEETING** of the Wild Rice Watershed District Board of Managers was held on **WEDNESDAY FEBRUARY 14, 2018**. Managers in attendance included: Greg Holmvik, Duane Erickson, Raymond Hanson, Mark Harless, Curt Johannsen and Dean Spaeth. Manager Mike Christensen was absent. In addition, the following persons were in attendance: Administrator Kevin Ruud, Engineer Jerry Bents, Attorney Elroy Hanson, Tara Jensen, and various other interested taxpayers and landowners.

Chairman Holmvik called the meeting to order 8:30 a.m. The agenda was approved with the addition/removal of the following items: Remove Clay County SWCD and add as a March appointment, Remove Ditch Right of Way at the request of Attorney Hanson and add to March Agenda, Add MAWD term limits, Add DRM Grant.

Billings were approved as presented, with the addition of two late bills. The Managers approved the January 10, 2018, meeting minutes with one correction to the meetings and conferences section. The January 31, 2018, financial report was approved as presented.

Leon Johnson was in attendance and stated that he does not feel that the current ditch taxes are fairly assessing landowners. He has spoken with Senator Eken and would like Watershed support to ask for funding assistance for redetermination of benefits along ditch systems within a watershed. He also stated that he felt a sewer tax would be a more fair assessment for those within the system, as all landowners are receiving a benefit from the system. Manager Johannsen felt that the process of completing a redetermination of benefits along ditch systems should be started district wide, approaching the issue one system at a time. Manager Harless felt that a redetermination of benefits would be more beneficial if it were requested by the landowners within the system, rather than imposed by Managers. Engineer Bents stated that there is a system available where boundaries can be corrected without going through a complete redetermination process. Lengthy discussion was held regarding these items.

Roger Luckow complaint: No board action, a field review will be completed when weather allows.

Executive Director, Robert L. Sip was in attendance and introduced himself to the Board. He presented an overview of his past employment as well as a background of himself, followed by an overview of the strategic planning process and his plans to increase interaction with member watershed districts and counties within the RRWMB.

Staff will present a listing of proposed official newspapers for the WRWD for consideration at the March Regular Board Meeting.

Bjorn Furuseth addressed the Managers. He began by asking Administrator Ruud and Engineer Bents questions regarding the temporary easement for the City of Halstad project. Once finished, discussion was turned to a parcel co-owned by the Furuseth parties and the WRWD, located near Heiberg Dam. Bjorn presented the Managers with an offer to sell the Furuseth half interest in the parcel to the WRWD for a price of \$10,000. Ben Fall, Twin Valley City Mayor was also in attendance. He addressed the Board and stated that the City is interested in developing a parcel adjacent to the parcel in discussion into a city park. He added that the parcel co-owned by the Furuseth parties and WRWD is the only access to the area which the city would like to develop. Managers authorized Attorney Hanson to develop documents to gift the WRWD half interest in the parcel to the City of Twin Valley. Discussion ensued regarding the ownership, joint tenancy, and donation of the parcel.

Engineer Bents stated that quotes for the Todd Ring Dike improvements will be sought prior to the March meeting. The engineer's estimate of construction costs is \$90,000. Board approved the amount paid to each SWCD envirothon request of \$200.00. Manager Erickson asked if term limits were discussed at the MAWD Annual meeting. Manager Johannsen responded that they were not. Administrator Ruud informed the Board that the District's application for a state grant for DRM was approved in the amount of \$25,000 with a local match of approximately \$17,000.

Manager and Staff attendance at the RRWMB and FDR Annual Joint Conference, March 21-22, 2018, Marriott Hotel, Moorhead was approved.

Payment of Managers per diems and expenses were approved as distributed.

There being no further business to come before the Board of Managers, Chairman Holmvik adjourned the meeting at 10:55 am.

March 2018

A **REGULAR MEETING** of the Wild Rice Watershed District Board of Managers was held on **WEDNESDAY MARCH 14, 2018**. Managers in attendance included: Greg Holmvik, Mike Christensen, Duane Erickson, Raymond Hanson, Mark Harless, Curt Johannsen and Dean Spaeth. In addition, the following persons were in attendance: Administrator Kevin Ruud, Engineer Mark Aanenson, Attorney Elroy Hanson, Tara Jensen, and various other interested taxpayers and landowners.

Chairman Holmvik called the meeting to order 8:30 a.m. with the pledge of allegiance. The agenda was approved as presented. Payment of billings was approved with one late addition. The February 14, 2018, meeting minutes were approved with one correction. The monthly financial report dated February 28, 2018, was approved as presented.

A lease agreement has been submitted to the RRWMB and is currently being reviewed by their attorney. Once the lease agreement is signed, we will proceed with remodeling project. Board discussion was held regarding the project. The Board authorized Administrator Ruud to act as General Contractor for the project and advertise in official newspapers for general construction work and materials, plumbing, electrical, drywall, concrete, heating and cooling, and flooring quote. It was noted that all general construction, plumbing and electrical quotes must be accompanied by a current contractor's license and all parties submitting quotes must supply a certificate of liability insurance with their quote. Discussion continued that the District seeks to work with respectable contractors whose availability meets our need.

Engineer Bents stated that a field review needs to be done on the complaint filed by Rodger Luckow when weather permits. Clay County SWCD employees were in attendance and asked for assistance with buffer implementation within they county. Following lengthy discussion, the Board asked SWCD staff to return when more definite information including funding, responsibilities of parties, and implementation details are available. A 2018 official newspaper for each of the six (6) counties served by the Wild Rice Watershed District was approved. A list of official newspapers is attached as Appendix A at the end of this report.

Work continued to determine district ditch right of ways. Staff was authorized to continue working on the process. Manager Erickson opposed.

Payment of Managers per diems and expenses were approved as distributed.

There being no further business to come before the Board of Managers, Chairman Holmvik adjourned the meeting at 11:21 am.

April 2018

A **REGULAR MEETING** of the Wild Rice Watershed District Board of Managers was held on **WEDNESDAY, APRIL 11, 2018**. Managers in attendance included: Greg Holmvik, Mike Christensen, Duane Erickson, Raymond Hanson, Mark Harless, Curt Johannsen and Dean Spaeth.

In addition, the following persons were in attendance: Administrator Kevin Ruud, Engineer Jerry Bents, Attorney Elroy Hanson, Tara Jensen, and various other interested taxpayers and landowners.

Chairman Holmvik called the meeting to order 8:30 a.m. The meeting agenda was approved with the addition of Rob Baden DNR at 10:00 am, Goose Prairie Expectations and BWSR Buffer Information. Monthly billings were approved as presented. The March 14, 2018, meeting minutes, monthly and quarterly financial report dated March 31, 2018, were approved as presented.

No action was deemed necessary for the two open complaints. Both are awaiting field review when weather conditions allow. The Board approved Chairman Holmvik to sign the Office Space Lease Agreement with the RRWMB.

Rob Baden was in attendance to discuss proposed projects in the area near the Lockhart Swamp and Moccasin Creek. Engineer Bents recommend that Baden submit a Permit Application for work to be completed to allow engineering to review proposed projects. Baden indicated that he would not submit a permit application as he is not required to according to state law. Baden was informed that the WRWD Board of Managers does not agree with said law. Engineer Bents requested that Baden submit a letter with detailed project plans for engineering to review. Baden responded that he would do so.

A hearing for the Goose Prairie WMA project was held. Manager and Staff attendance at the 2018 MAWD Summer Tour was approved.

Administrator Ruud discussed a proposed Administrative Penalty Order distributed for comment by BWSR at the beginning of April. Executive Director of BWSR, John Jaschke stated that the APO would be discussed by a BWSR committee and likely not come out as a mandate.

Payment of Managers per diems and expenses were approved as distributed.

There being no further business to come before the Board of Managers, Chairman Holmvik adjourned the meeting at 12:22 pm.

May 2018

A **REGULAR MEETING** of the Wild Rice Watershed District Board of Managers was held on **WEDNESDAY, MAY 9, 2018**. Managers in attendance included: Greg Holmvik, Mike Christensen, Duane Erickson, Raymond Hanson, Mark Harless, Curt Johannsen and Dean Spaeth. In addition, the following persons were in attendance: Administrator Kevin Ruud, Engineer Jerry Bents, Attorney Elroy Hanson, Tara Jensen, and various other interested taxpayers and landowners.

Chairman Holmvik called the meeting to order 8:30 a.m. with the pledge of allegiance.

The meeting agenda was approved with the following additions: James Stock cost share request and Goose Prairie Marsh. The payment of billings was approved with the addition of one late bill. The April 11, 2018, meeting minutes was approved with one correction and monthly financial report dated April 30, 2018, was approved with one correction.

Christopher Clasen, CPA from Justin Clasen & Company was in attendance and reported on the recently completed annual District audit. Clasen summarized the Communication Letter noting that the audit did not find significant deficiencies with the District, stating that the audit went very well and the District is in good financial standing.

Dustin Jasken, NRCS, was in attendance to request a cost share for a project on property owned by Stock and operated by Darrel Neisen. Board approved a 40% cost share for the project with a maximum amount of \$6,278.00.

Staff was authorized to follow up with the parties involved in the Luckow complaint in a couple weeks to determine if a solution was reached.

Administrator Ruud presented quotes received for the building remodeling project. He also presented an additional floor plan which staff felt future needs of the district but could provide a cost savings over the plan which was distributed for quotes. Manager Hanson voiced concern regarding

the remodeling project and increased cost. Manager Johannsen stated that he felt that the overall benefit of having the RRWMB co-located with the district are significant. Board rejected a motion to dissolve the lease agreement with the RRWMB. Motion failed with Managers Hanson and Erickson in favor and Chairman Holmvik, Managers Harless, Christensen, Spaeth, and Johannsen against. Board authorized soliciting for quotes for an updated floor plan with separate quotes for each of the contract areas. Discussion regarding project specifications and developing a bid packet followed. Manager Hanson voted against. Board authorized requesting quotes for the original floor plan presented in December, updating the plan to meet the minimum requirements (RRWMB storage area, kitchenette).

Chairman Holmvik passed the lead to Attorney Hanson to begin the reorganization of officers.

- Greg Holmvik was unanimously elected Chairman
- Mark Harless was unanimously elected Vice-Chairman
- Dean Spaeth was unanimously elected Treasurer
- Curt Johannsen was unanimously elected Secretary

Attorney Hanson left the meeting at 12:09 pm. Manager Hanson left the meeting at 12:12 pm.

An update to the previously approved MnDOT Zero Dollar easement was requested and approved. The 2017 Annual Report was distributed for Manager review. Approved leasing Parcel #14-5707000 in Section 2 of Mary Township to Megan Kappes at the end of the current lease in her mother's name. The lease terms will be \$100 annually plus applicable property taxes for a term of 5 years. The previous committee assignments were distributed for review. Committee reassignments will be completed at the June Board Meeting.

Administrator Ruud presented information regarding a 4M fund offered through PMA. He will reach out to current entities and provide additional feedback at the June meeting.

Payment of Managers per diems and expenses were approved as distributed.

There being no further business to come before the Board of Managers, Chairman Holmvik adjourned the meeting at 12:33 pm.

June 2018

A **REGULAR MEETING** of the Wild Rice Watershed District Board of Managers was held on **WEDNESDAY, JUNE 13, 2018**. Managers in attendance included: Greg Holmvik, Mike Christensen, Duane Erickson, Raymond Hanson, Mark Harless, Curt Johannsen and Dean Spaeth. In addition, the following persons were in attendance: Administrator Kevin Ruud, Engineer Jerry Bents, Attorney Elroy Hanson, Tara Jensen, and various other interested taxpayers and landowners.

Chairman Holmvik called the meeting to order at 8:30 a.m. with the pledge of allegiance. The meeting agenda was approved with the addition of One Watershed One Plan, FCCLA Donation Request, RRBC Funding Request, and Beaver Trapping.

The payment of billings was approved with the addition of one late bill. The monthly meeting minutes dated May 9, 2018 were approved with one correction and the monthly financial report dated May 31, 2018, was approved as presented.

The Board was presented with investment proposals from PMA, who facilitates the 4M fund, and Bremer Bank. Staff was authorized to invest funds as they see fit in either 4M fund, Bremer Bank, or Frandsen Bank, following results of further research already initiated by staff.

Manager Johannsen stepped out of the meeting at 8:47 a.m. Manager Johannsen returned to the meeting at 8:53 a.m.

The complaint presented by Corey Hanson was tabled, noting that the DNR is doing research to determine if the westerly flowing ditches can be restored to function.

Clay County Commissioner Frank Gross was in attendance to request \$2,500 cost share assistance to assist in efforts of securing a grant through the Minnesota Pollution Control Agency for the updating of the Long Term Flood Solutions Report. Manager Johannsen distributed an informational piece from RRBC Executive Director, Ted Preister. Board approved the \$2,500 local cost share towards the MPCA grant. Manager Johannsen abstained. Engineer Bents felt that it would be advantageous for the Board to request reimbursement from the RRWMB as the LTFSR is beneficial basin wide, not specific to the WRWD.

The Board dismissed the complaints filed by Rodger Luckow, Keith Kirsch, and Earl Weerts due to no violation of district rules. Staff notified parties of determination.

The Board recessed for a brief break at 10:51 a.m. The Board reconvened at 10:59 a.m.

Manager Johannsen spoke in favor of co-locating with the RRWMB and voiced opinion on the process to obtain quotes and develop plans. Staff was approved to move forward with construction based on quotes received on Plan B. Manager Hanson spoke regarding the process to co-locate with the RRWMB and stated that he would like to see the Board hire an architect to take over the process. Managers Erickson and Hanson were opposed.

Manager Hanson left the meeting at 11:29 a.m. The Board recessed for a brief break at 11:59 a.m. Attorney Hanson left the meeting at this time. The Board reconvened at 12:06 p.m.

The 2017 Annual Report was approved as presented. A donation of \$400 to the Ada Borup FCCLA for community service performed at the District, assisting in the cleaning out of the building was approved. A \$250.00 donation towards the Norman County Fair was approved.

Manager Erickson spoke regarding a dam on the South Branch. Administrator Ruud responded that landowners need to be diligent in reporting concerns immediately when they appear rather than waiting until a later time in an effort to prevent them from growing to a point where they are more difficult to address.

Managers approved various committee and representative assignments. A full list of assignments is available at the District office.

Payment of Managers per diems and expenses were approved as distributed.

There being no further business to come before the Board of Managers, Chairman Holmvik adjourned the meeting at 12:33 pm.

A **SPECIAL MEETING** of the Wild Rice Watershed District Board of Managers was held on **WEDNESDAY, JUNE 20, 2018**. Managers in attendance included: Greg Holmvik, Mike Christensen, Duane Erickson, Raymond Hanson, Mark Harless, Curt Johannsen and Dean Spaeth. In addition, the following persons were in attendance: Administrator Kevin Ruud, Engineer Jerry Bents, Attorney Elroy Hanson, Tara Jensen, and various other interested taxpayers and landowners.

Chairman Holmvik called the meeting to order at 8:30 a.m.

Attorney Hanson sent a memo to Administrator Ruud requesting a special meeting being called to order regarding the building project and competitive bidding laws. Lengthy discussion was held regarding the topic. Board authorized hiring an architect and continue forward with the bidding process. Manager Johannsen opposed. Staff was asked to communicate the latest steps of the process to the Red River Watershed Management Board. Administrator Ruud asked if the Board wanted to form a building committee to work with staff and the architect to answer questions between meetings. It was the desire of the majority of the Board that special meetings should be called to address issues since the topic can be sensitive. Administrator Ruud asked for clarification and further direction following the previous motion. Administrator Ruud was authorized to enter into a contract with an architect to prepare a design and RFP specifications based on the previously approved floor plan to provide continuity with motion made earlier in the meeting.

The Board set the July Regular Board meeting date for July 18th at the District Office.

There being no further business to come before the Board of Managers, Chairman Holmvik adjourned the meeting at 9:19 am.

July 2018

A **REGULAR MEETING** of the Wild Rice Watershed District Board of Managers was held on **WEDNESDAY, JULY 18, 2018**. Managers in attendance included: Greg Holmvik, Mike Christensen, Duane Erickson, Raymond Hanson, Mark Harless, Curt Johannsen and Dean Spaeth. In addition, the following persons were in attendance: Administrator Kevin Ruud, Engineer Jerry Bents, Attorney Elroy Hanson, and various other interested taxpayers and landowners.

Chairman Holmvik called the meeting to order at 8:30 a.m. with the pledge of allegiance. The meeting agenda was approved with the addition of zero dollar permit for Halstad and lease agreements. The payment of billings was approved as presented. The monthly meeting minutes dated June 13, 2018, and special meeting minutes dated June 20, 2018, were approved with corrections to two items. The monthly and quarterly financial reports dated June 30, 2018, and quarterly transfers from unassessed projects and ditches to Red River Construction account were approved as presented.

Don Johnson, Borup, was in attendance presenting questions regarding the WRWD membership in the RRWMB. Board Managers, Administrator Ruud, and Engineer Bents answered questions presented regarding membership, tax levy, and office co-location.

Discussion was held regarding the request to increase culvert sizes in Georgetown Twp, Sections 21 and 22. A downstream landowner was present with concerns about poor drainage in the system. Engineer Bents updated the Board that the DNR has expressed willingness to restore erosion sites and attempt to rectify some of the issues in the area of the Corey Hanson complaint. A letter is currently being prepared by the DNR detailing the proposed work and will be shared with Hanson once complete.

Rich Meier with YHR Partners presented a floor plan designed by his firm for the office remodel project. Board discussion regarding the plan was held. Meier stated that his team is completing the final specifications and advertisement for bids will be placed in a local paper in the coming days. It is anticipated that bids will be received mid-late August.

Manager Erickson led discussion regarding the status of the RRWMB joint powers agreement, including Buffalo Red River withdrawal of membership years ago and the Sand Hill River showing intent of possibly withdrawing from joint powers agreement. Discussion surrounding tax levy authority, unassessed project funding, and cooperative retention work was held.

A motion was made by Manager Johannsen and seconded by Manager Christensen to approve submitting the following to MAWD: **Resolution of the Wild Rice Watershed District Board of Managers to Increase the Manager's Per Diem and Resolution of the Wild Rice Watershed District Board of Managers to Expand Minn. Stat. 103D.345, Subd. 5 to Include the Department of Natural Resources in Addition to the Department of Transportation**. Manager Hanson opposed. Manager Erickson requested that a resolution to be able to sell land acquired with buyout funding be prepared. Such resolution would need to be presented to federal agencies, not state.

The budget and levy hearing was set for 10:00 am on August 8, 2018, at the District Office.

Staff was authorized to prepare a letter requesting payment from Stashenko Hempeck in response to his verbal communication that he wishes to terminate lease agreements on two district owned parcels.

Payment of Managers per diems and expenses were approved as distributed.

There being no further business to come before the Board of Managers, Chairman Holmvik adjourned the meeting at 10:39 am.

August 2018

A **REGULAR MEETING** of the Wild Rice Watershed District Board of Managers was held on **WEDNESDAY, AUGUST 8, 2018**. Managers in attendance included: Greg Holmvik, Duane Erickson, Raymond Hanson, Mark Harless, Curt Johannsen and Dean Spaeth. Manager Mike Christensen was absent. In addition, the following persons were in attendance: Administrator Kevin Ruud, Engineer Jerry Bents, Attorney Elroy Hanson, Tara Jensen, and various other interested taxpayers and landowners.

Chairman Holmvik called the meeting to order at 8:30 a.m. The agenda was approved with the addition of Goose Prairie Easement price consideration as a sub item under Goose Prairie and Clay County Ditch 52 maintenance under new business. The payment of billings was approved with the addition of one late bill.

The monthly meeting minutes dated July 18, 2018, was approved with corrections to the financial report and adding the Community Flood Protection Resolutions as an appendix at the end of the report. The monthly financial report dated July 31, 2018, was also approved.

Staff reviewed interior finish samples with Mr. Meier recently. Project plans are expected to be completed by the end of the week and an advertisement for bids has been placed, with a deadline of August 28th. Board approved reviewing contractor bids at the regular September Board meeting rather than hold a special meeting following the deadline. Chairman Holmvik and Manager Johannsen opposed.

The Hanson complaint was tabled to allow Corey Hanson to review the letter sent by the DNR. The complaint brought forth by Tom Baker was dismissed. It was determined that no violation of district rules were present. It will be recommended that a permit application may be brought forth to modify the elevation of the culvert if the two adjacent landowners wish to bring one forward.

Chairman Holmvik called the Budget and Levy Hearing to order at 10:00 am. Board adopted the General Administrative Levy Budget of \$250,000 for 2019 as presented. Board adopted the project levies as published and presented with total anticipated project levy revenue of \$744,900.57. Board approved the Red River Watershed Management Board Levy pursuant to Chapter 162, laws of 1976. Chairman Holmvik closed the Budget hearing at 10:04 am.

Chairman Holmvik stated that he read an article regarding the USACOE backing out of 404 permitting, leaving it to the state. He asked if Engineer Bents had heard any information regarding it. He replied that he had not.

A closed session for the purpose of considering a counter offer and develop a response for the property located in the West Half of the Southeast Quarter (W1/2 SE1/4) lying West of Ditch #18; the Northeast Quarter of the Southeast Quarter (NE1/4 SE1/4); and the Northeast Quarter (NE1/4) less that part West of Ditch #18 and less 5.83 acres, all in Section Twenty-two (22), Township One Hundred Forty-one (141) North of Range Forty-four (44) West of the Fifth Principal Meridian in Clay County, Minnesota was entered into at 10:20 am. Manager Hanson opposed. The closed session ended and the meeting reopened at 10:55 am.

Payment of Managers per diems and expenses were approved as distributed.

There being no further business to come before the Board of Managers, Chairman Holmvik adjourned the meeting at 10:29 am.

A **CLOSED SESSION** of the Wild Rice Watershed District Board of Managers was held on **WEDNESDAY, AUGUST 8, 2018**. Managers in attendance included: Greg Holmvik, Duane Erickson, Dean Spaeth, Curt Johannsen, Raymond Hanson, and Mark Harless. Manager Mike Christensen was absent. In addition the following persons were in attendance: Administrator Kevin Ruud, Engineer Jerry Bents, Attorney Elroy Hanson, and Tara Jensen

Pursuant to Minnesota Statute 13D.05 Subd. 3(c.3) a closed session of the Wild Rice Watershed Management Board of Managers was held to develop or consider offers or counteroffers for the purchase or sale of real or personal property located in the West Half of the Southeast Quarter (W1/2 SE1/4) lying West of Ditch #18; the Northeast Quarter of the Southeast Quarter (NE1/4 SE1/4); and the Northeast Quarter (NE1/4) less that part West of Ditch #18 and less 5.83 acres, all in Section Twenty-two (22), Township One Hundred Forty-one (141) North of Range Forty-four (44) West of the Fifth Principal Meridian in Clay County, Minnesota. The proceeds of the meeting were tape recorded at the expense of the District and will be preserved for eight years from the date of the meeting and be made available to the public after all real or personal property discussed at the meeting has been purchased or sold or the District has abandoned the purchase or sale.

September 2018

A **REGULAR MEETING** of the Wild Rice Watershed District Board of Managers was held on **WEDNESDAY, SEPTEMBER 12, 2018**. Managers in attendance included: Greg Holmvik, Mike Christensen, Duane Erickson, Raymond Hanson, Mark Harless, Curt Johannsen and Dean Spaeth. In addition, the following persons were in attendance: Administrator Kevin Ruud, Engineer Jerry Bents, Attorney Elroy Hanson, Tara Jensen, and various other interested taxpayers and landowners.

Chairman Holmvik called the meeting to order at 8:30 a.m. with the pledge of allegiance. The agenda was approved with two changes: Ducks Unlimited postponing presentation to October Meeting and addition of Ottertail easement for Heiberg Land. Billings were approved with the addition of two late bills.

The August 8, 2018, Regular Meeting Minutes and Closed Meeting minutes were approved as presented. The monthly financial report dated August 31, 2018, was approved as presented.

Administrator Ruud presented a request for an easement on the Furuseth/WRWD jointly owned property for the purpose of moving power lines. Administrator Ruud will check with the City of Twin Valley regarding the approved transfer of ownership for the parcel.

Chairman Holmvik called the Budget and Levy Hearing to order at 10:00 am. Board ratified actions made during the August Board meeting, approving the General Budget as published and the Red River Watershed Management Board Levy pursuant to Chapter 162, laws of 1976, as amended, and under the direction from the Red River Watershed Management Board, the proposed levy of .0004836 times the taxable market value of the property in each county that lies within the District for the Red River Watershed Management Fund, one-half of which remains in the Wild Rice Watershed District for construction and maintenance of projects and one half provided to the Red River Watershed Management Board for projects and programs of common benefit to more than one member district and that the following proposed budget be adopted for consideration. Chairman Holmvik closed the Budget and Levy hearing at 10:02 am.

No action was taken on the Corey Hanson complaint as field work has yet to be completed.

Rich Meier with YHR partners presented bids for the remodeling project. He updated that he is working with the low bidder to revise the plan with anticipation that the cost can be reduced. Numbers will be returned to staff in the near future. Board discussion was held regarding the overall project. A payment plan requested by Stashenko Hempeck to resolve his debt from leased property was approved.

Managers were directed to let staff know if they planned to attend the Minnesota Water Resource Conference.

Payment of Managers per diems and expenses were approved as distributed.

There being no further business to come before the Board of Managers, Chairman Holmvik adjourned the meeting at 11:19 am.

October 2018

A **REGULAR MEETING** of the Wild Rice Watershed District Board of Managers was held on **WEDNESDAY, OCTOBER 10, 2018**. Managers in attendance included: Greg Holmvik, Mike Christensen, Duane Erickson, Raymond Hanson, Mark Harless, Curt Johannsen and Dean Spaeth. In addition, the following persons were in attendance: Administrator Kevin Ruud, Engineer Jerry Bents, Attorney Elroy Hanson, Tara Jensen, and various other interested taxpayers and landowners.

Chairman Holmvik called the meeting to order at 8:30 a.m. with the pledge of allegiance

The agenda was approved with the addition of resolution correction and ditch maintenance policy clarification. The monthly billings were approved as presented. The monthly and quarterly financial reports dated September 30, 2018, quarterly transfers from unassessed projects and ditches to Red River Construction account and the September 12, 2018, Regular Meeting Minutes were approved as presented.

Rich Meier presented the Board with a revised remodeling plan reducing the space to approximately 4,225 square feet and recommended advertising for bids. Board discussion regarding the project ensued. A motion was made by Manager Johannsen to return to having Administrator Ruud be the general contractor and continue with remodeling based on floor plan B from earlier plans. Motion failed due to lack of second. Further Board discussion followed the failed motion. A motion was made by Manager Hanson and seconded by Manager Erickson to have Attorney Hanson negotiate four alternate scenarios with RRWMB representatives: eliminate lease agreement, lease space at Arvig building, current revised plan, original larger architect plan. Manager Harless felt that the WRWD board should determine which options are agreeable prior to offering them to the RRWMB. An amendment to the motion was made by Manager Hanson and seconded by Manager Erickson to return to the RRWMB and negotiate a way to dissolve the current lease agreement. Motion amendment failed with Managers Erickson, Hanson and Spaeth in favor and Chairman Holmvik, Managers Harless, Johannsen, and Christensen against. Original motion failed with Managers Erickson and Hanson voting in favor and Chairman Holmvik, Managers Harless, Johannsen, Spaeth, and Christensen voting against. A motion was made by Manager Harless and seconded by Manager Johannsen to rebid the revised 4,225 square foot remodeling plan. Following discussion, an amendment to the motion was made by Manager Harless and seconded by Manager Johannsen to include the RRWMB in on discussion regarding the project. Motion amendment carried with Chairman Holmvik and Managers Harless, Johannsen, Christensen and Spaeth voting in favor and Managers Erickson and Hanson voting against. Original motion carried with Chairman Holmvik and Manager Harless, Johannsen, Christensen, and Hanson voting in favor and Managers Erickson and Spaeth voting against.

An update was provided that the MNDNR is still working to complete the proposed work at the site of the Hanson complaint. Manager representation was authorized to sign an updated resolution to submit to MAWD previously passed which had a statute numbering error present in the text.

Andrew Hogenson presented an offer to pay off the balance due on the Stashenko Hempeck leased parcels. Hogenson presented a request to lease the Onsgard and Swenson parcels for an annual rent of \$100 per parcel plus all applicable property taxes for a term of ten years. It was determined by the Board that the requests should be addressed separately. Board accepted the \$319 payment from Hogenson, clearing the Hempeck debt and approved leasing the Onsgard parcel to Hogenson for the terms of \$100 rent annually plus applicable property taxes for a term of ten years. It is noted that access to the Onsgard parcel crosses through property owned by the Hogenson family via an easement. Administrator Ruud was authorized to handle the Swenson/Onsgard lease property, pending Hogenson's response to the board action, advertising any available property once it become available for public lease. Motion carried with Manager Hanson voting against.

Administrator Ruud sought clarification on the District's ditch maintenance policy. The current policy requires that all ditch maintenance and beaver trapping requests be submitted to the District office for completion. If work is performed and not authorized by the District office we have historically not paid for maintenance. Managers determined that each bill presented could be addressed on an individual basis, with discussion regarding the need to follow protocol and receive approval for work being completed.

Payment of Managers per diems and expenses were approved as distributed.

There being no further business to come before the Board of Managers, Chairman Holmvik adjourned the meeting at 11:21 am.

November 2018

A **REGULAR MEETING** of the Wild Rice Watershed District Board of Managers was held on **THURSDAY, NOVEMBER 14, 2018**. Managers in attendance included: Greg Holmvik, Mike Christensen, Duane Erickson, Raymond Hanson, Mark Harless, Curt Johannsen and Dean Spaeth. In addition, the following persons were in attendance: Administrator Kevin Ruud, Engineer Jerry Bents, Attorney Elroy Hanson, Tara Jensen, and various other interested taxpayers and landowners.

Chairman Holmvik called the meeting to order at 8:30 a.m. with the pledge of allegiance.

The agenda was approved with the following additions: Lower Wild Rice, Clearwater SWCD cost share request, Red Board lease extension, proposed Holiday schedule, and 1W1P. The October 10, 2018, regular meeting minutes, payment of billings, and monthly financial report dated October 31, 2018, were all approved as presented.

Rich Meier, YHR Partners, reported that six contractors submitted bids for the office remodel project with the low bid received from Schmitz Builders. Chairman Holmvik reported that the RRWMB contributed an additional \$60,000 towards the project, asking to extend the lease for an additional five years in exchange. Manager Hanson felt that the extension of the lease was not a favorable decision as it is difficult to project what lease rates would be in another ten years. The remodeling project was awarded to Schmitz Builders as low bidder of \$440,000. Managers Spaeth, Hanson and Erickson opposed. Manager Erickson voiced opposition to remodeling the existing building and wanted to further explore the Arvig lease options presented at the previous meeting. Discussion was held regarding the lease agreement and Attorney Hanson advised that the Board has not explored potential punitive damages associated with terminating the signed agreement.

Bob Klemetson was in attendance regarding approved Permit #18-106 to install subsurface drain tile with the condition that written approval from the Walworth Township board and the downstream landowners in Section 22 of Walworth Twp. Klemetson stated that Walworth township would not be approving the proposed work and wanted the Erickson parties to be aware that further attempts to change their mind regarding this proposed work will not be successful.

Chester Powell was in attendance representing Clearwater County SWCD requesting a cost share for aerial imagery updating for Clearwater County. Total anticipated project cost is \$75,375.00, with a request being presented to each watershed district in Clearwater County for 10% of the cost. Board approved a local cost share request from Clearwater County SWCD for the amount of \$7,537.50 for aerial imagery updating once all funding sources are secured.

Manager Erickson presented the Board with his letter of resignation from the WRWD and asked to be excused from the meeting. He stated that he has enjoyed his years of service and voiced frustration with the lack of retention projects during his time on the Board. Manager Erickson left the meeting at 9:54 am.

Engineer Bents reported that the DNR would be completing proposed work in the spring due to outdoor conditions. Board and staff were reminded that they are required to clearly state if they have

a personal interest in a topic and refrain from voting on said topic for matters of personal or financial gain.

Administrator Ruud reported that three bids for leasing the Swenson parcel were received. Board approved leasing the property to Wesley Magnell for a term of five years with the annual rent being \$510.00 plus applicable property taxes.

Chairman Holmvik and Manager Johannsen were appointed as District voting delegates for the MAWD annual meeting. No alternate is named. Board approved adjusting the holiday schedule to close the office on Christmas Eve, being open the day following Christmas. Carried. Administrator Ruud indicated that staff desired to close the office on December 31 using accrued PTO for the closure. Manager consensus indicated the desire was acceptable.

A RRWMB Questionnaire was distributed to Managers. Comments must be returned to the district office on or before December 5th. Staff will compile responses and return them for Board discussion at the December Regular Meeting.

Manager Harless asked if the RRWMB would consider offering the additional amount without an extension to the lease agreement. Discussion regarding the terms ensued and it was determined that Board wanted staff to return to RRWMB to determine if the rental rate could be renegotiated at the end of the initial ten year period.

Manager and Staff attendance at the MAWD annual meeting was approved.

Manager Per Diems and expenses were paid as distributed.

There being no further business to come before the Board of Managers, Chairman Holmvik adjourned the meeting at 11:23 am.

December 2018

The regular meeting of the Wild Rice Watershed District Board of Managers was held on Wednesday, December 12, 2018. Managers in attendance included: Greg Holmvik, Mike Christensen, Duane Erickson, Raymond Hanson, Mark Harless, Curt Johannsen and Dean Spaeth. In addition, the following persons were in attendance: Administrator Kevin Ruud, Engineer Jerry Bents, Attorney Elroy Hanson, Tara Jensen, and various other interested taxpayers and landowners.

Chairman Holmvik called the meeting to order at 8:30 a.m. with the pledge of allegiance

The agenda was approved with the following additions: audit proposal, RRBC conference, Manager Erickson email, Acquisition property. The billings were approved with the addition of one late bill. The monthly financial report dated November 30, 2018, was approved as presented. The Regular Meeting Minutes dated November 14, 2018, was approved as presented.

Manager Erickson requested that his email be discussed during RRWMB discussion later in the meeting. Administrator Ruud reported that the architect will be mailing the signed contract from Schmitz Builders. A preconstruction meeting is scheduled for December 20 at 3:00 pm. Engineer Bents reported that work at the site of the Corey Hanson complaint will be completed in the spring.

Board discussed and developed answers to a survey developed by RRWMB. A copy of the survey and more detailed discussion information regarding motions is available upon submission of a data request inquiry at the District Office.

Manager Hanson led discussion regarding the lease extension proposal presented by the RRMWB. Manager Erickson stated that he felt that the Advisory Committee should have take a more active role in the building project discussions. Board approved a lease extension with RRWMB. Manager Hanson voted against. Manager Erickson asked if the RRWMB had discussion with Arvig regarding a long term lease of space in their building. Manager Johannsen stated that the WRWD Board voted against exploring that option, and the RRWMB lease is with the WRWD.

Manager Hanson led discussion regarding conflict of interest. He voiced a desire to get RRWMB updates from Chairman Holmvik, stating that he was unaware that the SHRWD was withdrawing from the RRWMB. Board approved a request from Eric Dyrdaahl to lease parcel 12-5269000 "Klevgaard Buyout" for a term of 10 years with annual rent of \$100 plus property taxes. A proposal for audit services presented by Justin Classen for a term of three years was approved. Board approved applying for a district credit card. Manager and staff attendance at Rinke Noonan Drainage and Watershed Conference and the Red River Basin Commission Annual Conference was approved. Manager Johannsen presented the Board with a plaque that he accepted on behalf of the District at the MAWD Annual Meeting recognizing the 50th anniversary of the WRWD.

Manager Per Diems and expenses were paid as distributed.

There being no further business to come before the Board of Managers, Chairman Holmvik adjourned the meeting at 12:27 pm.

VI. Financial and Audit Reports

This section summarizes the District's financial activity for the period from January 1 through December 31, 2018.

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. A detailed report of all activity within the respective fund accounts is available for review at the District office.

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 is 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 Watershed Management Construction Fund may not exceed 0.0486 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 fund invested in interest bearing deposits. An annual review is conducted in August to determine annual levies for the upcoming year based on projected maintenance and maintenance history.

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

**WILD RICE WATERSHED DISTRICT
FINANCIAL STATEMENTS AND
AND INDEPENDENT AUDITOR'S REPORT
DECEMBER 31, 2018**

WILD RICE WATERSHED DISTRICT

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INTRODUCTORY SECTION

DRAFT

**WILD RICE WATERSHED DISTRICT
PRINCIPAL OFFICIALS
DECEMBER 31, 2018**

POSITION	TERMS EXPIRE	NAME
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BOARD OF MANAGERS

Chairman	April 25, 2020	Greg Holmvik
Vice Chairman	April 25, 2019	Mike Christensen
Treasurer	April 25, 2021	Dean Spaeth
Secretary	April 25, 2019	Curt H. Johannsen
Manager	April 25, 2021	Duane Erickson
Manager	April 25, 2019	Raymond Hanson
Manager	April 25, 2021	Mark Harless

STAFF

Administrator	Kevin Ruud
Assistant Administrator	Tara Jensen
Attorney	Wambach & Hanson Law Office, PC
Auditor	Justin, Clasen & Company, Ltd.

FINANCIAL SECTION

DRAFT

INDEPENDENT AUDITOR'S REPORT

To the Board of Managers
Wild Rice Watershed District
Ada, Minnesota

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Wild Rice Watershed District (the District), Ada, Minnesota, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1. This includes determining that the cash basis of accounting is an acceptable basis of preparation of the financial statements in the circumstances. Management is responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1, the financial statements are prepared by the District on the cash basis of accounting which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statements of the variances between the cash basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 2018, or the changes in financial position or, where applicable, cash flows thereof for the year then ended.

Unmodified Opinion on Cash Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of December 31, 2018, or the respective changes in financial position and, where applicable, cash flows thereof for the year ended, in accordance with the cash basis of accounting as described in Note 1.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory and supplementary information sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The introductory and supplementary information sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Report on Other Legal and Regulatory Requirements

In accordance with Minnesota Statutes, we have also issued our report dated xxxx, on our consideration on the District's compliance with provisions of the *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65. The purpose of the report is to determine if the District has complied with Minnesota laws and regulations. That report is an integral part of an audit performed in the State of Minnesota.

Justin, Clasen & Company, Ltd.
Certified Public Accountants & Consultants

Pequot Lakes, Minnesota
xxxx

**WILD RICE WATERSHED DISTRICT
STATEMENT OF NET CASH POSITION
DECEMBER 31, 2018**

GOVERNMENTAL

ASSETS

Current Assets	
Cash and Cash Equivalents	<u>\$ 5,826,633</u>
Total Assets	<u>5,826,633</u>

LIABILITIES

-

NET CASH POSITION

Restricted for	
Capital Projects	5,243,550
Special Revenue	10,871
Unrestricted	<u>572,212</u>
Total Net Cash Position	<u><u>\$ 5,826,633</u></u>

**WILD RICE WATERSHED DISTRICT
STATEMENT OF ACTIVITIES ARISING FROM CASH TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2018**

FUNCTIONS/PROGRAMS	DISBURSE- MENTS	PROGRAM RECEIPTS AND SOURCES			NET CASH SOURCES (USES) AND CHANGES IN NET CASH POSITION PRIMARY GOVERNMENT
		FEEES, FINES AND CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES
Primary Government					
Governmental Activities					
General Government	\$ 221,395	\$ 180,600	\$ 545	\$ -	\$ (40,250)
Red River Watershed Management Board	850,602	2,415	1,578	-	(846,609)
Projects and Programs	3,333,459	332,512	2,095,330	-	(905,617)
Total Primary/Governmental Activities	<u>\$ 4,405,456</u>	<u>\$ 515,527</u>	<u>\$ 2,097,453</u>	<u>\$ -</u>	<u>\$ (1,792,476)</u>
General Receipts					
Interest Earnings					\$ 57,971
Property Taxes/Special Assessments					2,606,167
State Aid					50,818
Total General Receipts					<u>2,714,956</u>
Change in Cash Net Position					922,480
Net Cash Position - Beginning					<u>4,904,153</u>
Net Cash Position - Ending					<u>\$ 5,826,633</u>

**WILD RICE WATERSHED DISTRICT
STATEMENT OF BALANCES ARISING FROM CASH TRANSACTIONS
GOVERNMENTAL FUNDS
DECEMBER 31, 2018**

	GENERAL	SPECIAL REVENUE	RED RIVER CONST. GENERAL-OTHER	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash and Cash Equivalents	\$ 572,212	\$ 10,871	\$ 3,425,139	\$ 1,818,411	\$ 5,826,633
Total Assets	<u>\$ 572,212</u>	<u>\$ 10,871</u>	<u>\$ 3,425,139</u>	<u>\$ 1,818,411</u>	<u>\$ 5,826,633</u>
LIABILITIES	\$ -	\$ -	\$ -	\$ -	\$ -
CASH FUND BALANCES					
Restricted	-	10,871	3,425,139	1,818,411	5,254,421
Unassigned	<u>572,212</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>572,212</u>
Total Cash Fund Balances	<u>572,212</u>	<u>10,871</u>	<u>3,425,139</u>	<u>1,818,411</u>	<u>5,826,633</u>
Total Liabilities and Cash Fund Balances	<u>\$ 572,212</u>	<u>\$ 10,871</u>	<u>\$ 3,425,139</u>	<u>\$ 1,818,411</u>	<u>\$ 5,826,633</u>

WILD RICE WATERSHED DISTRICT
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND CHANGES IN
CASH FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2018

	GENERAL	SPECIAL REVENUE	RED RIVER CONST. GENERAL-OTHER	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
RECEIPTS					
Property Taxes and Special Assessments	\$ 244,416	\$ 827,004	\$ 827,004	\$ 707,743	\$ 2,606,167
Intergovernmental					
Market Value	6,342	21,604	21,604	1,268	50,818
Other	545	1,578	1,577	2,093,753	2,097,453
Rent Income	180,000	-	-	96,495	276,495
Interest Earnings	4,447	-	32,053	21,471	57,971
Miscellaneous	600	2,415	250	235,767	239,032
Total Receipts	<u>436,350</u>	<u>852,601</u>	<u>882,488</u>	<u>3,156,497</u>	<u>5,327,936</u>
DISBURSEMENTS					
General Administration	221,395	2,415	793	53,950	278,553
RRWMB-1/2 Cost Reimbursement	-	848,187	-	-	848,187
Projects and Programs	-	-	180	3,278,536	3,278,716
Total Disbursements	<u>221,395</u>	<u>850,602</u>	<u>973</u>	<u>3,332,486</u>	<u>4,405,456</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>214,955</u>	<u>1,999</u>	<u>881,515</u>	<u>(175,989)</u>	<u>922,480</u>
OTHER FINANCING SOURCES (USES)					
Transfers In (Out)	-	-	(314,284)	314,284	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(314,284)</u>	<u>314,284</u>	<u>-</u>
NET CHANGE IN CASH FUND BALANCES	<u>214,955</u>	<u>1,999</u>	<u>567,231</u>	<u>138,295</u>	<u>922,480</u>
Cash Fund Balances - Beginning	<u>357,257</u>	<u>8,872</u>	<u>2,857,908</u>	<u>1,680,116</u>	<u>4,904,153</u>
CASH FUND BALANCES - ENDING	<u>\$ 572,212</u>	<u>\$ 10,871</u>	<u>\$ 3,425,139</u>	<u>\$ 1,818,411</u>	<u>\$ 5,826,633</u>

**WILD RICE WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The Wild Rice Watershed District (the District) was established under the Minnesota Watershed Act as an agency of the State of Minnesota. The purpose of the District is to carry out conservation of the natural resources of the District and State of Minnesota through land utilization, flood control, and other needs based upon sound scientific principles for the protection of the public health and welfare and the provident use of natural resources. The District serves an area in Northwestern Minnesota and includes all or parts of the following counties: Becker, Clay, Clearwater, Mahnomen, Norman, and Polk. The District is governed by a Board of Managers which is composed of seven members appointed by the county boards in accordance with Minnesota Statutes.

The financial statements of the reporting entity include those of the District (the primary government) and the component units for which the primary government is financially accountable. The criteria used to determine if the primary government is financially accountable for a component unit include whether or not the primary government appoints the voting majority of the potential component unit's governing body, is able to impose its will on the potential component unit, is in a relationship of financial benefit or burden with the potential component unit or the potential component unit is fiscally dependent upon the District. Based on these criteria, there are no organizations considered to be component units of the District.

Blended Component Units

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the District or the component unit provides services entirely to the District. These component unit's funds are blended into those of the District by appropriate activity type to compose the primary government presentation. Currently, the District has no blended component units.

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending. Currently, the District has no discretely presented component units.

B. Basis of Presentation

1. Government-Wide Statements

The government-wide financial statements (the statement of net cash position and the statement of activities arising from cash transactions) display information about the District taken as a whole. The District shows all operations as governmental activities, because generally, governmental activities are financed through taxes, intergovernmental revenues, and nonexchange revenues.

In the government-wide statement of net cash position, the governmental activities: (a) are presented on a consolidated basis, and (b) are reported on the cash basis of accounting. The District's net position is reported in two parts: (1) restricted net position, and (2) unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

**WILD RICE WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

1. Government-Wide Statements (Continued)

The statement of activities arising from cash transactions demonstrates the degree to which the direct expenses of each function of the District's governmental activities are offset by program receipts. Direct expenses are those clearly identifiable with a specific function or activity. Program receipts include: (1) fees, fines, charges paid by the recipients of goods, services, or privileges provided by a given function or activity, and (2) grants and contributions restricted to meeting the operational or capital requirements of a particular function or activity. Receipts not classified as program receipts, including all taxes, are presented as general receipts.

2. Fund Financial Statements

Governmental fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund balance, receipts, and disbursements. Funds are organized into one major category: governmental. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

- § Total assets, liabilities, receipts or disbursements of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type.

Governmental Funds

General Fund – To account for all financial resources not accounted for and reported in another fund.

Special Revenue Fund - To account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are restricted or assigned to expenditures for specified purposes.

Capital Projects Funds - To account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds or in trust funds for individuals, private organizations, or other governments).

Major and Nonmajor Funds

Fund	Purpose
Governmental:	
Major:	
General	As described above.
Special Revenue - RRWMB Management	As described above.
Capital Projects - Red River Construction General - Other	As described above.
Nonmajor:	
Capital Projects	As described above.

**WILD RICE WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting

The District's financial statements are prepared on the cash basis of accounting. This is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The government-wide financial statements are reported using the current resources measurement focus, within the limitations of the cash basis of accounting. This basis recognizes assets, liabilities, net position, receipts, and disbursements when they result from cash transactions.

Governmental fund financial statements are reported using the current financial resources measurement focus as applied to the cash basis of accounting. This basis recognizes assets, liabilities, cash fund balances, receipts, and disbursements when they result from cash transactions. As a result of the use of the cash basis of accounting, certain assets and their related receipts (such as accounts receivable and receipts for billed or unbilled services provided in current year) and certain liabilities and their related disbursements (such as accounts payables, unpaid goods and services received in the current year, and accrued expenses) are not recorded in these financial statements.

If the District utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, and the government-wide financial statements would be presented on the accrual basis of accounting.

D. Assets, Liabilities, and Cash Fund Balance

1. Cash and Cash Equivalents

The District pools cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balances in the pooled cash accounts are available to meet current operating requirements.

2. Cash Fund Balance/Net Position

a. Government-Wide Statements:

Net Cash Position is divided into two components:

§ **Restricted** – Consists of assets that are restricted by the District's creditors (for example, through debt covenants), by state enabling legislation (through restrictions on shared receipts) by grantors (both federal and state), and by other contributors.

§ **Unrestricted** – All other assets are reported in this category.

**WILD RICE WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Cash Fund Balance (Continued)

2. Cash Fund Balance/Net Position (Continued)

b. Governmental Cash Fund Balances:

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of resources reported in Governmental Funds.

Cash fund balances are classified as follows:

- § **Nonspendable** – Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact. There is no nonspendable cash fund balance at December 31, 2018.
- § **Restricted** – Amounts that can be spent only for specific purposes because of state or federal laws, or externally imposed conditions by grantors or creditors.
- § **Committed** – Amounts that can be used only for specific purposes determined by a formal action by the Board of Managers ordinance or resolution. There is no committed cash fund balance at December 31, 2018.
- § **Assigned** – Amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. In Governmental Funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the governing body itself. There is no assigned cash fund balance at December 31, 2018.
- § **Unassigned** – Amounts that have not been restricted, committed, or assigned to a specific purpose in the General Fund. Other funds may also report a negative unassigned fund balance if the total nonspendable, restricted, and committed fund balances exceed the total net resources of that fund.

The District has formally adopted a fund balance policy for the General Fund. The District's policy is to maintain an unassigned fund balance not less than 15% of the subsequent year's budgeted disbursements.

c. Use of Restricted Resources:

When an expense is incurred that can be paid using either restricted or unrestricted resources, the District's policy is to first apply the expense toward restricted resources and then toward unrestricted resources. In governmental funds, the District's policy is to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classifications – committed and then assigned fund balances before using unassigned fund balances.

**WILD RICE WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Cash Fund Balance (Continued)

3. Capital Assets

In the Fund Financial Statements, capital assets used in governmental fund operations are accounted for as capital outlay disbursements of the governmental funds upon acquisition.

Capital assets include property, plant and equipment.

E. Receipts and Disbursements

1. Property Tax Revenue

The District levies its property taxes within the District for the subsequent year during the month of December. The District receives its taxes in two installments in July and December.

The District also levies special assessments through the counties against property owners who obtain direct benefits from projects or property owners who request, through the petition process, to have a project undertaken. The special assessment collections are recorded in a manner similar to that for property taxes.

The property tax levy in 2018 includes certain state credits that are distributed to the District directly by the state. These credits are classified as intergovernmental revenue.

2. Disbursements

The District disburses funds as approved by the District's Board of Managers.

After claims are approved by the District's Board of Managers, the funds are then disbursed and recorded in the appropriate governmental fund.

F. Budgetary Information

Annual budgets for the General Fund are adopted on the cash basis, which is a special purpose framework other than accounting principles generally accepted in the United States of America. Budgeted amounts are as originally adopted, or as amended by the Board of Managers. The original and final budget for the General Fund is presented in the supplementary information section. The annual adopted budget for the General Fund is legally binding on the District. It is limited by state statute at \$250,000 and set by the Board for 2018 at \$250,000. The District has not prepared a budget for its major special revenue fund. All annual appropriations lapse at year-end.

G. Use of Estimates

The preparation of financial statements in accordance with the cash basis requires management to make estimates that affect amounts reported in the financial statements during the reporting period. Actual results could differ from such estimates.

**WILD RICE WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Disclosure of certain information concerning individual funds include:

Ø The following funds had a deficit cash fund balance as of December 31, 2018:

#12 WR Twp Ditch (Assessed Projects)	\$ 111,258
Proj. 30 Liab. to Hendrum Proj. (#30 Anth. Pl.V.GR, Medo)	31,670
Clay Co. #4 # 269 (Ditches)	80,440
J.D. 53 Lat #2 (Ditches)	70,848
#13 Halstad (#336 #II Com Dikes)	807
#362 Wild Rice River MPCA WRAP (Project Dev-Other)	20,809
#363 Marsh River MPCA WRAP (Project Dev-Other)	18,894
#369 One Watershed One Plan (Proj Dev-RRC)	5,863
#365 S. Branch WRR - NRCS WP (Proj Dev-RRC)	77,383
#367 Green Meadow - NRCS WP (Proj Dev-RRC)	40,710
#366 Moccasin Creek - NRCS WP (Proj Dev-RRC)	65,117

NOTE 3 DETAILED NOTES – TRANSACTION CLASSES/ACCOUNTS

A. Deposits and Investments

The District maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements as Cash and Cash Equivalents. Interest is allocated based on management's estimate of interest earned by fund. In accordance with *Minnesota Statutes* the District maintains deposits at financial institutions which are authorized by the Board of Managers.

1. Deposits

The District is authorized by Minn. Stat. §§ 118A.02 and 118A.04 to designate a depository for public funds and to invest in certificates of deposit. The District is required by Minn. Stat. § 118A.03 to protect deposits with insurance, surety bond, or collateral. The market value of collateral pledged shall be at least ten percent more than the amount of deposit at the close of the financial institution's banking day, not covered by insurance, bonds, or an irrevocable standby letter of credit issued by Federal Home Loan Bank.

Custodial Credit Risk

The risk that in the event of a financial institution failure, the District's deposits may not be returned. It is the District's policy that collateral or bonds will be required for all uninsured amounts on deposit, and the additional insurance will be documented to show compliance with state law and a perfected security interest under federal law. As of December 31, 2018, the District's deposits were not exposed to custodial credit risk. The District's deposits were covered by federal depository insurance and collateral held by the District's agent in the District's name.

Accounts held by an official custodian of a government unit will be insured as follows:

**WILD RICE WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 3 DETAILED NOTES – TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

A. Deposits and Investments (Continued)

1. Deposits (Continued)

Custodial Credit Risk (Continued)

The Federal Deposit Insurance Corporation (FDIC) deposit coverage limit for bank depositors is \$250,000. If the depository bank is located in the State of Minnesota, government depositors are eligible for two separate \$250,000 coverages: one for all time/savings accounts and one for all demand accounts. For deposits in banks outside the State of Minnesota, government depositors have total coverage of \$250,000 for all demand and time/savings deposit accounts combined.

Authorized collateral includes treasury bills, notes and bonds; issues of U.S. government agencies; general obligations rated "A" or better and revenue obligations rated "AA" or better; irrevocable standby letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral.

Cash balances consist of the following at December 31, 2018:

Carrying Balance	Bank Balance
<u>\$ 5,826,633</u>	<u>\$ 5,826,833</u>

2. Investments

The District may invest in the following types of investments as authorized by Minn. Stat. §§ 118A.04 and 118A.05:

- § securities which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress, excluding mortgage-backed securities defined as "high risk" by Minn. Stat. § 118A.04, Subd.6;
- § mutual funds through shares of registered investment companies provided the mutual fund receives certain ratings depending on its investments;
- § general obligations of the State of Minnesota and its municipalities, and in certain state agency and local obligations of Minnesota and other states provided such obligations have certain specified bond ratings by a national bond rating service;
- § bankers' acceptances of United States banks;
- § commercial paper issued by United States corporations or their Canadian subsidiaries that is rated in the highest quality category by two nationally recognized rating agencies and matures in 270 days or less; and
- § with certain restrictions, in repurchase agreements, securities lending agreements, joint powers investment trusts, and guaranteed investment contracts.

**WILD RICE WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 3 DETAILED NOTES – TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

A. Deposits and Investments (Continued)

2. Investments (Continued)

Interest Rate Risk

The risk that changes in interest rates could adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District can manage its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities to meet cash requirements for ongoing operations.

Credit Risk

The risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. It is the District's policy to invest only in securities that meet the ratings requirements set by statute.

Custodial Credit Risk

The risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that is in the possession of an outside party. The District is not exposed to custodial credit risk.

Concentration of Credit Risk

The risk of loss that may be caused by the District's investment in a single issuer. The District places no limit on the amount that it may invest in any one issuer.

The District had no investments at December 31, 2018.

B. Interfund Transfers

Transfers Out:		Transfers In:		
Fund Description	Amount	Fund Description	Amount	Reason
1 Survey & Data		3 #11 Perley Road Raise	162	For unassessed projects and ditches
Red River Construction General	1,840	#12 Hendrum Road Raise	1,681	
2 Red River Construction General	67,853	#173 Anderson Wetland	587	For unassessed projects and ditches
		#368 2016 Rural Ring Dike	158	
		#354 Goose Prairie WMA	47,989	
		#356 Green Meadow Project Team	372	
		#357 Lower Wild Rice	7,018	
		#89 Luckow Complaint	471	
		#18 NC Ditch #64	704	
		#12 Permits	9,850	
		#18 Violations	704	
3 Red River Construction General	21,082	#365 South Branch WRR - NRCS WP	15,943	30% Local Cost Share
		#366 Moccasin Creek - NRCS WP	1,578	
		#367 Green Meadow - NRCS WP	3,561	
4 Red River Construction General	1,243	2016 Rural Ring Dike - #005 Moore	192	12.5% Local Cost Share
		2016 Rural Ring Dike - #006 Todd	1,051	
5 Red River Construction General	31,632	#365 South Branch WRR - NRCS WP	10,207	30% Local Cost Share
		#366 Moccasin Creek - NRCS WP	20,593	
		#367 Green Meadow - NRCS WP	832	

**WILD RICE WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 3 DETAILED NOTES – TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

B. Interfund Transfers (Continued)

Transfers Out:		Transfers In:		
Fund Description	Amount	Fund Description	Amount	Reason
6 Red River Construction General	70,750	#8 Moccasin Creek	526	For unassessed projects and ditches
		#35 Sande Detention	2,014	
		#36 Marsh Creek 3	607	
		#36 Northern Improvement Dam	120	
		#38 Rockwell Dam	121	
		#39 Mashaug Dam	519	
		RRC Levy Admin Work	630	
		#11 Perley Road Raise	93	
		#12 Hendrum Road Raise	2,076	
		#173 Anderson Wetland	376	
		#354 Goose Prairie WMA	19,852	
		#357 Lower Wild Rice	10,808	
		#89 Luckow Complaint	670	
		#91 Corey Hanson Complaint	392	
		#92 Earl Weerts Complaint	157	
		#90 Keith Kirsch Complaint	196	
		#93 Radke/Erickson Complaint	81	
		#18 Violations	3,175	
		#12 Permits	28,337	
7 Red River Construction General	12,674	2016 Rural Ring Dike - #005 Moore	38	12.5% Local Cost Share
		2016 Rural Ring Dike - #006 Todd	12,636	
8 #362 Wild Rice MPCA WRAP	188	Red River Construction General	376	Reverse 6/7/2017 entry - error
#363 Marsh River MPCA WRAP	188			
9 Red River Construction General	39,288	#365 South Branch WRR - NRCS WP	16,724	30% Local Cost Share
		#366 Moccasin Creek - NRCS WP	17,618	
		#367 Green Meadow - NRCS WP	4,946	
10 Red River Construction General	81,109	#10 Mashaug Creek	4,080	For unassessed projects and ditches
		#35 Sande Detention	4,969	
		#36 Northern Improvement Dam	229	
		#38 Rockwell Dam	230	
		#11 Perley Road Raise	158	
		#12 Hendrum Road Raise	2,748	
		#364 Property Acq/Demo	93	
		#368 - 2016 Rural Ring Dike	220	
		#354 Goose Prairie WMA	28,441	
		#357 Lower Wild Rice	6,633	
		#89 Luckow Complaint	838	
		#90 Keith Kirsch Complaint	1,263	
		#91 Corey Hanson Complaint	2,112	
		#92 Earl Weerts Complaint	1,067	
		#93 Radke/Erickson Complaint	81	
		#94 Tom Baker Complaint	393	
		#18 Violations	2,049	
		#12 Permits	25,284	
		RRC Levy Admin Work	221	
11 Red River Construction General	2,905	2016 Rural Ring Dike - #005 Moore	898	12.5% Local Cost Share
		2016 Rural Ring Dike - #006 Todd	2,007	
12 #365 South Branch WRR - NRCS WP	5,053	#354 Goose Prairie WMA	5,053	Project Team Allocation
13 Upper Reaches	58,338	Anderson Request	58,338	Transfer to sub account to regular
14 #20 Clay JD 45 Lat 1 & 2	5	FEMA 2011 1982 Ph 16, Proj #1 CD #1 FEMA PW 25	20,730	Close out FEMA 2011
JD 56	12			
JD 53 L 2	207			
#1 Norman County Ditch 1	12,676			
#9 South Branch	698			
Upper Reaches	5			
Clay County Ditch #4	7,101			
JD 53 L 1	26			
15 Red River Construction General: Leased Ag Property	79,381	Red River Construction: Dist Owned Acquisitions	1,342	For unassessed projects and ditches
		Red River Construction General	78,039	
16 Red River Construction General	62,323	#11 Perley Road Raise	174	For unassessed projects and ditches
		#12 Hendrum Road Raise	15,816	
		#364 Property Acq/Demo	465	
		#368 - 2016 Rural Ring Dike	611	
		#354 Goose Prairie WMA	8,555	
		#357 Lower Wild Rice	5,487	
		#91 Corey Hanson Complaint	162	
		#18 Violations	528	
		#12 Permits	30,115	
		FEMA 2011 1982	410	

The Statement of Cash Receipts, Disbursements, and Changes in Cash Fund Balances reports net transfers by fund.

**WILD RICE WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 3 DETAILED NOTES – TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

C. Long-term Liabilities

Compensated Absences

The change in accrued compensated absences for the year ended December 31, 2018, was as follows:

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Due in More Than One Year</u>
Other Liabilities:					
Accrued Compensated Absences	<u>\$ 15,940</u>	<u>\$ 2,655</u>	<u>\$ -</u>	<u>\$ 18,595</u>	<u>\$ 18,595</u>

The liability for this amount is not recorded in the fund financial statements as they are prepared on the cash basis of accounting.

Accrued compensated absences are payable from the General Fund.

D. Cash Fund Balances

At December 31, 2018, Governmental Cash Fund Balances consist of the following:

	<u>General</u>	<u>Special Revenue</u>	<u>Red River Const. General-Other</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Restricted for:					
Capital Projects	\$ -	\$ -	\$ 3,425,139	\$ 1,818,411	\$ 5,243,550
Special Revenue	-	10,871	-	-	10,871
Total Restricted	-	10,871	3,425,139	1,818,411	5,254,421
Unassigned	572,212	-	-	-	572,212
Total Cash Fund Balances	<u>\$ 572,212</u>	<u>\$ 10,871</u>	<u>\$ 3,425,139</u>	<u>\$ 1,818,411</u>	<u>\$ 5,826,633</u>

NOTE 4 OTHER NOTES

A. Defined Benefit Pension Plan - Statewide

Plan Description

All full-time and certain part-time employees of the District are covered by defined benefit plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Plan (accounted for in the General Employees Fund), which is a cost-sharing, multiple-employer retirement plan. This plan is established and administered in accordance with Minnesota Statutes, Chapters 353 and 356.

**WILD RICE WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 OTHER NOTES (CONTINUED)

A. Defined Benefit Pension Plan – Statewide (Continued)

Plan Description (Continued)

General Employees Plan members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. All new members must participate in the Coordinated Plan.

PERA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by state statute. Benefits for members of the General Employees Plan vest after five years of credited service. The defined benefit retirement plan benefits are based on a member's highest average salary for any 5 years of allowable service, age, and years of credit at termination of service.

Two methods are used to compute benefits for PERA's Coordinated Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.2% for each of the first 10 years of service and 1.7% for each additional year. The rates are 2.2% and 2.7%, respectively, for Basic members. Under Method 2, the accrual rate for Coordinated members is 1.7% for all years of service, and 2.7% for Basic members. The accrual rates for former MERF members is 2.0% for each of the first 10 years of service and 2.5% for each additional year. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989 normal retirement age is the age for unreduced Social Security benefits capped at 66.

For all General Employee Plan members hired prior to July 1, 1989 whose annuity is calculated using Method 1, a full annuity is available when age plus years of service equal 90. Method 2 provides for unreduced retirement benefits at age 65 for members first hired prior to July 1, 1989 or age 66 (the age for unreduced Social Security benefits), for those first hired on or after that date. Early retirement may begin at age 55 with an actuarial reduction (about six percent per year) for members retiring prior to full retirement age.

There are different types of annuities available to members upon retirement. A single-life annuity is a lifetime annuity that ceases upon the death of the retiree--no survivor annuity is payable. There are also various types of joint and survivor annuity options available which will be payable over joint lives. Members may also leave their contributions in the fund upon termination of public service in order to qualify for a deferred annuity at retirement age. Refunds of contributions are available at any time to members who leave public service, but before retirement benefits begin.

The benefit provisions stated in the previous paragraphs of this section are current provisions and apply to active plan participants.

PERA issues a publicly available financial report that includes financial statements and required supplementary information for the General Employees Plan. That report may be obtained on PERA's website at www.mnpera.org.

**WILD RICE WATERSHED DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 4 OTHER NOTES (CONTINUED)

A. Defined Benefit Pension Plan – Statewide (Continued)

Funding Policy

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. These statutes are established and amended by the state legislature. The District makes annual contributions to the pension plans equal to the amount required by state statutes. General Employees Basic Plan members and Coordinated Plan members were required to contribute 9.1% and 6.5%, respectively, of their annual covered salary in 2018. In 2018, the District was required to contribute the following percentages of annual covered payroll: 11.78% for Basic Plan members and 7.5% for Coordinated Plan members. The District's contributions to the General Employees Fund for the years ending December 31, 2018, 2017, and 2016, were \$13,115, \$12,244, and \$12,086, respectively.

B. Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters. In order to protect against these risks of loss, the District purchases commercial insurance. During the year ended December 31, 2018, there were no significant reductions in insurance coverage from the prior year. Settled claims have not exceeded the District's commercial coverage in any of the past three years.

C. Joint Powers Agreement

The District is one of eight members who established a joint powers agreement creating the Red River Watershed Management Board to collectively allow for more orderly and efficient water management and flood control policies.

D. Contingencies

The District participates in state and federal grant programs that are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of grant funds received may be required. The District is not aware of any significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants. An estimate of possible loss or range of loss cannot be made.

SUPPLEMENTARY INFORMATION SECTION

DRAFT

**WILD RICE WATERSHED DISTRICT
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
GENERAL FUND
YEAR ENDED DECEMBER 31, 2018**

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET POSITIVE (NEGATIVE)
Beginning Cash Fund Balance - January 1	\$ 357,257	\$ 357,257	\$ 357,257	\$ -
RECEIPTS				
Taxes				
Property Taxes and Special Assessments	250,000	250,000	244,416	(5,584)
Total Taxes	250,000	250,000	244,416	(5,584)
Intergovernmental				
State Grants				
Market Value	-	-	6,342	6,342
Other	-	-	545	545
Total Intergovernmental	-	-	6,887	6,887
Miscellaneous				
Rent Income	-	-	180,000	180,000
Interest Earnings	-	-	4,447	4,447
Miscellaneous	-	-	600	600
Total Miscellaneous	-	-	185,047	185,047
Total Receipts	250,000	250,000	436,350	186,350
Amounts Available for Appropriation	607,257	607,257	793,607	186,350
DISBURSEMENTS				
General Government				
Administrative	97,000	97,000	101,751	(4,751)
Advisory Board	4,000	4,000	1,266	2,734
Annual Report/Audit	10,000	10,000	3,417	6,583
Capital Outlay	12,500	12,500	22,496	(9,996)
Education Programs	3,000	3,000	858	2,142
Engineering	13,000	13,000	17,040	(4,040)
Insurance and Bonds	18,000	18,000	11,589	6,411
Legal Fees	12,000	12,000	14,106	(2,106)
Managers Expenses	35,000	35,000	40,669	(5,669)
Mediation Project Team	5,000	5,000	-	5,000
Office Equipment and Maintenance	13,000	13,000	8,322	4,678
Organization Dues	3,000	3,000	5,562	(2,562)
Overall Plan	1,500	1,500	-	1,500
Projects	-	-	(31,954)	31,954
Reimbursements and Other	-	-	3,526	(3,526)
Supplies, Publications, and Postage	8,000	8,000	(1,789)	9,789
Technical Equipment and Support	10,000	10,000	20,145	(10,145)
Utilities	5,000	5,000	4,391	609
Total General Government/Disbursements (Charges to Appropriations)	250,000	250,000	221,395	28,605
CASH FUND BALANCE - DECEMBER 31	\$ 357,257	\$ 357,257	\$ 572,212	\$ 214,955

WILD RICE WATERSHED DISTRICT
COMBINING STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND
CHANGES IN CASH FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS FUNDS
YEAR ENDED DECEMBER 31, 2018

	RECEIPTS	DISBURSEMENTS	RECEIPTS OVER (UNDER) DISBURSEMENTS	NET TRANSFERS IN (OUT)
Survey and Data	\$ 48,624	\$ -	\$ 48,624	\$ (3)
Ph 10 2018 Anderson Request (Upper Reaches)	-	58,338	(58,338)	58,338
Upper Reaches- Other (Upper Reaches)	119,533	49,476	70,057	(58,343)
#1 Norman Co. D #1 (Assessed Projects)	59,173	13,458	45,715	(12,676)
#2 Heiberg Dam (Assessed Projects)	3,408	1,811	1,597	-
#3 Ditch #20, Mary Twp (Assessed Projects)	646	153	493	-
#4 Becker Dams (Assessed Projects)	10,892	5,446	5,446	-
#5 Norman Polk (Assessed Projects)	33,240	19,158	14,082	-
#6 Lake Ida (Assessed Projects)	6,918	3,166	3,752	-
# 9 South Branch (Assessed Projects)	21,623	43,784	(22,161)	(698)
#12 WR Twp. Ditch (Assessed Projects)	12,007	4,452	7,555	-
#13 Olson Agassiz (Assessed Projects)	15,421	139	15,282	-
#14 N.C. Ditch #45 (Assessed Projects)	21,521	6,487	15,034	-
#16 Anthony Twp. (Assessed Projects)	3,548	1,149	2,399	-
#17 Lockhart Twp. (Assessed Projects)	1,288	1,953	(665)	-
#18 N.C. Ditch #64 (Assessed Projects)	6,983	15,519	(8,536)	704
#19 Ditches 35, 10 & 16 (Assessed Projects)	23,102	8,124	14,978	-
#20 Clay J.D. #45, Lat. 1 & 2 (Assessed Projects)	27,635	7,707	19,928	(5)
#23 NC D#34, Lat #1 (Assessed Projects)	368	131	237	-
#25 NC Ditch #38 (Assessed Projects)	5,686	2,400	3,286	-
#27 Lat. A Mahn Co #3 (Assessed Projects)	1,741	2,944	(1,203)	-
#29 Atlanta Twp. (Assessed Projects)	2,319	291	2,028	-
Proj. 30 Liab. To Hendrum Proj. (#30 Anth. Pl. V, Gr. Medo)	-	31,670	(31,670)	-
#30 Anth. Pl. V, Gr. Medo (Assessed Projects)	86,685	38,687	47,998	-
#31 Hegne Twp. Ditch (Assessed Projects)	10,199	2,006	8,193	-
#32 Hegne Anthony Cutoff (Assessed Projects)	2,964	2,496	468	-
#34 Lat. B Mahn # 3 (Assessed Projects)	1,664	14,792	(13,128)	-
#40 Dalen Coulee (Assessed Projects)	14,118	19,674	(5,556)	-
#43 Perley (Assessed Projects)	5,739	3,141	2,598	-
#44 Hendrum (Assessed Projects)	6,983	5,618	1,365	-
N.C. #11 (Ditches)	1,435	3,834	(2,399)	-
N.C. #12 - Proj #24 (Ditches)	3,224	2,155	1,069	-
N.C. #15 (Ditches)	3,067	346	2,721	-
N.C. #18 (Ditches)	16,566	13,219	3,347	-
N.C. #18, Lat. #1 (Ditches)	1,995	526	1,469	-
N.C. #21 (Ditches)	1,929	248	1,681	-
N.C. #22 (Ditches)	17	-	17	-
N.C. #37 (Ditches)	3,086	156	2,930	-
Clay Co. #4 #269 (Ditches)	-	892	(892)	(7,101)
Clay Co. #6 (Ditches)	3,675	536	3,139	-
Clay Co. #7 (Ditches)	18	-	18	-
Clay Co. #8 (Ditches)	14,196	27	14,169	-
Clay Co. #14 (Ditches)	9,278	4,109	5,169	-
Clay Co. #18 (Ditches)	12,467	601	11,866	-
Clay Co. #42 (Ditches)	2,799	238	2,561	-
Clay Co. #44 (Ditches)	1,132	224	908	-
Clay Co. #52 (Ditches)	1,206	3,780	(2,574)	-
J.D. 53-Main-Lockhart Flood (Ditches)	15,966	21,068	(5,102)	-
J.D. 53 Lat #1 (Ditches)	31,805	12,081	19,724	(26)
J.D. 53 Lat #2 (Ditches)	28,535	30,700	(2,165)	(207)
J.D. 56 (Ditches)	7,489	397	7,092	(12)
J.D. 56 Lat #1 (Ditches)	4,709	6,153	(1,444)	-

NET CHANGE IN CASH FUND BALANCES	CASH FUND BALANCES (DEFICIT) - BEGINNING	CASH FUND BALANCES (DEFICIT) - ENDING
\$ 48,621	\$ -	\$ 48,621
-	-	-
11,714	167,995	179,709
33,039	61,144	94,183
1,597	60,722	62,319
493	11,207	11,700
5,446	154,220	159,666
14,082	100,175	114,257
3,752	34,994	38,746
(22,859)	38,424	15,565
7,555	(118,813)	(111,258)
15,282	25,476	40,758
15,034	23,216	38,250
2,399	8,112	10,511
(665)	4,147	3,482
(7,832)	96,250	88,418
14,978	9,957	24,935
19,923	153,678	173,601
237	35,449	35,686
3,286	37,359	40,645
(1,203)	11,929	10,726
2,028	23,762	25,790
(31,670)	-	(31,670)
47,998	92,551	140,549
8,193	58,805	66,998
468	17,320	17,788
(13,128)	17,828	4,700
(5,556)	61,010	55,454
2,598	8,372	10,970
1,365	962	2,327
(2,399)	2,491	92
1,069	49,073	50,142
2,721	21,192	23,913
3,347	65,825	69,172
1,469	4,308	5,777
1,681	12,195	13,876
17	1,653	1,670
2,930	28,936	31,866
(7,993)	(72,447)	(80,440)
3,139	23,711	26,850
18	1,739	1,757
14,169	63,292	77,461
5,169	70,091	75,260
11,866	57,461	69,327
2,561	21,229	23,790
908	15,610	16,518
(2,574)	13,916	11,342
(5,102)	90,358	85,256
19,698	14,292	33,990
(2,372)	(68,476)	(70,848)
7,080	117,537	124,617
(1,444)	52,651	51,207

WILD RICE WATERSHED DISTRICT
COMBINING STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND
CHANGES IN CASH FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2018

	RECEIPTS	DISBURSEMENTS	RECEIPTS OVER (UNDER) DISBURSEMENTS	NET TRANSFERS IN (OUT)
#358 Clearwater Co. #3 (Ditches)	12,299	2,762	9,537	-
#8 Moccasin Creek (Unassessed)	-	526	(526)	526
#10 Mashaug Creek (Unassessed)	-	4,080	(4,080)	4,080
#35 Sande Detention (Unassessed)	-	6,983	(6,983)	6,983
#36 Marsh Creek 3 (Unassessed)	-	607	(607)	607
#36 Northern Improvement Dam (Unassessed)	-	349	(349)	349
#38 Rockwell Dam (Unassessed)	-	351	(351)	351
#39 Mashaug Dam (Unassessed)	-	519	(519)	519
Levy Admin Work (Red River Construction)	-	851	(851)	851
District Owned Acquisitions (Red River Construction General)	2,671	4,013	(1,342)	1,342
Leased AG Property (Red River Construction General)	95,200	15,819	79,381	(79,381)
DRM Grant (Project Dev - Other)	12,500	6,052	6,448	-
#12 Hendrum Road Raise (#336 #III Community Dikes)	-	22,321	(22,321)	22,321
#11 Perley Road Raise (#336 #III Community Dikes)	-	587	(587)	587
#13 Halstad (#336 #II Community Dikes)	1,929,870	1,897,536	32,334	-
#341 DFIRM Mahnomen Co. (Project Dev - Other)	5,091	5,091	-	-
#362 Wild Rice River MPCA WRAP (Project Dev - Other)	23,279	34,676	(11,397)	(188)
#363 Marsh River MPCA WRAP (Project Dev - Other)	20,323	33,420	(13,097)	(188)
#364 Property Acquisition/Demo (Project Dev - Other)	-	558	(558)	558
#369 One Watershed One Plan (Project Dev - RRC)	-	5,048	(5,048)	-
#173 Anderson Wetland #5 (Project Dev - RRC)	-	963	(963)	963
#365 S Branch WRR - NRCS WP (Project Dev - RRC)	79,084	198,535	(119,451)	37,821
#367 Green Meadow - NRCS WP (Project Dev - RRC)	13,150	61,607	(48,457)	9,339
#366 Moccasin Creek - NRCS WP (Project Dev - RRC)	60,129	163,390	(103,261)	39,789
#006 Todd (#368 - 2016 Rural Ring Dike)	102,473	125,757	(23,284)	15,694
#005 Moore (#368 - 2016 Rural Ring Dike)	53,572	10,600	42,972	1,128
#004 Germolus (#368 - 2016 Rural Ring Dike)	8,579	2,759	5,820	-
#368 - 2016 Rural Ring Dike - Other (Project Dev - RRC)	-	989	(989)	989
#354 Goose Prairie WMA Storage (Project Dev - RRC)	8,737	118,627	(109,890)	109,890
#356 Green Meadow Project Team (Project Dev - RRC)	-	372	(372)	372
#357 Lower Wild Rice (Project Dev - RRC)	2,997	32,943	(29,946)	29,946
#94 Tom Baker Complaint (#18 Violations)	-	393	(393)	393
#93 Radke/Erickson Home Lake Co (#18 Violations)	-	162	(162)	162
#90 Keith Kirsch Complaint 2018 (#18 Violations)	-	1,459	(1,459)	1,459
#92 Earl Weerts Complaint 2018 (#18 Violations)	-	1,224	(1,224)	1,224
#91 Corey Hanson Complaint 2018 (#18 Violations)	-	2,666	(2,666)	2,666
#89 Luckow Complaint 2018 (#18 Violations)	-	1,979	(1,979)	1,979
#18 Violations - Other (#18 Violations)	-	6,456	(6,456)	6,456
#12 Permits - Other (#12 Permits)	-	93,586	(93,586)	93,586
PH 16, Proj #1 CD #1 FEMA PW 25 (FEMA 2011 1982)	7,921	-	7,921	20,730
FEMA 2011 1982 - Other (FEMA 2011 1982)	-	410	(410)	410
Total	\$ 3,156,497	\$ 3,332,486	\$ (175,989)	\$ 314,284

NET CHANGE IN CASH FUND BALANCES	CASH FUND BALANCES (DEFICIT) - BEGINNING	CASH FUND BALANCES (DEFICIT) - ENDING
9,537	8,926	18,463
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
6,448	(102)	6,346
-	-	-
-	-	-
32,334	(33,141)	(807)
-	-	-
(11,585)	(9,224)	(20,809)
(13,285)	(5,609)	(18,894)
-	-	-
(5,048)	(815)	(5,863)
-	-	-
(81,630)	4,247	(77,383)
(39,118)	(1,592)	(40,710)
(63,472)	(1,645)	(65,117)
(7,590)	8,402	812
44,100	(37,748)	6,352
5,820	(5,820)	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
28,651	(28,651)	-
-	-	-
<u>\$ 138,295</u>	<u>\$ 1,680,116</u>	<u>\$ 1,818,411</u>

**WILD RICE WATERSHED DISTRICT
SCHEDULE OF ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2018**

FUND	SOURCE OF REVENUE AND PURPOSE		AMOUNT
Capital Projects	Becker County	Property Taxes and Special Assessments	\$ 2,545
Capital Projects	Clay County	Property Taxes and Special Assessments	74,889
Capital Projects	Clearwater County	Property Taxes and Special Assessments	496
Capital Projects	Mahnomen County	Property Taxes and Special Assessments	3,084
Capital Projects	Norman County	Property Taxes and Special Assessments	16,981
Capital Projects	NRCS	Grants Income	180,171
Capital Projects	Polk County	Property Taxes and Special Assessments	1,181
Capital Projects	State of Minnesota	Grants Income	136,622
General	Becker County	Property Taxes and Special Assessments	738
General	Clay County	Property Taxes and Special Assessments	1,117
General	Clearwater County	Property Taxes and Special Assessments	109
General	Mahnomen County	Property Taxes and Special Assessments	858
General	Norman County	Property Taxes and Special Assessments	2,074
General	Polk County	Property Taxes and Special Assessments	176
General	Red River Management Board	Reimbursements	275
Special Revenue	Becker County	Property Taxes and Special Assessments	2,390
Special Revenue	Clay County	Property Taxes and Special Assessments	3,766
Special Revenue	Clearwater County	Property Taxes and Special Assessments	373
Special Revenue	Mahnomen County	Property Taxes and Special Assessments	2,914
Special Revenue	Norman County	Property Taxes and Special Assessments	6,951
Special Revenue	Polk County	Property Taxes and Special Assessments	600
			<u>\$ 438,310</u>

**SCHEDULE OF ACCOUNTS PAYABLE
YEAR ENDED DECEMBER 31, 2018**

FUND	VENDOR NAME	ITEM AND PURPOSE	CHECK NUMBER	AMOUNT
Capital Projects	Anthony Sip	Mowing/Tree Removal	17015	\$ 9,180
Capital Projects	Braun Intertec	Geotechnical Evaluation	17027	2,136
Capital Projects	City of Perley	Mowing	17042	3,840
Capital Projects	Houston Engineering, Inc.	Engineering	16997	72,748
Capital Projects	Houston Engineering, Inc.	Engineering	17031	57,145
Capital Projects	Ralph's Food Pride	Supplies	17007	10
Capital Projects	Sellin Brothers	Halstad Pay Request 6	17013	72,266
Capital Projects	Wambach & Hanson	Legal	17017	158
General	Ada Building Center	Snow Guard	16993	732
General	Arvig	Telephone	ACH	313
General	City of Ada	Utilities	ACH	255
General	Dusty's Floor Covering	Labor	16995	250
General	Eggen Heating & AC	Replace Filters	17030	100
General	Kenneth Aaron Kesselberg	Snow Removal	17000	195
General	Marco	Copier Lease	ACH	508
General	MN Energy Resources	Utilities	ACH	63
General	Morris Electronics	Technical Support	17038	120
General	Ralph's Food Pride	Supplies	17007	62
General	Renae Kappes	Cleaning	17011	120
General	Verizon Wireless	Telephone	ACH	154
General	Wambach & Hanson	Legal	17017	951
Special Revenue	Red River Watershed Mgmt. Board	1/2 Cost Reimbursement	17009	10,870
				<u>\$ 232,176</u>

OTHER REPORT SECTION

DRAFT

INDEPENDENT AUDITOR'S REPORT ON MINNESOTA LEGAL COMPLIANCE

To the Board of Managers
Wild Rice Watershed District
Ada, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the Wild Rice Watershed District, Ada, Minnesota, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated xxxx.

The Minnesota Legal Compliance Audit Guide for Other Political Subdivisions, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, contains six categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, claims and disbursements, miscellaneous provisions, and tax increment financing. Our audit considered all of the listed categories, except that we did not test for compliance with the provisions for tax increment financing because it is not applicable to the District. Additionally, we tested for compliance with the authority to issue public debt.

In connection with our audit, nothing came to our attention that caused us to believe that the District failed to comply with the provisions of the *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions*, except that the District did not comply with the contracting and bidding policy or the public purpose policy. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with the above referenced provisions.

This report is intended solely for the information and use of those charged with governance and management of the District and the State Auditor and is not intended to be, and should not be, used by anyone other than these specified parties.

Justin, Clasen & Company, Ltd.
Certified Public Accountants & Consultants

Pequot Lakes, Minnesota
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