



524 4th St South, Sauk Centre, MN 56378
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DRAFT Meeting Minutes
Sauk River Watershed District Regular Meeting
Tuesday, January 17, 2012

7:00 PM – Regular Meeting – Sauk River Watershed District Office, Sauk Centre, MN

Managers Present:	Jim Kral, John Harren, Bob Mostad, Tim Lunsford, Virgil Rettig, Larry Kuseske, and Jason Scherping
Staff Present:	John Kolb, Attorney (Rinke-Noonan) Heather Lehmkuhl
Guests Present:	Tom Klemenhagen and Jim VonWahlde
Manager's Absent:	Todd Foster and Vern Vangsness

1. **The meeting was called to order at 7:05 p.m. by Vice President Kral and the Pledge of Allegiance was recited.**
2. Vice President Kral asked for additions or corrections to the agenda. The proposed agenda was reviewed and items were added by both Manager Lunsford and Manager Mostad. The agenda was approved by general consent of the board.

3. **Consent Agenda (*approved by one motion*)-Vice President Jim Kral**

a. **December 1-31, 2011 Financial Report**

1. Cost Share Funds Log Report
2. Loan Funds Log Report
3. Check Register for General Fund 101

b. **December 13, 2011 Board Meeting Minutes**

c. **Permits recommended for approval-None**

d. **Grant Applications for Approval-**

- (1) MPCA Mill Creek Water Quality Protection Project
- (2) Lower Sauk-Metro Area Water Quality Protection Project
- (3) Sauk River Watershed Wide Protection Project

e. **Resolutions for Approval-**

47-11	Lower Sauk-Metro Area Protection Project Resolution
48-11	Mill Creek Water Quality Protection Project Resolution
49-11	Sauk River Watershed-Wide Protection Project Resolution
01-12	Approve Annual Meeting Items

f. **Board Action Items for Approval-**

01-12	Approve Lake Association Contracts through the District
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g. **Loans, Grants, Appropriations**

• **Loans-**

<u>Landowner:</u>	<u>Project Installed:</u>	<u>Action Required</u>	<u>Amount Encumbered/</u>	<u>Fund Code:</u>	<u>Pay to:</u>
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			<u>Paid:</u>		
Tim and Rebecca Krueger	Septic System	Payment	\$2,985	224	Kraemer Trucking and Excavating
Tim and Rebecca Krueger	Septic System	Payment	\$4,40.90	224	Ilgen Excavating, Inc.

• **Grants-**

<u>Landowner:</u>	<u>Project Installed:</u>	<u>Action Required:</u>	<u>Amount Encumbe red/Paid:</u>	<u>Fund Code:</u>	<u>Pay To:</u>
Jerry Wenner	Shore land restoration	After the fact payment approval	\$18,500	310	Anything Outdoors
Jerry Wenner	Shore land Restoration	After the fact payment approval	\$2,186.69	326	Anything Outdoors

• **Appropriations**

1.	Health Partners	Premium Payment	\$1,542.50	General Fund (GF)
2.	Wenck	CD 15 & 26 Wetland Work	\$2,308.57	CD15/26 In last board packet but amount did not get listed in appropriation approval.
3.	Wenck	P8 Training	\$1,266.98	Grant
4.	Wenck	Backyard BMP	\$2,281.00	Grant
5.	Wenck	CD15 & 26	\$634.00	CD15 & 26
6.	Rinke Noonan	General legal	\$1,519.50	GF
7.	Rinke Noonan	Weed Harvester Project	\$340.50	Weed Harvester Fund

Manager Rettig made a motion to approve the consent agenda. Manager Harren seconded the motion. The motion passed with all in favor.

4. Old Business

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- (a) Policy Updates-***TABLED***
- (b) Stony Creek MRBI project discussion-***TABLED***

5. New Business

- (a) 2011 Monitoring Program Report-Presentation-Heather Lehmkuhl gave a summary of the 2011 monitoring season and an update on the work being done at the Stearns County Discovery Farm. Attorney Kolb noted that, based on the monitoring data, there are specific locations within the District where there are adjacent land uses that are significantly impacting the in stream, especially on the tributaries. There is something happening in those small watersheds causing those numbers and that has an impact all the way down to the chain. When the District starts looking at programs and targeting it's money, if the objective is to improve the water quality within the Sauk River Watershed or within a specific lake region the District needs to target those things and needs to start looking at land use practices that will help achieve some of those targeted goals. Vice President Kral thanked Heather for her presentation.
- (b) Annual Report Draft-***TABLED***

6. Reports

a. Administrator's Report-

1. **Overall Plan**-***TABLED***
 - (a) Project with St. Cloud State Students
2. **Training Plan/Budget**-***TABLED***
3. **Legacy Forum Meeting**-***TABLED***
4. **Employee Contract Updates**-Attorney Kolb discussed the changes to the revised draft of the Administrator's Contract from the closed meeting review and actions taken after that review. He explained that *Board Chair* was changed to *Board President*; because that is how it is designated in statute. He also stated that under other compensation in the Personnel Manual regarding the Administrator, benefits would be applicable to Administrator Kovarik. There was also a change to personal time off, sick leave reflects the Employee Handbook, and the Blackberry was changed to a communications devise. **Manager Lunsford made a motion to authorize the President to sign the actual Employee Contract. Manager Harren seconded the motion. The motion passed with all in favor.**
5. **LMCIT Dividend Payment \$2,071 for 2011**-Information only. No Report
6. **E-linkReporting/Year End Reporting**-***TABLED***
7. **Draft Year End Financials**-***TABLED***
8. **MDA Grant Applications**-***TABLED***
9. **RIM/WRP Grant Application**-***TABLED***

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- 10. MRBI Applications-**Manager Lunsford explained that Administrator Kovarik is working with the Partnering Agencies on possible grant applications and that more information will follow.
- 11. Health Insurance and Benefits Policy Updates-***TABLED*****
- 12. Staff Team Building Workshop-**Manager Lunsford explained that Administrator Kovarik requested to take the staff for a day or a half day away from the office for a productivity/team building exercise, assuming there would be someone to cover the office. He discussed the idea with legal counsel and was informed that because this activity is to improve the productivity of the staff that general funds could be used for the activity. Manager Harren asked if a consultant would be brought in for the activity. Manager Lunsford stated that Administrator Kovarik was looking for feedback as to whether or not it would be feasible and would the Board allow it and provide fiscal support for it. Manager Harren asked if there were staff concerns that need to be brought together. Manager Lunsford stated that he believes it is an evolutionary thing and asked present staff for their input. Heather Lehmkuhl stated that she believes that the approach is to bring together the diverse staff back grounds and interact with each other outside of individual staff responsibilities in the office. Attorney Kolb reinforced that it was Administrator Kovarik's goal to get a general understanding from the Board before spending time on it and will come back to the Board with a plan a budget. Manager Harren stated that he felt that it would be appropriate and would fall under the training budget. **Manager Mostad made a motion to direct the Administrator to put a proposal together for a later meeting and that the Board agrees that this would be a proper use of general funds. Manager Lunsford seconded the motion.** Manager Harren asked if the motion included that the activity would be part of the training. Manager Lunsford stated that the Board should wait to see the proposal before making that decision. **The motion passed with all in favor.**
- 13. Legislative Breakfast-**Manager Kuseske stated that the Legislative Breakfast is March 7th and 8th. He also stated that this year they want the legislators at the evening event instead of the breakfast. Manager Kuseske recommended that the Board decide who will be going to the Legislative Breakfast because, there won't be enough time after the February meeting to make reservations. Manager Mostad stated that he would like to go this year. Attorney Kolb explained the general meeting times and schedules. Manager Kral and Manager Mostad recommended that 2 or 3 Board members and Administrator Kovarik should attend the Legislative Breakfast. Manager Kuseske said that he would be attending as well. Manager Kral asked if any other Board members would like to attend and recommended that Todd should be asked if he would like to attend.

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14. 2011 Education Report-to be presented at the February meeting

15. Workshops

- (a) MECA Conference-Attorney Kolb explained that a couple of the staff had requested to attend the Minnesota Erosion and Control Association Conference and the cost for two staff to attend would come out of the Education Fund. Manager Lunsford noted that the \$770 does include the cost of hotel and mileage, but doesn't include per diem. **Manager Lunsford made a motion to approve this request not to exceed a cost of \$1100 for both staff.** Manager Rettig asked for clarification regarding the details and purpose of the workshop. Heather Lehmkuhl stated that the training is held in Nisswa, they cover a variety of topics regarding erosion, and we send staff to it every year. Manager Harren stated that the SWCD puts on a workshop as well and asked if the MECA workshop goes into more depth than the SWCD workshop. Heather Lehmkuhl explained that this training includes information on LIDAR and other topics. Manager Lunsford reinforced that this training was a part of the training budget for 2012. **Manager Mostad seconded the motion.** Manager Kral asked who would be attending the workshop. Heather Lehmkuhl stated that it would be Tara, Lynn, or Adam, but only two of them would be attending. **The motion passed with most in favor, Manager Scherping abstaining.**
- (b) SCSU Workshops-Attorney Kolb explained a memo from Office Manager Roelike's to the Board requesting that one staff member be able to attend training at SCSU for \$325, which was to come from the training budget. Manager Lunsford added that this training was intended for Administrator Kovarik and was a result of the Board's directive from her performance assessment. **Manager Mostad made a motion to approve the SCSU Workshop memo and to allow Administrator Kovarik to attend the workshop. Manager Kral seconded the motion. The motion passed with all in favor.**

16. Ditch Inspector Position-Attorney Kolb stated that Administrator Kovarik had received Inspector Hayman's letter of resignation as he had accepted a position with the Minnehaha Creek Watershed District. Manager Lunsford expressed that this is an opportunity to reevaluate the position and take some time to look at the future of the watershed before making a decision. He stated that one of the proposals was to ask Amy Trisko to assist the District under a 3 month contract to keep things moving after Inspector Hayman leaves. He also, explained that Administrator Kovarik would like to work with the Board President or his designee over the next month to develop a recommendation of what should be done. Manager Mostad asked for clarification as to why Inspector Hayman was leaving. Manager Lunsford expressed that

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Inspector Hayman was leaving for several reasons, but none of them are compensation based. By consensus the Board directed Administrator Kovarik to work with the President or his designee to come back with a recommendation in a month or two. Manager Lunsford also proposed getting together on Inspector Hayman's last day to wish him well. Attorney Kolb advised the Board to notice the event because there would be a potential of a quorum. Manager Harren suggested that it be posted. Manager Lunsford directed staff to post the event as a meeting. Manager Kral proposed that the Board should present Inspector Hayman with a plaque. **Manager Kral made a motion to present Inspector Hayman with a plaque with a budget not to exceed \$100. Manager Lunsford seconded the motion. The motion passed with all in favor.** The Board directed Administrator Kovarik to work with Manager Lunsford to order the plaque.

17. Amy Trisko Contract-Manager Lunsford recommends that the Board ask Amy Trisko to come back under a 3 month contract. He also explained that Administrator Kovarik recommended that Tara's responsibilities be transferred to Amy, Tara would be taking care of the ditch responsibilities, and Administrator Kovarik would assisting with some of the permitting issues. **Manager Mostad made a motion to ask Amy Trisko to work for the District on a 3 month contract with the opportunity to extend. Manager Rettig seconded the motion.** Manager Rettig asked for clarification on her wages. Manager Lunsford indicated that she would be paid the same as last year at \$25 per hour. Manager Harren as for clarification to the contracted time frame. **Motion passed with all in favor.**

18. 210th Street Ravine-Attorney Kolb explained the history and location of this erosion issue. He stated that until recently the owner of the property was resistant to do anything to resolve the issue, but if someone else will take responsibility for it, they will allow the project to precede. The Board should be looking for a request or a petition in the coming months to resolve the erosion issue. After discussion of the topic with Administrator Kovarik, the recommendation would be that the District would use existing cost share dollars to implement the project and work through who takes responsibility for the project.

19. Additional Contract for Approval

(a) Melrose Community LLC-Attorney Kolb explained the grant cost share contract for an estimated \$29,000 and requested a motion to authorize the President to sign the contract. **Manager Kuseske made a motion to authorized the President to sign the Melrose Community LLC grant cost share contract. Manager Lunsford seconded the motion. The motion passed with all in favor**

20. Additional Loan Contract Payments

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<u>Landowner:</u>	<u>Project Installed:</u>	<u>Action Required</u>	<u>Amount Encumbered/ Paid:</u>	<u>Fund Code:</u>	<u>Pay to:</u>
Thomas Zappa	Septic System	Payment	\$13,304.36	224	Lang Trenching Inc.
Thomas Zappa	Septic System	Payment	\$377.00	224	Watab Inc.

Attorney Kolb explained that these were payment requests that came in after the Board packet was put together and would've be on the consent agenda. **Manager Kuseske made a motion to approve the loan payment requests at noted in the Additional Agenda. Manager Kral seconded the motion. The motion passed with all in favor.**

21. Funeral Collections-Manager Lunsford informed the Board that the District does have a residual Funeral Fund to use when the need arises.

b. Attorney's Report—John Kolb

1. **County Assessment Fees**-Attorney Kolb explained that the assessments are not made under statute 429, they are made under watershed law. The County Attorney agrees and therefore, the District doesn't have to pay the fees. Manager Lunsford raised concerns of whether or not the County Treasurer will agree and will he authorize proceeding with assessments if the District doesn't pay it. Attorney Kolb assured the Board that if the County Treasurer has concerns, he will contact the County Attorney and have him instruct the County Treasurer appropriately.
2. **Memorandum regarding potential refund of project assessments for Weed Harvester Project**-Attorney Kolb summarized the previous memorandum and explained that after some research that the legal opinion is that if the project would be dismissed, all residual funds remaining in the project would be returned to the owners of benefited property in a prorated manner according to their of total project benefits. He also, stated that yes the money can be returned, but there is a process to follow for proceedings to dismiss the project. Manager Harren stated that there would be a couple of options to return the funds and would it be simplest to return the funds to the current benefited property owners. Attorney Kolb said that it would be appropriate to return it to the current property owner; because, the benefits of the project were based on the projects contribution of the portion of the property value attributable to the water quality and navigational enhancements provided by the project. He also said a property that was sold to another owner presumably it would've been sold and a higher value would've been received by the seller based on the existence of the project. He added that this project was a maintenance fund for an ongoing project and those property owners that originally had the project received benefit and a portion of the proceeds from the sale of their property or at least that value according to the way the benefits were set up would've been

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reflective in the sale of the property and the current owners have already paid for it. Manager Mostad expressed that he felt it would be rather premature to dispose of the project as of yet and that he doesn't feel confident that the pondweed won't come back and said that it wouldn't cost anything to wait a couple of years. He also stated that he wasn't in favor of using herbicides to treat the lake. Manager Harren asked if the equipment is stored. Manager Mostad stated that it is stored in his shed and the cost is \$350.00 per year and when they had looked into storage in the past it was 500 to 1,000 dollars a year. Manager Rettig agrees that the Board should wait and asked if the Board could sell the equipment later and add the money to the residual funds that will be distributed. Attorney Kolb reassured the Board that they can dismiss the project, pay all the costs associated with the proceedings and anything else and whatever was left over would be prorated by the benefits of each property and paid out by direct check. **Manager Harren made a motion to table the Weed Harvester discussion.** Manager Lunsford stated that the Weed Harvester could be rolled into the Comprehensive Plan and that would be the appropriate place to solve the issue. Manager Harren stated that his motion stands as is. **Manager Scherping seconded the motion. Motion passed with all in favor.**

c. **Ditch/Permit Inspector Report-**

(1) **Permits-**

- (a) 12-01 Highway 15 Interchange-***Tabled***Attorney Kolb indicated that Inspector Hayman informed him that the application was incomplete and that he had sent a letter of reply to MNDOT with the required 15 day review stating that the application was incomplete and what information was needed to proceed.
- (b) 12-02 Osakis Creamery-Attorney Kolb stated that Inspector Hayman has reviewed the permit and recommends approval with conditions stated in the supplemental memo. Tom Klemenhausen from Landteam Inc. presented the scope and phases of the Osakis Creamery Improvement Project near Stevens Lake. The project is to replace the old fertilizer facility with a new one. The project also proposes to collect and treat all existing impervious surface storm water to the standard required in that area and has made an application to the District for participation in that part of the project. **Manager Lunsford made a motion to approve staff recommendation to approve the permit with conditions. Manager Mostad seconded the motion. The motion passed with all in favor.** Tom Klemenhausen also mentioned that Phase 1 work will begin once ground conditions will allow and will focus on preparation work for the new facility. Storm water projects should be installed and vegetated by June 15th. Phase 2 of the project involves the removal of the old

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facility and grading around the building and will be completed by August 15th. The project will meet the 1 inch treat on all impervious surfaces.

- (c) Getty Wind Farm-Attorney Kolb stated that he believes it's a development located in Getty Township and that is all he knows about it at this point.

(2) Ditches

- (a) **County Ditch 24 Stabilization**-Attorney Kolb reminded the Board that Inspector Hayman had informed the Board at a previous meeting that there was a need to stabilize the construction area for the Ditch 24 repairs and that work has now been completed by Anything Outdoors.

- (b) **County Ditch 24 Payment to Anything Outdoors**-Attorney Kolb stated that the seeding and hydro mulch was completed by Anything Outdoors on Ditch 24 at a cost of \$3,000 and Inspector Hayman was seeking approval of payment for that bill. **Manager Rettig made a motion to approve payment of \$3,000 to Anything Outdoors for work completed on County Ditch 24. Manager Lunsford seconded the motion. The motion passed with all in favor.**

- (3) **Assessments progress**-Attorney Kolb updated the board that Inspector Hayman is continuing to work on the assessments and updates for the various drainage systems and his goal is that before his last day he will have an outline of the process that he's been following and that will be one of the additional work items that will have to be taken over and completed by someone else after his departure.

- d. Calendar Items Addressed:** Approve current bills, approve minutes, approve annual dues, staff team building workshop, review year-end and preliminary financial reports, expenditure reports due to MPCA, Equipment purchases, review draft annual report, plan legislative breakfast, yearend reports/W2s and 1099s, seasonal staffing discussion and position posting, discuss volunteer training program, 2011 education program report, other reports.

e. Board Member Meeting Reports

- **Viewers Meeting**-Manager Mostad gave an update on the last Viewers Meeting. He was very pleased with Kurt Deters presentation on criteria for choosing good viewers and what happens when you don't have good viewers.

f. Open Discussion for the Public-None

7. **Items for Next Meeting Agenda**- Manager Harren wants to learn more about the permit process involving the District, as well as, other agencies and he also proposed moving the meeting time up from 7:00 pm to 6:00 pm.

8. **Adjourn-The meeting was adjourned by Vice President Kral at 9:00 p.m.**

NEXT MEETING: Regular Meeting- February 21, 2012 (Tuesday) - Sauk River Watershed District Office Sauk Centre, MN

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