

524 4th St South
Sauk Centre, MN 56378
Phone: (320) 352-2231
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Visit us online at: www.srwdmn.org

MEETING MINUTES

Regular Meeting
7:00 p.m. Sauk River Watershed District Office
December 16, 2008

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|--------------------------|--|
| Managers Present: | Dan Coughlin, Chub Hensley, Jim Kral, Larry Kuseske, Richard Raeker, Virgil Rettig, Jim Rothstein, and Bob Mostad. |
| Staff Present: | Holly Kovarik, Administrator Starla Arceneau, Recording Secretary Lynn Nelson, Adam Hjelm, and Heather Lehmkuhl |
| Guests Present: | Conrad Bhomke-Eden Valley Mayor, Jack Gibbons-Osakis, and Jason Weinerman-BWSR |
| Manager's Absent: | Sharon Kutter |

The meeting was called to order by President Kral.

The Board recited the Pledge of Allegiance.

The proposed agenda was reviewed. A motion was made by Manager Coughlin to approve the agenda with additions. Manager Kuseske seconded it. The motion passed with all in favor.

The consent agenda included:

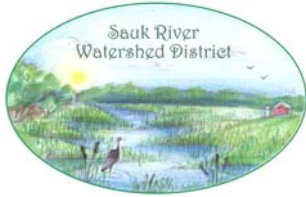
- a. Approval of minutes for the December 2, 2008 meeting
- b. November 25-December 11, 2008 Financial Report
- c. Appropriations sheet for the repair of the Plotter totaling \$1,098.25.

Manager Rettig requested that the meeting minutes be removed from the consent agenda for separate consideration. A motion was made by Manager Rothstein to approve items b and c on the consent agenda, and seconded by Manager Coughlin. The motion to approve consent agenda items b and c was passed unanimously.

The December 2nd minutes were reviewed. Manager Rettig brought it to the attention of the group that the December 2nd minutes had him making the motion and seconding the motion approving the November 18th meeting minutes. Manager Rettig made a motion to approve the minutes to include this minor correction. Manager Mostad seconded the motion. The motion passed with all in favor. *(Please note: The correction to the December 2' 2008 meeting minutes note that the person seconding the motion was Manager Dan Coughlin.)*

The board tabled the credit card policy at the request of Kovarik until she has an opportunity to look into other policies.

The board discussed Kovarik's contract and reviewed the compensatory or flex time issue at the request of Kovarik to clearly define what is and is not allowed under this provision. She asked for clarification. The board discussed in detail how to address Kovarik's compensatory time. After discussion Manager Coughlin made a motion to direct Attorney Kolb to insert language into the Administrator's contract that allows for 1:1 accumulation of flex time to be utilized in the same manner as the employee policy allows for paid leave and that no flex time be accrued for regular board meetings. Attorney Kolb asked if he might read a paragraph he had prepared to determine if it clearly states what the Managers wanted.



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"When Kovarik's duties to the District require work beyond the standard District business week (40 hours), regular Board meetings excluded, Kovarik may track and take an equivalent amount of time off without utilizing Paid Time Off (PTO). Flex time may be taken at Kovarik's discretion so long as the taking of such flex time does not unduly interfere with the performance of her duties. Kovarik must use any accrued flex time within 90 days of its accrual."

Manager Coughlin stated that Mr. Kolb's written paragraph captured the essence of the intent of his motion. Manager Rothstein seconded the motion. At the suggestion of the Attorney, the main motion was amended to include that all flex time be used within 90 days of accrual. The motion passed with Manager Kuseske opposing.

Administrator Kovarik and President Kral interviewed the final two candidates and gave their recommendations for the Ditch/Permit Inspector position. This was to offer the position to Andrew Dotseth contingent upon passing a background check at \$14.58 per hour based on the District's pay scale at Group VIII and step 0. This would include PERA, Health Insurance, sick, and vacation. Manager Coughlin made a motion to extend an offer of employment to Andrew Dotseth with compensation of group VIII and step 0 (\$14.58) contingent on passing a background check. Manager Rettig seconded it. The motion passed with all in favor.

Kovarik asked for approval to sign and give her authority to open an account to conduct a background check with Verified Credentials, Inc. who was recommended by Attorney Kolb who noted that his firm did not have the in house expertise to do such a background check themselves. Kovarik also wanted to make the Managers aware that there are fees associated with this.

Upon discussion it was stated that credit report would not be necessary seeing that this position would not be working with the District's finances. It was also determined by the Board that a driving record check would not be necessary as long as the candidate has a valid driver's license. The list that was provided to the board included: County Criminal Search, Statewide Search, Employment, Residency Locator, and Academic (Highest Degree), Driving Record, and Peer Credit Report. Kovarik will check the driving record through a website that was provided by Manager Coughlin.

Manager Coughlin made a motion to authorize Verified Credentials as the District's background search firm to include everything on the list above except for the driving record and the credit check and authorize the Administrator to sign any documents necessary to complete the background check. Manager Rettig seconded the motion. The motion passed with all in favor.

A review was given on the Judicial Ditch 2 Sediment Pond by Adam Hjelm (staff) based on a previous presentation given by Brian Sanoski (Previous SRWD staff). Kovarik asked about the core sample to determine the nutrient value of the material and how to pay for it. It was also stated that it is important that we work with the SWCD's to stop the sediment from getting into the ponds and in the future hopefully reduce the amount coming in. An estimate was given on how much it would cost for the samples around \$250.

It was suggested by the members to take two samples one from the primary pond and one from the secondary pond. The sampling will be taken care of within the next month once the Joint Powers Engineers can get up here to take a look and the sample to be sent in. Results from those tests should be available within 2 months or so depending on the turn around at our testing lab.

After considerable discussion on the ponds, Manager Rothstein made a motion to have staff complete the core sampling necessary to determine the nutrients in the sediment and also have the Joint Powers complete the Sediment Samples. Manager Raeker seconded it. The motion passed with all in favor.



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Kovarik suggested that the Board should consider inviting the Joint Powers Board Engineers to a Board Meeting to review the sampling results of the two sediment ponds. The Board agreed with the Administrator's recommendation.

Heather Lehmkuhl reported on the 2008 data collected from the lake and stream sites near Eden Valley. It was also suggested to contact the SWCD's on what can be done to promote buffers in this area. Kovarik extended an offer to Manager Rettig to meet with the engineer as well. It was noted that there are some incentive dollars available right now. After further discussion, Manager Rothstein made a motion to have Kovarik work with our attorney to determine a recommendation for which engineering firm should be assigned to the project, and come back with a proposal to the board for final approval. Once a firm is determined, the results of the sampling data should be shared with that firm for review. Manager Mostad seconded the motion. The motion passed with all in favor.

The Administrator's Report was reviewed. Kovarik reviewed the following information:

There was a file folder provided to each board member with information in it. Those folders are to provide board members additional information beyond what was sent out in their packets. The contents of the folders can be taken by members at the end of each meeting, but the Administrator asked that the folders themselves be returned to her at the end of each meeting so they can be reused.

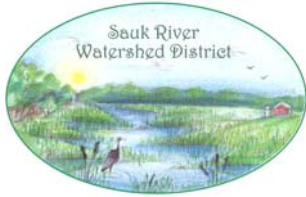
Kovarik's recommendations for the intern positions terms that were set to expire at the end of December were to keep Tara on until February (She is working on the Battle Point Project and will have a presentation to the Park Board in February.), Zack (Is working on education trunks.) until January 10th and for Beth (Administrative position) to cease employment at the end of December as originally planned. Manager Rothstein made a motion to approve Kovarik's recommendations as suggested to: keep Tara on until February, Zack until January 10th and for Beth to be done the end of December. Manager Coughlin seconded the motion. The motion passed with all in favor.

Kovarik discussed the bid to finish up the reconciliations done for the audit. It was her recommendation to go ahead with hiring a separate audit firm to assist in reconciling the accounts of the District which had not been fully converted by the District's previous audit firm. The Administrator said that as far as the current finance software MYOB is concerned, it is recommended that district needs to use software that is designed for fund accounting.. She mentioned that she has sent out a survey to other Watershed Districts and will be compiling the results of her research on this item and report back to the board with a recommendation. The Administrator suggested that Starla, Holly, and Melissa would participate in any software training that would be needed.

The members inquired about securing a contract with the District's audit firm for a second year as was previously requested by the Board. Kovarik noted that she will follow up on a contract extension for next year with the accounting firm KDV.

Kovarik recommended approval of the bid from the recommended accounting firm to work with Starla on reconciling the accounts in anticipation of the upcoming audit. Manager Coughlin made a motion to approve the training in order to complete the audit. Manager Mostad seconded the motion. The motion passed with all in favor.

Kovarik recommended approval of the signature cards to include 2 signatures to open an account. Manager Kuseske made a motion to approve the signature cards to include 2 signatures to open an account. Manager Coughlin seconded the motion. The motion passed with all in favor.



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Kovarik recommended the safety deposit box signature card to be updated. Manager Kueseske moved to approve two signatures for the safety deposit box to include the administrator and the chair. Manager Coughlin seconded the motion. Motion carried.

Kovarik reviewed the Middle Sauk River Water Quality Restoration Continuation Project Quality Assurance Project Plan (QAPP) for 2008-2011. Whenever there is a grant with MPCA we need to have this plan in place as a requirement for MPCA. Manager Rettig made a motion to authorize Kovarik to sign this QAPP and all future QAPP's. Manager Coughlin seconded the motion. The motion passed with all in favor.

Kovarik mentioned that the front door sometimes locks and when we are in the office. It happened on 12/8 when one of our candidates came to interview and the door had locked. The board authorized Kovarik to have someone look at the door.

The January 6th regular meeting will be held at 6:00 pm at the office and then afterwards there will be the District's Christmas party at Gerard's at 7:30 p.m. We will eat at 8:00 and everyone will pay for their own. The staff will put together a food selection list and send it out prior to the next meeting.

Kovarik mentioned maintenance work needs to be addressed on the 2004 Chevy. The boards approved by general consent to have F&W fix the truck. The members gave their unanimous consent to authorize the Administrator to schedule the repair of all routine repairs to vehicles, equipment and facilities without needing to seek prior board approval as long as the costs involved are provided for in the budget and are within the Administrator's purchasing authority.

Kovarik, Lehmkuhl, and Nelson met with the DHIA Lab and reviewed their lab agreement. It is a release agreement from the Minnesota Department of Health to run the sample even though it may not always come in within the MDH requirements. Manager Raeker made a motion to allow Kovarik to sign the DHIA Lab Agreement. Manager Rothstein seconded the motion. The motion passed with all in favor.

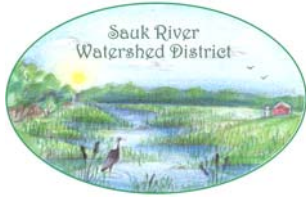
The Administrator noted there will be a revised treasurer report provided to the members in the future. She mentioned that the present report was basically a check register report and that she hoped to provide the Board with more in-depth financial detail in the coming months.

Kovarik mentioned that the University of Minnesota-Crookston will be coming to the District's office on December 19th, 2008 to interview her for an article in their alumni newsletter. They have selected Kovarik for a feature in their upcoming edition of the Torch and Shield magazine for the alumni.

Kovarik asked for clarification as to how she was to handle requesting time off or reporting sick leave used. The consensus of the Board was to have the chairman be the point of contact for such matters.

Kovarik asked for clarification on the Administrator's purchasing limit. Manager Coughlin made a motion to allow a \$1500 purchasing limit without board approval. Manager Rothstein seconded the motion. The motion passed with all in favor.

The Attorney's Report was given by Attorney Kolb. Kolb handed out a draft copy of the Joint Powers Agreement between the District and Stearns County for the board to review. This agreement is in regards to position sharing for Shawn Beaudy Stearns County Storm Water Compliance Coordinator. It was mentioned that the Board will not be able to act on this agreement until Stearns County Attorney has time to review the agreement. The proposed cost share amount from the District is \$10,000 per year.



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The board discussed the lack of buffer strips along Judicial Ditch 2. Manager Hensley made a motion to have Attorney Kolb write a letter to the ditch authority addressing the District's concerns regarding the lack of buffer strips along Judicial Ditch 2. Manager Coughlin seconded it. The motion passed with all in favor. Kolb will work with Administrator Kovarik to get this letter sent.

Kolb mentioned that the District has not received any new request for proposals for the Re-determination of Benefits on County Ditch 26 & 15. The staff will send the two proposals for the board to review in the next board packet. There were no new proposals. It was also recommended to let the spokespeople of that group know that this item will be on the agenda for the next meeting on January 6th, 2009.

The board questioned if the District has any jurisdiction over the public access site on 145th Avenue to review road work completed by Leslie Township. The staff had been in contact with Andrew Dahlgren from Todd County addressing the District's concerns.

Manager Hensley mentioned that he would like to be informed about future TMDL meetings. He expressed concern that there was not sufficient notice given on the TMDL meetings. It was stated by Adam Hjelm (staff) that one reason for the short notice for a recent meeting was because he was unaware of the early article submission deadline due to the Thanksgiving holiday which resulted in limiting the notice of the TMDL meeting in Osakis to being published for only one week.

It was mentioned that Adam, Manager Raeker, and Administrator Kovarik are working on a Public Relations strategy which will be addressed on January 6, 2009. A report will be given back to the full board.

Manager Rothstein mentioned that there is a possible discharge directly into Lake Osakis. Administrator Kovarik and Rothstein will complete an inspection and give a report at the next regular meeting.

Kovarik informed the Managers that the Internal Revenue Service mileage rate will be .55¢ per mile starting January 1, 2009.

The meeting was adjourned.

Secretary, Virgil Rettig
Recording Secretary, Starla Arceneau