



524 4th St South, Sauk Centre, MN 56378
Phone: (320) 352-2231 Fax: (320) 352-6455
Visit us online at: www.srwdmn.org

Minutes February 15, 2011 Meeting

MINUTES

Sauk River Watershed District Regular Meeting

Tuesday, February 15, 2011

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

Managers Present:	Bob Mostad, Larry Kuseske, Jim Rothstein, Dan Coughlin, Virgil Rettig, Vern Vangness, Todd Foster, Jason Scherping
Staff Present:	Holly Kovarik, Administrator; Mike Hayman, Ditch/Permit Coordinator; Adam Hjelm, Public Outreach Coordinator; Chris Meehan, Engineer (Wenck); John Kolb, Attorney (Rinke-Noonan)
Guests Present:	Dave Blommel, April Ryan, Keith Landwehr, Mike Wahlin, Chris Rick, George Schnepf, Gary Theisen, Jeff Rausch, Don Scheele
Manager's Absent:	Jim Kral

1. **The meeting was called to order by President Jim Rothstein at 7:00 p.m. and the Pledge of Allegiance was recited.**
2. President Rothstein asked for additions to the agenda. The proposed agenda was reviewed and a few items were added by Administrator Kovarik and Manager Coughlin. **Manager Coughlin moved to approve the agenda with the additional items. Manager Rettig seconded the motion. The motion carried with all in favor.**
3. **Consent Agenda (*approved by one motion*)-President Jim Rothstein**
 - a. January 19th, 2011 Regular Meeting Minutes
 - b. January 1-31, 2011 Financial Report
 - c. Permit Extension: Westwood Area Sidewalk Improvement Extension #10-22 (one year extension)
 - d. Contracts for Approval-
 1. 2011RMB Lab Services Agreement
 2. Amy Trisko Contract
 3. Board of Water and Soil Resources Clean Water Fund Grant Agreement \$603,710.00
 - e. Resolutions for Approval –None
 - f. Loans, Grants, Appropriations
 - **Loans-none**
 - (1) Arnzen Construction, Inc. (Robert and Charles/Mary Wehseler) Waste Management System \$25,000 payment request
 - **Grants-none**
 - (1) Werner Well Drilling LLC (Larry Pallies) well abandonment \$125.00 payment request
 - (2) Duane Krautbauer and Phyllis Krautbauer Shoreline buffer restoration contract not to exceed \$4,000.00
 - **Appropriations**
 1. Health Partners \$1,771.00 Premium Payment
 2. 2011 MAWD Dues \$3,500
 3. Rinke Noonan Legal Fees, loan agreements, SRF,

All Sauk River Watershed District meetings are handicap accessible.

An attempt will be made in advance to accommodate any other individual need for special services. Call the above number if any special arrangements need to be made.



524 4th St South, Sauk Centre, MN 56378
Phone: (320) 352-2231 Fax: (320) 352-6455
Visit us online at: www.srwdmn.org

Minutes February 15, 2011 Meeting

- Retainer, Lower Sauk, CD15/26/24, WQT \$7,402.50
4. Tech Sales Company YSI Purchase (purchased approved via resolution previously) \$12,654.00
 5. Wenck Engineering \$5,541.77
 6. Banyon Data Systems \$995.23 (invoice module and support)
 7. JB Associates CD15 & 26 Redetermination of Benefits \$683.50
 8. YSI Incorporated (repairs) \$999.48
 9. KDV consulting services Joe Rigdon \$2,720.00

Manager Coughlin moved to approve the consent agenda with the exception of the loan payment to Arnzen Construction. The motion was seconded by Manager Scherping. The motion passed with all in favor. Manager Rettig questioned the amount of the loan payment to Arnzen Construction listed on the consent agenda and in contrast to the additional agenda item listed. Administrator Kovarik mentioned that there will be additional funds requested for this project when the new business is discussed. **Manager Coughlin moved to approve the loan payment to Arnzen Construction in the amount of \$25,000. The motion was seconded by Manager Rettig. The motion passed with all in favor.**

4. Old Business

- (a) **CD 15 & 26 (short update on upcoming meeting dates).** Inspector Hayman gave the Managers a short update on the progress of the Redetermination of Benefits. All of the property owner reports have been sent out, and staff is compiling questions and comments from landowner's calls and manager concerns. Legal, engineers, viewers, and staff will address all questions and concerns. An informational meeting has been scheduled for March 16th @ 7:30pm in the Albany High School auditorium. Manager Scherping stated there are landowner concerns that properties purchased and sold that have not been properly notified. Staff will investigate this with the County for updated data. Manager Rothstein reminded managers of the open meeting law and implications of having meetings that could be viewed as private and biased. This was brought forth because some landowners had contacted managers to call a meeting on an issue.
- (b) **Continuation of Hearing on SRWD Watershed-wide Groundwater Protection Project (Loan) & Adoption of Order establishing the project (Loan #SRF0243 and Grant #B52436).** Attorney Kolb gave a short history of the hearing process thus far. Manager Kuseske stated that the date on the order should be changed to January 19, 2011. No members of the public were present for comment. **Manager Coughlin made a motion to close the public hearing. The motion was seconded by Manager Rettig. The motion passed with all in favor. Manager Coughlin made a motion to approve the order establishing the project. The motion was seconded by Manager Mostad. The motion passed with all in favor.** For the record, Attorney Kolb noted that Manager Kral is absent.

All Sauk River Watershed District meetings are handicap accessible.

An attempt will be made in advance to accommodate any other individual need for special services. Call the above number if any special arrangements need to be made.



Minutes February 15, 2011 Meeting

- (c) **Hearing for CD24 to consider the correcting of the drainage system record (7:15 p.m.)** Attorney Kolb provided the Board with a presentation discussing the current drainage system issues and staff recommendations with regard to the CD 24 correction of records proceedings and repair proceedings. The discussion included information on the historical design, the current functional alignment, recommended repairs, previously adopted order to correct records and initiate repair, and the staff recommendations. The draft of findings and corresponding order was read aloud to the Board by Attorney Kolb. President Rothstein requested comment from the public present. Keith Landwehr commented that he and another landowner on the bottom portion of the ditch are constantly under water. He questioned why the system cannot be realigned to the original design through the wetland, and that culverts placed within the ditch were not set to grade. Chris Meehan (engineer) explained how the grading elevations were established for this process and the effects that should be seen through correction and repair. Keith Landwehr would like to see the repaired ditch match the tile grades and the ditch to remain dry rather than hold water. Attorney Kolb explained that these proceedings entitle landowners a ditch that functions as designed or substantially replicates the design, and that a dry system may never be experienced. Manager Foster questioned whether the landowner was comfortable with the current plans or had access to them. **Manager Foster made motion to recess the hearing and make realignment and repair documentation available to the public and Board Managers. The motion was seconded by Manager Coughlin. The motion passed with all in favor.**
- (d) **Hearing on Loan's & Establishment of Project:** Attorney Kolb informed the board what each of the following projects involve and the grant and loan funds awarded.
1. Lower Sauk River Water Quality Protection CWP Loan Hearing & Adoption of Order establishing the project.(Loan #SRF0247 and Grant #B52403)
 2. Osakis Lake Enhancement Continuation CWP Hearing & Adoption of Order Establishing the Project (Loan #SRF0241 and Grant #B52406)
 3. Sauk River Water Quality Protection Phase III CWP Hearing and Adoption of Order Establishing the Project (Loan #SRF0242 and Grant #B52433)
- President Rothstein asked if there were any members of the public present and there were none. **Manager Coughlin made a motion to close public comment. The motion was seconded by Manager Mostad. The motion passed with all in favor.** President Rothstein asked if any of the Board of Managers had any questions on the projects. **Manager Coughlin made a motion to approve the Lower Sauk River Water Quality Protection CWP Project, Osakis Lake Enhancement Continuation CWP Project, and the Sauk River Water Quality Protection Project. The motion was seconded by Manager Foster. The motion passed with all in favor.**

5. New Business

- (a) **DNR Training.** Administrator Kovarik informed the Board of a workshop

All Sauk River Watershed District meetings are handicap accessible.

An attempt will be made in advance to accommodate any other individual need for special services. Call the above number if any special arrangements need to be made.



Minutes February 15, 2011 Meeting

hosted by the DNR on the subject of ditches and water quality. Mike Hayman would like to attend. **Manager Rettig made a motion to allow Mike Hayman to attend the DNR workshop and to pay for all applicable expenses for the training. The motion was seconded by Manager Coughlin. The motion passed with all in favor.**

- (b) **MAWD Legislative Breakfast.** Administrator Kovarik notified the Board of the 2011 Legislative Days at the Capitol. Six rooms have been reserved and whoever would like to attend should let staff know. Times will be set up to meet individually with local legislators. **Manager Coughlin made a motion to approve attendance at the 2011 Legislative Days at the Capitol. The motion was seconded by Manager Kuseske. The motion passed with all in favor.**
- (c) **2010 River Award.** Administrator Kovarik asked the board to complete the ranking sheet of 2010 projects that was in their packet in order to determine the 2010 R.I.V.E.R. Award Winner.
- (d) **Amendment to Loan Application.** Administrator Kovarik informed the board of a request for extra loan funds for a project that was already approved but the cost was more than anticipated by an additional \$8,153. **Manager Rettig made a motion to amend the loan amount by an extra \$8,153. The motion was seconded by Manager Coughlin. The motion passed with all in favor.** Attorney Kolb recommended the board also approve the payment to Arnzen Construction for the additional \$8,153. **Manager Coughlin made a motion to approve payment to Arnzen Construction for the additional \$8,153. The motion was seconded by Manager Rettig. The motion passed with all in favor.**
- (e) **Septic Loan Extension Request.** Administrator Kovarik informed the board of a letter received from a landowner requesting an extension of their SRF loan repayment period due to loss of employment. **Manager Mostad made a motion to extend this particular landowner's repayment period from 7 years to 10 years. The motion was seconded by Manager Coughlin.** Manager Foster asked if there was a policy set in place for circumstances like this. Attorney Kolb stated that he has been working with staff to put together a policy for the grant and loan program that includes a section about loan modification due to hardship, but it hasn't been adopted yet. **The motion passed with all in favor.**
- (f) **Audit and Accounting Software.** Manager Coughlin made the board aware of the current state of the financial records. Joe Rigdon (accountant with KDV) has been working with staff to remedy some of the problems but it appears the extent of the errors and disorganization is more than expected, even requiring a new chart of accounts to be created in order to largely "start over" for the next fiscal year. Manager Coughlin said that while he did not want to dwell on the fact, the issues currently coming to light originated with the previous staff member whose charge was to maintain the District's financial records. **Manager Coughlin made a motion to authorize Joe**

All Sauk River Watershed District meetings are handicap accessible.

An attempt will be made in advance to accommodate any other individual need for special services. Call the above number if any special arrangements need to be made.



Minutes February 15, 2011 Meeting

Rigdon to continue working to get the financial records in proper order and to report to the board any significant findings and issues; and that additional expenditures for Mr. Rigdon's activities were authorized up to an additional \$10,000 over previous allocations. The motion was seconded by Manager Rettig. Manager Foster asked if there was a system in place for when the past issues are fixed, to ensure that these issues don't happen again. Administrator Kovarik reassured the managers that things are being checked and double checked and that Joe is creating templates to simplify the tracking. **The motion passed with all in favor.**

6. Reports

a. Administrator's Report-Administrator Kovarik

1. **GUS TMDL Approved by EPA.** Administrator Kovarik notified the board that the GUS TMDL was officially approved. Staff is currently working on press releases to make notification of that.
2. **Weed Harvester Permit Submitted/Status of Crew.** Administrator Kovarik submitted the weed harvest application. Notification was received that it was approved. Administrator Kovarik was in contact with Crew Chief Gene Harren, who had spoken with the other 2 crew members. The whole crew will be back in 2011. Administrator Kovarik asked the board if they were going to do a cost-of-living increase for 2011. A pay raise had been given in 2010 and so there will be no increase in 2011 this was the general consensus of the board.
3. **MARCO Phone Contract.** Administrator Kovarik briefly explained how Marco was going to take over our existing phone system by buying out the phones from Mitel Leasing. This transition will happen in March.
4. **PERA Issue.** Administrator Kovarik revisited the issue of the PERA not being paid for 2 employees when they first became eligible. PERA made the District aware of this and the amount was paid in full. However, there should have been a portion paid by the employer, as well as the employee. The whole payment was made by the District without deducting the employee contributions from the two staff. Administrator Kovarik asked the board if they wanted to remedy it or leave it as-is. By general consensus of the board, it will be left as is.
5. **Health Care Reform Amendments (July Business Services).** Administrator Kovarik notified the board of required updates and reports for the Health Savings Account and the costs associated with each. These updates will keep the District in good standing with the pretax deductions for our Health Savings account. **Manager Coughlin made a motion to authorize staff to go forward with the required reporting and updates and the expenses for this report. The motion was seconded by Manager Mostad. The motion passed with all in favor.**
6. **Graves Assessment.** Administrator Kovarik updated the board on the

All Sauk River Watershed District meetings are handicap accessible.

An attempt will be made in advance to accommodate any other individual need for special services. Call the above number if any special arrangements need to be made.



Minutes February 15, 2011 Meeting

Graves assessment that was double certified, and hence, overpaid. The amount of overpayment plus interest is \$705.14 owed to the landowner. **Manager Coughlin made a motion to repay the landowners \$705.14 for the overpayment of their SRF loan which includes the interest. The motion was seconded by Manager Foster. The motion passed with all in favor.**

7. **Accounting Update/Annual Report/Audit.** Administrator Kovarik has spoke with Joe Rigdon in regards to the audit. He felt that the audit needs to be pushed back and so Administrator Kovarik spoke with Jason Weinerman, BWSR, who allowed the District an extension for the Annual Report and Audit.
8. **Overall Plan (Draft RFP/SOQ).** Administrator Kovarik went over the revised copy of the Resolution 15-11 and the timeline, deadline being March 9th for the Statement of Qualifications to be received. Along with the resolution, was the mailing list, and draft Statement of Qualifications. **Mananger Coughlin made a motion to approve Resolution 15-11, the Request for Proposal, Statement of Qualifications Request, and list of consultants presented. The motion was seconded by Manager Rettig. The motion passed with all in favor.**
9. **League of Minnesota Cities Workers Compensation Renewal.** Administrator Kovarik asked for approval of \$1,972 for the premium. **Manager Coughlin made a motion to approve of the premium for the League of Minnesota Cities Workers Compensation Renewal. The motion was seconded by Manager Foster. The motion passed with all in favor.**
10. **Scope of Services for grants.** Administrator Kovarik talked about the Scope of Services from Wenck Engineering for the 3 new grant projects. **Manager Coughlin moved approval for the 3 scopes of services presented by Wenck and the associated documentation. The motion was seconded by Manager Mostad. The motion passed with all in favor.**
11. **Public notice and hearing for BSWR Clean Water Funds.** Administrator Kovarik asked for authority to notice the BWSR Clean Water Funds. **Manager Coughlin moved to authorize Administrator Kovarik to make public notice of the BWSR Clean Water Funds. The motion was seconded by Manager Foster. The motion passed with all in favor.**
12. **Ed Hunstiger FYI.** Administrator Kovarik informed the board that former manager Ed Hunstiger had a heart attack and he is recovering in a hospital south where they winter.

b. Ditch/Permit Inspector Report-Michael Hayman

1. **Permit:** Coborn's/Granite Landing. The staff has received the updated NPDES and SWPPP information for the Granite Landing site and potential

All Sauk River Watershed District meetings are handicap accessible.

An attempt will be made in advance to accommodate any other individual need for special services. Call the above number if any special arrangements need to be made.



Minutes February 15, 2011 Meeting

Coborn's site. The MPCA has responded to staff correspondence that the language within their rules will remain, and that the site will be allowed impervious standards under previous site conditions. The language in the SRWD rules and the issuance of the revised NPDES permit categorizes this project under the general permitting guidelines. President Rothstein reminded interested parties that the SRWD is here for assistance and could possibly help with future site BMPs. Inspector Hayman suggested that the Managers consider language revisions to the current rules and duplicative processes, ensuring that other permit requirements are as stringent.

2. **Stearns County CR 4-134-138/Trunk Highway 4 Bridge.** There are some issues present onsite with regard to stormwater and erosion control as well as water main work taking place through the channel. The City of St. Cloud has issued a violation letter to Stearns County. Upon completion of tomorrow's meeting, staff may be required to complete an inspection and notify the County of violation issues as well.

c. Public Outreach Coordinator-Adam Hjelm

- (1) **General 2010 Education Report and 2011 Education Plans.** Adam Hjelm, Public Outreach Coordinator, updated the board on all of the Education events for 2010, both youth and adult.
- (2) **Spring Education Events.** Adam Hjelm notified the board of potential events being planned in 2011. Manager Coughlin praised the education program for all the good things being done and the impact being made.

d. Attorney's Report: Attorney Kolb had nothing to report.

e. Calendar Items: Final Approval of Annual Report by Board, Expenditures due to MPCA, Monitoring Summit Held, Legislative Breakfast, Audit, JD2 Burn Discussion, Discuss River Award, Discuss Vehicle Policies, CD15 &26 Hearing)

f. Board Member Meeting Reports. Manager Foster informed the board that Friends of the Sauk River secured a \$2,000 grant from Centracare Foundation and now the canoe library project is fully funded and will be up and running this spring. There are two paddles already scheduled. One on June 25th and July 23rd.

Administrator Kovarik made mention of a site inspection she did on land adjacent to Silver Creek where manure had been heavily applied. Because there is an NPDES permit on this, it has been forwarded to the MPCA.

g. Open Discussion for the Public - None

7. Items for Next Meeting Agenda – None suggested

8. Adjourn - Manager Coughlin made a motion to adjourn at 8:50 p.m. The motion

All Sauk River Watershed District meetings are handicap accessible.

An attempt will be made in advance to accommodate any other individual need for special services. Call the above number if any special arrangements need to be made.



524 4th St South, Sauk Centre, MN 56378
Phone: (320) 352-2231 Fax: (320) 352-6455
Visit us online at: www.srwdmn.org

Minutes February 15, 2011 Meeting

was seconded by Manager Foster. Motion passed with all in favor.

**NEXT MEETING: Regular Meeting– March 16th (Tuesday) - Sauk River Watershed
District Office Sauk Centre MN**

Jim Rothstein, President

Date

Jim Kral, Vice President

Date

Jason Scherping, Secretary

Date

Dan Coughlin, Treasurer

Date

Virgil Rettig

Date

Vern Vangsness

Date

Larry Kuseske

Date

Robert Mostad

Date

Todd Foster

Date

All Sauk River Watershed District meetings are handicap accessible.

An attempt will be made in advance to accommodate any other individual need for special services. Call the above number if any special arrangements need to be made.