



**Regular Meeting MINUTES**  
**Tuesday, February 18th, 2014**  
**Located at: SRWD Office at 6:00 p.m.**

<b>Managers Present:</b>	Jim Kral, Larry Kuseske, John Harren, Bob Mostad, Jason Scherping, Vern Vangsness, Lee Bautch, Duane Willenbring
<b>Staff Present:</b>	Melissa Roelike, Interim Administrator; Tara Ostendorf, Environmental Project Technician; John Kolb, District Attorney; Rebecca Kluckhohn, District Engineer; Adam Hjelm, Public Outreach Coordinator; Sarah Jo Schmitz, Monitoring Coordinator; Lynn Nelson, Environmental Project Coordinator.
<b>Guests Present:</b>	Donald & Bernice Schmidt, Don Job, Jason Weinerman, Lee Rosen, Scott Lucas, Andrea Plevan
<b>Manager's Absent:</b>	

1. **The meeting was called to order by President Kuseske at 6:00 p.m. and the Pledge of Allegiance was recited.**
  
2. **Additions/corrections to the agenda items** - President Kuseske asked for additions or corrections to the amended agenda. Manager Kral added an additional item to the agenda. **Manager Willenbring made a motion to approve the amended agenda. The motion was seconded by Manager Harren. The motion passed with all in favor.**
  
3. **Consent Agenda**
  - a. **Financial Reports/Meeting Minutes**
    1. **Check Register for General Fund 101**
    2. **Revenue Guideline**
    3. **Grant & Cost Share Logs**
    4. **Expenditure Report**
    5. **January 21<sup>st</sup> Meeting Minutes**
  - b. **Contracts for Approval – None**
  - c. **Board Action Items for Approval – None**
  - d. **Resolutions for approval**

02-14	Approval of Grant Project Satisfaction & Project Release Policy
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  - e. **Grant Application Approvals - None**
  - f. **Grant Payment Approvals – None**
  - g. **Loan Project Approvals - None**
  - h. **Loan Payment Approvals**

<i>Landowner /</i>	<i>Project</i>	<i>Type</i>	<i>\$ Amount</i>	<i>Fund Code</i>	<i>Pay To</i>
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Wally & Yvonne Spanier	Septic	\$12,000	224	B&S Excavating
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**i. Appropriations**

<u>Payee</u>	<u>Description of Payment</u>	<u>\$ Amount</u>	<u>Payment Code</u>
Wenck	Supplementary Regulatory CD 15& 26	\$735.26	560
Wenck	2013 Inspection Assistance	\$38.00	101
Wenck	General Engineering	\$715.71	101
Wenck	CD 51 Bidding Documents	\$1965.64	555
Wenck	Voss Lawsuit	\$1221.50	550
Wenck	CD 15 & 26 Construction Services	\$2819.04	560
RESPEC	Runoff Rates & HSPF Management Scenarios	\$3063.00	333
Rinke Noonan	Retainer	\$600.00	101
Rinke Noonan	State Revolving Fund	\$113.40	101
Rinke Noonan	County Ditch 15 & 26	\$200.60	560
Rinke Noonan	Clean Water Partnership	\$188.70	332
Rinke Noonan	CD 51 Repair	\$1630.10	555
Rinke Noonan	Litigation Advice	\$25.00	101
Rinke Noonan	Voss Bid Litigation	\$3166.20	550

Manager Rettig questioned the condition of the District's 2002 Ford F150 as it seems to be going in for repairs quite often. He asked if it was time to trade it in. Manager Rettig asked for information at the next meeting. Manager Bautch asked why the totals on the Checks for Month and Board Expenditures Report did not match. Interim Administrator Roelike stated she would need to look at this further and will bring it to the next meeting. **Manager Rettig made a motion to approve the consent agenda. The motion was seconded by Manager Harren. The motion passed with all in favor.**

4. **Open Discussion from the Public** – Donald and Bernice Schmidt stated that they do not agree with what was determined to be their benefited amount on County Ditch 26 or the process in which it was established. There was discussion on future options since the appeal process has expired.
5. **Old Business**
  - a) **Overall Plan Update** – Jason Weirnerman updated the board on what will happen at the Final Hearing on February 20<sup>th</sup>. The Final Hearing is held by the Board of Water and Soil Resources (BWSR) and will be held at the Melrose City Center. He also discussed the remainder of the Overall Plan Process. **Manager Rettig made a motion to authorize staff to make the revisions to the draft based on the comments that the DNR and BWSR have submitted and resubmit the Plan to BSWR for the April Regional Committee Meeting. The motion was seconded by Manager Vangsness.** Manager Willenbring voiced his concerns on funding of the activities and programs detailed in the Overall Plan and would like to hear public comment before resubmitting the



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Plan to BWSR. Weinerman clarified that the current revision of the Plan is to be considered draft and all comments will be taken into consideration. **The motion was withdrawn.** No motion was necessary as the plan is considered in draft form. After considerable discussion on funding, President Kuseske suggested a special meeting to discuss the Plan in depth. **Manager Harren made a motion to hold a special meeting to discuss the Overall Plan after public comments are received. The motion was seconded by Manager Scherping.** By general consensus, the special meeting will be held on March 6, 2014 at 6:00 p.m. **The motion passed with all in favor.**

- b) **Springsted Updates** – President Kuseske informed the board that Sharon has received one application for the Administrator Position.
  - c) **Ditch & Permit Coordinator Position** – Melissa Roelike, Interim Administrator, updated the board on the advertising process for the Ditch & Permit Coordinator Position. Only one application has been received thus far. Manager Harren suggested posting the position at Ridgewater Technical College.
  - d) **CD 51 Buffer Strip Acquisition** – Attorney Kolb reintroduced the order from the January meeting in regards to buffer strip acquisition on CD 51. Attorney Kolb asked the board if, as part of the current repair, they should acquire the grass strips, which is allowed under statute. Three experienced appraisers were contacted to appraise the agricultural properties. Attorney Kolb went through the 3 quotes for appraisal services. **Manager Mostad made a motion to acquire the grass buffer strips on County Ditch 51. The motion was seconded by Manager Willenbring. The motion passed with all in favor. Manager Mostad made a motion to hire Ron’s Appraisal Service at a cost of \$2,000, not to exceed \$3,000. The motion was seconded by Manager Kral. The motion passed with all in favor. Manager Harren made a motion that in the circumstance that Ron’s Appraisal Service rejects the District’s offer, staff is authorized to continue to move forward with the second choice, Ron Zitzow with Granite City Appraisal, LLC. The motion was seconded by Manager Mostad. The motion passed with all in favor.**
  - e) **Presentation of MU Charges** – Andrea Plevan, RESPEC, gave a presentation of the management unit charges that were referenced in the Overall Plan. Plevan explained how the runoff coefficients were calculated on each management unit. She also showed the tools created for the District to calculate the charges and input data.
  - f) **Ditch Construction Project Bonding** – Attorney Kolb informed the board that he, Rebecca and possible a staff member will be speaking with the regular bond counsel Dorsey & Whitney about the total cost estimates for the projects going forward. There may be a hearing on the bonding at the regular March meeting.
6. **New Business**
- a) **Award of CD 15 Bid** – Rebecca Kluckhohn, Engineer, informed the board of the results of the bid opening for the CD 15 repair project. It was recommended



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to award the bid to Geise Tiling and Excavating. **Manager Rettig made a motion to award the bid for County Ditch 15 repairs to Geise Tiling & Excavating. The motion was seconded by Manager Willenbring. The motion passed with most in favor, Managers Scherping and Harren abstaining.** Kluckhohn updated the board on the progress on County Ditch 26 Phase I. Due to the weather, the project could be delayed until fall however this should not delay Phase II since that contractor was planning on doing the work over the winter. Plans for when County Ditch 15 repairs will be done have not yet been set but it can begin as soon as Phase I is complete.

- b) **CWF Soil Erosion & Drainage Law Compliance – Presentation of Project Scope** – Tara Ostendorf gave a brief presentation on the New Erosion and Drainage grant. Ostendorf stated that a portion of the funding will be used to update the District’s records and create a database and public portal through Houston Engineering. The grant contract and contract with Houston Engineering is anticipated to be ready at the March meeting.
- c) **2014 Calendar of Events and Goals & Objectives** – Tara Ostendorf handed out the 2014 Calendar of Events and Goals and Objectives for the board to review.
- d) **SRF Loan Holder Bankruptcy Notice** – Attorney Kolb informed the board that they had approved a substantial loan to Jesse and Lucy Hagemeyer for changes on their feedlot in 2010. The loan is a tax lien on the property however, the Hagemeyer’s have declared bankruptcy on their property under Chapter 12. There is some risk to the District if things are not handled correctly and the District could be left with the \$380,000 loan to pay back to the state. Attorney Kolb asked for the board’s concurrence that the District have adequate representation at the meeting of the creditors and bankruptcy trustee and to make sure that the position of the District is solid going forward. **Manager Harren made a motion to authorize John Kolb and Rinke Noonan to represent of the District in the Hagemeyer bankruptcy proceedings. The motion was seconded by Manager Mostad. The motion passed with all in favor.**
- e) **Tile Inlets** –Lynn Nelson, Environmental Project Coordinator, informed the Managers that the District currently has a conservation drainage grant to do certain projects along public ditches that the District has jurisdiction over. Tara Ostendorf stated that the District will have to make an amendment to the work plan to open it up to a larger area to incorporate areas along the ditches currently being worked on. The grant has funds to install bioreactors, convert open tile inlets, and do other conservation drainage projects. Manager Kral inquire to MBC Drainage about the percentage of tile inlets that could be closed. They stated that most of them could be closed and that many landowners are doing just that. President Kuseske stated that he would like more discussion on this at the special meeting on March 6<sup>th</sup>.

**7. Reports**

- a) **Administrator’s Report** –



1. **Direct Deposit for Payroll** – Interim Administrator Melissa Roelike stated that staff has expressed interest in direct deposit. If the board is receptive, research will need to be done on a process to approve the checks and policies will need to be updated. President Kuseske asked for more information at a future meeting.
  
- b) **Attorney’s Report** –
  1. **City of Osakis Attorney Letter – JD 2 Sediment Pond Assessment** – Attorney Kolb reviewed a letter to the City of Osakis in regards to the JD 2 Sediment Pond Assessment. The letter states that the assessment will be extended from being payable in 2014 to payable in 2015.
  2. **Stearns CD 26: Getchell Lake – DNR Letter** – Attorney Kolb updated the board that a letter was received from the DNR regarding the County Ditch 26 repair Phase I project. The letter states that work can proceed as planned in and near Getchell Lake. Attorney Kolb has drafted a letter of acceptance to the DNR to be signed by the board President. Correspondence has been initiated with Nicola Blake-Bradley DNR area hydrologist, to set up a meeting to talk about what comes next.
  
- c) **Engineer’s Report** –
  1. **CD 26 Phase I Construction Update** – President Kuseske asked about the Payment Request included in the board packet for Phase I of CD 26 repairs. Rebecca Kluckhohn, Engineer, stated that she has reviewed it and it is consistent with what has been completed.
  2. **Update on anticipated construction start dates for CD 26 Phase II, Cd 51 & 15** – No further updates
  
- d) **Permits Program Report** - None
  
- e) **Calendar Items** – President Kuseske informed the board of the Annual MAWD Legislative Reception and Day at the Capitol. President Kuseske and Manager Willenbring stated they would be interested in attending. Tara Ostendorf informed the board that she would be attending the Sauk Centre City Council meeting with Bob Mostad on Wednesday, February 19<sup>th</sup> to discuss the weed harvester project and answer any questions they may have.
  
- f) **Board Member Meeting Reports** – President Kuseske reported that the search committee met with staff and saw a presentation put together by Tara Ostendorf. He asked what the wishes of the board were and if they wanted to be brought in on the restructuring process. President Kuseske stated that it would be helpful for the full board to see the presentation.
  
8. **Items for Next Meeting Agenda** – None
9. **Upcoming Meetings to be Announced**

<u>Meeting Date</u>	<u>Meeting Description</u>	<u>Meeting Location</u>	<u>Meeting Time</u>
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Wed, February 19, 2014	Sauk Centre City Council – Weed Harvester Discussion	Sauk Centre City Hall	6:30 pm
Thurs, February 20, 2014	Overall Plan Final Hearing	Melrose City Center	5:30 pm
Fri, March 7, 2014	SRWD Personnel Committee – D/P Coordinator Evaluation	SRWD Office	9:00 am
March 4 – March 6, 2014	MECA Conference	Prior Lake, MN	-
Mon, March 24, 2014	MN Assoc. of Drainage Inspectors	Kandi Entertainment Center, Willmar	9:30-2:00 pm

**10. FYI Item**

- *The meeting of the MN Association of Drainage Inspectors will be held March 24, 2014 in Willmar. The SRWD is currently a member of this organization. District staff is currently not planning on attending unless directed otherwise by the Board.*
- *The 2013 BWSR Annual Drainage Report has been submitted. A copy can be provided by request.*
- *Staff have been meeting with partners to discuss SRWD modeling efforts with RESPEC and gaining partner input. More information will be available at a later date.*

**11. Adjournment – Manager Harren made a motion to adjourn the meeting at 9:15 p.m. The motion was seconded by Manager Kral. The motion passed with all in favor.**

**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.