



524 4th St South
Sauk Centre, MN 56378
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Visit us online at: www.srwdmn.org

MEETING MINUTES 4-21-09

Regular Meeting
7:00 p.m. Sauk River Watershed District Office
April 21, 2009

Managers Present:	Dan Coughlin, Chub Hensley, Jim Kral, Larry Kuseske, Richard Raeker, Virgil Rettig and Jim Rothstein.
Staff Present:	Holly Kovarik, Administrator Starla Arceneau
Guests Present:	Jason Weinerman, BWSR; Jerry Bennett, JBA; Jeff Hoppe, Gary Meyer, John Harren, Duane Pung. County Ditch 26 and 15 landowners and Bob Loften, Lake Osakis.
Manager's Absent:	Bob Mostad and Sharen Kutter

1. **President Kral called the meeting to order at 7:00 p.m. and the Pledge of Allegiance was recited.**
2. President Kral asked for additions to the agenda.
3. The proposed agenda was reviewed. **A motion was made by Manager Rothstein to approve the agenda with additions. Manager Coughlin seconded the motion.** The motion passed with all in favor.
4. Consent Agenda included:
 - a. Financial Report March 1-31st, 2009
 - b. KDV Payment Approval for July1, 2007-June 30, 2009 Audit \$14, 925
 - c. Approval of minutes of the April 7, 2009 meeting
 - d. Permits for Approval/Extension
 - a. CR 120 & CAH 1 Reconstruction
 - b. MNDOT TH 27
 - c. SRF Loans
 - A. Lawrence Lahr \$80,000 Conservation Equipment Purchase
 - B. Rex & Linda Fasching \$11,600 Shore land Restoration
 - C. Aaron Wiener \$10,000 Septic System
 - D. Kraig & Jolene Kruizenga \$3,500 Shore land Restoration
 - E. Patrick & Shelia Jaeger \$11,500 Septic System
 - d. Grants:
 - A. Rex & Linda Fasching \$5,800 Shore land Restoration
 - B. Kraig & Jolene Kruizenga \$3,500 Shore land Restoration
 - e. Bob Loften's Shore land Restoration Project \$1,048.04
 - e. Resolutions
 - 40-09 Douglas Co. Water Fest Tent Usage
 - 41-09 Eden Valley Bus Funding Request to Waste Water Treatment Plant
 - 42-09 Project Earth Bus Funding Request
 - 43-09 KDV 2009 & 2010 Engagement Letter
 - 44-09 Meetings One Time a Month
 - 45-09 Volunteer Check Out Form
 - 46-09 Health Insurance Renewal Approval
 - f. After reviewing the items on the consent agenda, four items (Financial Report, April 7th minutes, resolution# 40-09 and 46-09) were pulled for further discussions. **A motion was made by Manager Kuseske and seconded by Manager Coughlin and carried unanimously to approve the following items on the said agenda:** KDV Payment Approval for July1, 2007-June 30, 2009 Audit \$14, 925



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Permits for Approval/Extension CR 120 & CAH 1 Reconstruction, MNDOT TH 27, SRF Loans - Lawrence Lahr \$80,000 Conservation Equipment Purchase, Rex & Linda Fasching \$11,600 Shore land Restoration, Aaron Wiener \$10,000 Septic System, Kraig & Jolene Kruienza \$3,500 Shore land Restoration, Patrick & Shelia Jaeger \$11,500 Septic System Grants: Rex & Linda Fasching \$5,800 Shore land Restoration, Kraig & Jolene Kruienza \$3,500 Shore land Restoration, Bob Loften's Shore land Restoration Project \$1,048.04, Resolutions – 41-09 - Eden Valley Bus Funding Request to Waste Water Treatment Plant, 42-09 - Project Earth Bus Funding Request, 43-09- KDV 2009 & 2010 Engagement Letter, 44-09 - Meetings One Time a Month and 45-09 – Volunteer Check Out Form.

Manager Hensley questioned the new format of the financial report and asked at what point do the individual projects get broke down. Arceneau explained that each project is given a job number that tracks all expenses that have occurred. Administrator Kovarik stated that the new financial report is a summary trial balance which is the actual cash disbursements and cash receipts and does not include a budget vs. actual report. Kovarik reviewed the new checks and balances required by the District Auditor and State Auditor. Manager Hensley questioned how some of the Ditches still have a positive balance. Arceneau explained that to keep the money market accounts open we need to keep a small balance in each account. A Profit and Loss report will show a negative balance for the ditches that have a small amount in their money market accounts. Arceneau invited Manager Hensley to stop in and she would review the process with him. **Manager Coughlin made a motion to approve The Financial Report. Manager Rothstein seconded the motion. The motion passed with all in favor.**

Manager Hensley pulled the minutes because he was not present at the April 7, 2009 meeting. **Manager Coughlin made a motion to approve the April 7th minutes. Manager Kuseske seconded the motion. The motion passed with Manager Hensley abstaining.**

Manager Raeker questioned the liability coverage on Resolution #40-09 regarding Douglas County usage of the water fest tents. Kovarik said the District has insurance to cover any damages to the tents. **Manager Raeker made a motion to approve Resolution # 40-09- Douglas County Water Fest Tent Usage. Manager Coughlin seconded the motion. The motion passed with all in favor.**

Manager Kuseske questioned the high deductible and how it will affect the staff. Kovarik said that this plan will save the District by paying lower premium fees keeping within the budget. **Manager Raeker made a motion to approve Resolution # 46-09- To renew the Health Insurance Policy. Manager Rothstein seconded the motion. The motion passed with Manager Hensley opposing.**

5. **OLD BUSINESS:**

- Kovarik gave a follow up from the last meeting where the Board rescinded the order and directed Kovarik to contact Ron Ringquist. Kovarik sent letters to the three viewers and also contacted Mr. Ringquist. Mr. Bennett sent Kovarik their own contract that they would be willing to sign.

Mr. Jerry Bennett from JB Associates Limited, Inc. gave a presentation and reviewed the viewing process this team would undertake. Manager Coughlin appreciated the information presented on the cross values but felt we needed to focus on the contract first prior to discussing the process that would be done to do the viewing. Manager Coughlin asked Attorney Kolb's opinion on the contract. Attorney Kolb reviewed the contract and explained that it is very close to what the District had in the original contract except for a little different articulation.



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Attorney Kolb expressed frustration on behalf of the Ditch Authority because of a two month wait and that this meeting was the first time there were any indications that there was an issue about a fixed price contract. Attorney Kolb also expressed that the original contract was not a fixed price contract and that the contract referenced the viewers estimate. The contract also included that if the viewers are to exceed their estimate that the viewers would need to come back to the Ditch Authority for prior approval.

The second issue was the liquidated damages clause which the District adjusted substantially from the first version of the contract. This clause in the contract limited the liquidated damages to a maximum of \$9000 for the three viewers collectively.

Attorney Kolb asked for an apology to the Ditch Authority for the lack of clear communication by the viewers with the staff or to Attorney Kolb on their concerns. The Ditch Authority was forced to rescind the order of appointment of the viewers because of the lack of clear communication from the viewers.

Administrator Kovarik stated that she was told by the Viewers the issues were: the liquated damages clause and the scope of work. Bennett stated that he didn't feel that the Ditch Authority and JB Associates Limited, Inc. were too far apart on the contract and felt the viewers should put together a new contract for the board to review and see where the process would go. Managers Rothstein and Coughlin addressed their concerns on how unprofessional things were handled and hoped that will change in the future. **Manager Hensley made a motion to adopt an order appointing JB Associates Limited, Inc. as the Viewers for the Re-determination of Benefits for County Ditch 26 & 15 and to authorize the chairman to sign the contract. Manager Rettig seconded the motion. The motion passed with all in favor.**

- The board reviewed the Battle Point Park Estimates for the rip-rap on the shoreline. **Manager Raeker made a motion to go with Mid Minnesota Excavating for the Battle Point rip-rap on the shoreline. Manager Coughlin seconded the motion. The motion passed with all in favor.**
 - Administrator Kovarik reviewed the wage for the new Ditch Inspector. **Manager Coughlin made a motion to start the Ditch Inspector at step one (\$14.58) and to include a 90 day review clause with a possible step increase. Manager Rothstein seconded the motion. The motion passed with all in favor.**
 - Attorney Kolb reviewed the Trespass Policy. Manager Hensley asked for more time to review the policy. Manager Hensley referenced the March 24, 2009 meeting and said that it was not his intent to allow trespassing on the District's property without permission and apologized to the board if the board went home thinking he did. Manager Hensley stated that he would come in the office and listen to the tape from the March 24, 2009 regular meeting to verify what was actually said. **Manager Coughlin made a motion to adopt the Trespass Policy and have the Administrator assign a resolution number to keep track of the policy. The Trespass Policy was assigned Resolution #47-09. Manager Kuseske seconded the motion. The motion passed with Manager Hensley opposing.**
 - Manager Rothstein asked for President Kral, Administrator Kovarik and himself to review the process of why the District did not select DHIA for this year's lab. **Manager Coughlin made a motion to allow the President and Administrator to work with Manager Rothstein on this issue and report back to the board at a later date on the resolution of the matter. Manager Rothstein seconded the motion. The motion passed with all in favor.**
6. **NEW BUSINESS:**
- The boards approved by general consensus to have Administrator Kovarik invite Shawn Beaudy with Stearns County Environmental Services to speak at the May meeting on the NPDES Permit process.



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- Kovarik reminded the board of the upcoming dates for the Rules Workshops and encouraged those in attendance to attend.
 - Calendar items were reviewed:
 - Board appointments sent to counties-letter sent 4/13/09
 - Quarterly reports done 4/15/09,
 - DNR permit for harvester-submitted 4/9/09
 - Volunteer Training Workshop- 4/24/09.
7. There was no discussion from the Public at this time.
8. The meeting was recessed for closed session to review the Administrators 6 month's progress. At 8:57 p.m. President Kral called a short recess to allow for the room to clear prior to commencing with the 6-month employment review of Holly Kovarik. Attorney Kolb advised that the board needed to take minutes of the closed session in accordance with the new open meeting law statutes. The group asked Manager Coughlin to serve as temporary secretary for the closed session.

At 9:08 p.m. President Kral reconvened the meeting. Prior to considering a motion to move to closed session, the group briefly discussed the date for the next board meeting. May 19th was determined to be the next regularly scheduled board meeting.

At 9:10 p.m. Manager Coughlin moved to have the board go into closed session for the purpose of performing the 6-month employment review of Administrator Holly Kovarik. Manager Kuseske seconded the motion. Motion passed unanimously.

At 9:33 p.m. President Kral reconvened the regular meeting and asked for a motion regarding Administrator Kovarik's pending pay step increase.

Motion to Formally Recognize that Administrator Kovarik Had Received a Positive 6-Month Employment Review and to Authorize a Step Increase From Step 2 to Step 3 of Her Pay Group Effective to the Pay Period Containing Her 6-Month Employment Anniversary. The motion was made by Manager Rothstein and seconded by Manager Coughlin. The motion passed unanimously.

President Kral thanked Administrator Kovarik and the members for their participation in the employment review process.

President Kral said that prior to concluding the meeting that evening; he wanted to note the upcoming TMDL meeting that was going to be held in Sauk Centre. He encouraged members to attend if they were interested.

Hearing no further discussion, President Kral declared the meeting adjourned at 9:35 p.m.

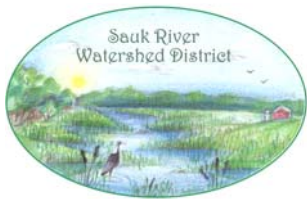
Secretary, Virgil Rettig
 Recording Secretary, Starla Arceneau

 Jim Kral

 Date

 Chub Hensley

 Date



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Sharen Kutter

Date

Virgil Rettig

Date

Bob Mostad

Date

Larry Kuseske

Date

Richard Raeker

Date

Jim Rothstein

Date

Dan Coughlin

Date