

AREA II

AREA II & RCRC Board of Directors Meeting

September 1, 2016 – 9:00 AM – BWSR Conference Room, Marshall, MN

AREA II Members Present: Dennis Potter, Norman Holmen, Roy Marihart, Joe Drietz, Rodney Stensrud, Bob Moline, Lon Walling and Louis Sherlin.

RCRCA Members Present: Dennis Potter, Norman Holmen, Clark Lingbeek, Roy Marihart, Joe Drietz, John Boulton, Rodney Stensrud, Mark Meulebroeck, Bob Moline, Paul Posthuma, Arvin Pater, Lon Walling, Ed Carter, Louis Sherlin and Burton Kuehn.

Others Present: Kerry Netzke – Executive Director, Joy Bruns – RCRCA Office Manager, and Kaitlin Culver – SMBSC Environmental Department.

The meeting was called to order at 9:00 AM by Area II Vice Chairman Potter and RCRCA Chairman Holmen.

ADOPT AGENDA. RCRCA Chairman Holmen asked for any additions to the agenda. Netzke noted two additions under Item #17 – 1) Discovery Farms Minnesota, and 2) Honner 32 Repair. Motion by Drietz, seconded by Stensrud, to approve the agenda as amended. Motion carried unanimously.

AGENCY AND MEETING REPORTS:

MASWCD – Supervisor Lingbeek reported that our area (Area 5) will host the annual convention. A Local Government Water Roundtable meeting discussing the buffer law was held on August 29 in Marshall had 100+ in attendance. Not all of the questions were answered at this meeting, specifically the \$500 fine for noncompliance.

AMC – Commissioner Moline reported on the Governance Committee’s Strategic Planning meeting in Bemidji two weeks ago. The committee is proposing term limits, more involvement, and revision of the bylaws.

MN RIVER CONGRESS (MRC) – Supervisor Lingbeek reported that meetings around the watershed are being held to collect resolutions for the Congress scheduled for November. The Mni (*meaning “water” in the Dakota language*) Mural Dedication at Mankato took place on August 24. USACE granted permission to paint the floodwall at Reconciliation Park. Lingbeek took brochures for RCRCA and Area II as watershed organizations were promoted at the dedication. A fish ladder project is proposed for the Minnesota River at Granite Falls. Yellow Medicine County has approved the proposal and now state funding is being sought.

YMRWD – Boulton reported that tile permits are down due to the agricultural economy. Two projects were completed through Area II and more are planned for 2017. Two ditch improvements are planned for 2017. The Yellow Medicine 1WIP is a good model for the State; it makes sense and is a good consolidation of resources. YMRWD Annual Meeting was held on August 18th in Taunton.

SOUTHERN MINNESOTA BEET SUGAR COOPERATIVE (SMBSC) – Kaitlin Culver reported that the second pre-harvest is starting. Many sugar beet acres were lost due to the recent storms and flooding.

APPROVE AREA II MINUTES of August 4, 2016 Monthly Board Meeting. Motion by Moline, seconded by Holmen, to approve the August 2016 minutes as corrected. Motion carried unanimously, with Sherlin abstaining.

APPROVE RCRCA MINUTES of August 4, 2016 Monthly Board Meeting. Motion by Stensrud, seconded by Lingbeek, to approve the August 2016 minutes as corrected. Motion carried unanimously, with Sherlin abstaining.

APPROVE AREA II TREASURER’S REPORT. Netzke reviewed the financials with the Board for August 2016. Area II received a bonding reimbursement of \$66,646.13 and a health insurance settlement. Expenses were routine.

Motion by Walling, seconded by Drietz, to approve the financial report and the bills for payment. Motion carried unanimously.

Revenue as recorded:

Contract Service Income (RCRCA)	\$ 3,818.49	Projects-Bonding	\$ 66,646.13
Interest Income	\$ 15.49	Misc. Income	\$ 1,238.29
1W1P Grant Income	\$ -0-	County Levy	\$ -0-
County Funds-Redwood SWCD	\$ -0-	1W1P Grant Funds	\$ -0-

Paid bills are summarized below:

Administration	\$ 13,813.40	Director Expense	\$ -0-
Maintenance & Repair	\$ 94.39	Rent & Utilities	\$ 837.00
Miscellaneous Expense	\$ 13.16	Office Supplies	\$ 325.78
Professional Services	\$ 5,472.90	Vehicle Expense	\$ 323.86
Contract Services - RCRCA	\$ 1,919.06	Field Supplies	\$ -0-
Bonding Project Funds	\$ -0-	Employee Expense	\$ 46.02
Postage	\$ -0-	Project Expense	\$ 66,646.13
1W1P Grant Expenses	\$ 199.04	Investigating & Testing	\$ -0-
Directors' Insurance	\$ -0-	Telephone	\$ 12.48
Other Insurance	\$ -0-		

Approved bills for payment summarized below:

Contract Services - RCRCA	\$ -0-	Professional Services	\$ 5,289.63
Consulting Services - 1W1P	\$ -0-	Project Expenses	\$ -0-
Contract Services - 1W1P	\$ 50.29	Maintenance/Repairs	\$ -0-

APPROVE RCRCA TREASURER'S REPORT. Netzke reviewed the financials with the Board the August 2016. Motion by Potter, seconded by Meulebroeck, to approve the financial report and approve the bills. Motion carried unanimously.

RCRCA - APPROVE NEW COST SHARE APPLICATIONS/AMENDMENTS/CANCELLATIONS

NEW CONTRACTS:

COTTONWOOD COST SHARE:

One cost share contract was presented for approval: Lyon – Monroe 31. This project was engineered by Area II. Motion by Moline, seconded by Lingbeek, to approve the cost share contract as presented pending the landowner's signature. Motion carried unanimously.

CONTRACT AMENDMENT:

REDWOOD/COTTONWOOD WATERSHED: None

CONTRACTS FOR PAYMENT:

COTTONWOOD WATERSHED:

Three cost share contracts for payment were presented: 1) Brown – Burnstown 19 Streambank Protection, 2) Cottonwood – Germantown 8 Streambank Protection, and 3) Redwood – Lamberton 26 Streambank Protection. With the payment of these contracts the Cottonwood BMP/319 funds will be expended (grant ended August 31). Motion by Lingbeek, seconded by Potter, to approve the payments as presented. Motion carried unanimously.

AREA II – APPROVE NEW COST SHARE APPLICATIONS/AMENDMENTS/CANCELLATIONS

FY2016 Bonding

NEW CONTRACTS:

Robert & Patty Andersen
EST Cost: **\$63,097.00**

Lincoln – Lake Benton 25 Dam Repair
EST Cost Share: **\$47,322.75 (75%)**

Marlys Pemble

EST Cost: \$38,294.30

Cottonwood – Ann 4

Dam Repair

EST Cost Share: \$28,720.73 (75%)

Two new cost share applications were presented for approval: 1) Lincoln – Lake Benton 25 Dam Repair and 2) Cottonwood – Ann 4 Dam Repair. Both projects include sediment removal. Motion by Drietz, seconded by Stensrud, to approve the cost share contracts as presented pending landowner signatures. Motion carried unanimously.

CONTRACT AMENDMENT: None

CONTRACTS FOR PAYMENT: Netzke requested authorization to pay the Lincoln – Lake Benton 25 project upon completion due to deteriorating health of the landowner. Motion by Moline, seconded by Stensrud, to authorize payment of the Lincoln – Lake Benton 25 project upon completion and certification. Motion carried unanimously.

EXECUTIVE DIRECTOR’S REPORT:

- *Lingbeek requested brochures for Area II and RCRCAs for the August 24 Mni Mural (500’ mural on the Mankato Flood Wall celebrating the Minnesota River) dedication ceremony at Mankato. Following the dedication, a water conservation program celebration with informational booths and food trucks was held. The public was invited to attend to view the mural, meet the artists, and learn more about the Minnesota River.*
- *Netzke attended the Redwood County Commissioners meeting on August 16th for annual updates to the Board.*
- *4th Annual Mayor’s Big Sioux River Water Summit is September 7 from 1-6 PM in Sioux Falls, SD. East Dakota Water Development District has extended an invitation to Area II and RCRCAs due to the buffer legislation discussion scheduled at the Summit.*

AREA II

- Yellow Medicine **One Watershed, One Plan** was edited and transferred to RESPEC for final edits and formatting on August 10. The intention is to submit the final document to BWSR by September 1. A presentation to the BWSR Board will likely be scheduled for October 26 to explain the Plan contents.
- The Annual SW/WC Insurance Pool meeting was held on August 11, 2016. Although Area II earned a 23.2% decrease, an increase of 7.5% will be applied. No groups earned a 0%; all rates started at 6.0% increases. An insurance settlement of \$1,283.29 was received and split 72% Area II/28% Employees (less taxes) per policy.
- The Freshwater Society (TFS) has been inquiring about cumulative impacts of Area II’s projects. From the early conversations where I was questioning the direction of the discussion and possible ramifications, TFS is fully supporting Area II’s approach to floodwater retention and wishes to expand this approach to the rest of the Minnesota River Basin. In order to quantify the cumulative impacts, a hydrological study is needed. The cost of this work has been the limiting factor for Area II to complete a study of this kind. TFS has received an estimate of \$21,000 from Bolton & Menk to complete a cumulative impacts study on the Plum Creek watershed with some financial assistance offered from the Lower MN River Watershed District. Some additional funds are needed which TFS is requesting from BWSR. This support comes at a very exciting time as recent research is concluding that upland water storage is more cost effective than bluff stabilization.

RCRCA

- The Annual SW/WC Insurance Pool meeting was held on August 11, 2016. RCRCAs earned a 13.4% increase; an increase of 13.4% will be applied. No insurance settlement was received this year.
- Netzke attended the Local Government Water Roundtable “Regional Buffer Workshop” in Marshall on August 29.
- A Clean Water Fund Competitive Grant entitled “**Holistic Watershed Management Project for Redwood-Cottonwood Rivers Control Area**” was submitted on August 8 in the amount of \$290,805.00. Cost-share funding, along with administration and technical services, for 10 WSCBs, 4000’ of grassed waterways, 1500’ of streambank stabilization, 5 grade stabilizations, and 865 acres of Fall cover crops. Awards will be announced in December 2016.

Pat Dingels, RADCA reviewed the Clean Water Fund grant application and advised Netzke to submit as is. Upon entering the application information into eLINK, Netzke found that only 2000 characters were allowed in each response to the question. Netzke made numerous revisions to meet the response size allowed. Walling had previously suggested that RCRCAs may get a discounted rate if it was billed through Redwood County’s membership. Netzke inquired into this. RCRCAs would need to become a business member (annual fee of \$150) to receive the reduced hourly rate. Consensus of the Board is that it would not be cost effective to join as grant assistance is requested infrequently.

“RE”silience under “A”ccelerated “CH”ange – WATER SUSTAINABILITY AND CLIMATE PROJECT.

The U of M is leading this project in the MN River basin. The REACH project is funded with a \$3.6M National Science Foundation grant that began in 2012. A related project in the Greater Blue Earth River Basin called the Collaborative for Sediment Source Reduction (CSSR) project is funded with Clean Water Funds, 319 Funds, and MN Ag Water Resource Center. The goal of this study is to find which solutions and locations will be the most cost-effective in scaling up from field-scale to watershed-scale to reduce sediment loads to the MN River. Preliminary conclusions of this study include:

- 1 – Upland water storage is more cost-effective than bluff stabilization
- 2 – Ravine BMPs are most cost-effective, but have limited potential as they are 8-9% of the sediment source
- 3 – Placement of practices matter (water storage is more effective in headwaters areas)
- 4 – Practices that retire cropland are less cost-effective for sediment reduction, but may have other benefits.

These conclusions are dramatic and are catching the attention of many researchers and legislators. Based on this information, The Fresh Water Society would like to see programs like Area II’s incorporated throughout the rest of the Minnesota River basin.

SET LOCATION & CATERER LEGISLATIVE GATHERING, NOVEMBER BOARD MEETING.

Bruns obtained quotes from: 1) The Caboose -- Tracy, 2) Jackpot Junction -- Morton, 3) Saloon 59-- Garvin, and 4) Wabasso Community Center. The Wabasso Community Center and the Roadhouse Bar & Grill offered the best pricing. This facility requires that we set up the rooms as needed and take down. The caterer is located in Wabasso and a two meat buffet-style meal is planned. Bruns had a diplomatic discussion with The Caboose regarding the meal provided in 2015. **RCRCA** – Motion was made by Lingbeek, seconded by Stensrud, to hold the Legislative Gathering at the Wabasso Community Center with The Roadhouse to cater the event. Motion carried unanimously. **Area II** – Motion was made by Sherlin, seconded by Moline, to hold the Legislative Gathering at the Wabasso Community Center with The Roadhouse to cater the event. Motion carried unanimously. **RCRCA** – Motion was made by Stensrud, seconded by Drietz to hold the November Board of Directors meeting at 8:30 AM on November 12 prior to Legislative Gathering at the Wabasso Community Center. Motion carried unanimously. **Area II** – Motion was made by Walling, seconded by Moline to hold the November Board of Directors meeting at 8:30 AM on November 12 prior to Annual Legislative Gathering at the Wabasso Community Center. Motion carried unanimously. Lingbeek has a sound system available for the meeting if needed. Kaitlin Culver also has equipment that the Hawk Creek WD uses for meetings.

Emily Javens, YMRWD Administrator will be the presenter to demonstrate the Scenario Application Manager (SAM) Tool and how the software, along with Terrain Analysis data, can be used to pinpoint potential field-scale project locations, as developed for the Yellow Medicine One Watershed, One Plan.

AREA II ENGINEER’S REPORT.

Projects Under Construction:

Honner 32 Repair, Redwood County. The project still looks good after the recent significant rains. **Sherman 22 Streambank Restoration** – Blomeke Construction has started work on this project. **Lake Benton 5 Dam Repair.** Work has been completed on this project. **Lamberton 26 and 27 Streambank Stabilization.** L & S Construction has finished construction on these projects.

Projects Being Worked On:

Charlestown 30 Small Dam, Redwood County. We received an email from the Corps of Engineers requesting that a cultural survey be conducted on this site. Since the NRCS has previously conducted a survey, this information was forwarded to the Corps. No further word has been received. **Redwood Falls 18 Small Dam, Redwood County.** A wetland delineation for this project has located a small wetland of about 0.18 acres in the proposed pond area. We have redesigned the pool area to minimize the wetland impact. The permitting applications for the Corps and WCA have been submitted and we are awaiting comments. **Ann 4 Small Dam Repair, Cottonwood County.** We recently met with the landowner for this project. After reviewing the design, they would like to proceed. Bids will be received September 9. **Lynd 33 Dam Repair, Lyon County.** The design work for this repair was completed a number of years ago. The design has been reviewed and the cost estimate updated in order to determine if the landowner is interested in completing the work. **Lake Benton 25 Dam Repair, Lincoln County.** Bids were received for this project and came in about 34% below the Engineer’s Estimate of \$95,845.48. With this favorable bid, the landowner has authorized the construction. Thompson Excavating was the successful bidder at \$63,097.00; the second low bidder was Ground Works at \$69,402.13. **Lincoln CD 37 Pump System, Lincoln County.** Design work on the installation of a pump station for Lincoln County Ditch No. 37 is completed. BWSR has recently received bids for the wetland restorations. All of the data for the project

has been transmitted to Lincoln County so that they can hold the necessary hearings and secure easements for the project. *Netzke noted that the Lincoln CD 37 Pump Station is a pilot project for off-channel storage of water. Several board members are very interested in the project and are aware that many others are looking to this sort of solution to increase water storage and improve water quality. Netzke suggested that a board meeting be held in Ivanhoe after the project is completed and visit the site once complete. Morton Dam, Renville County.* Project construction is to be paid using Flood Recovery funds. Survey work will be completed as soon as the schedule allows.

Moline asked about purchasing/contracting a drone to view projects for both organizations. Netzke will gather information regarding costs and pilot licensing required. Stensrud recommended contacting Lyon County Administrator Loren Stromberg as Lyon County is in the process of purchasing a drone. There may be a possibility of utilizing it and staff/licensing. Culver added that SMBSC uses a drone to check their ponds and cover crops, etc. Lingbeek noted that use of a drone would be beneficial in getting a good view of all project types and may be a viable reason to apply for the extra funds available from BWSR for new SWCD programs if the county allocates matching funds.

With regard to USACE permits, Holmen asked if a statement could be added: *“if no response to this application is received in 30 days, the project will be assumed to be permissible.”* Moline suggested that Area II send a letter to AMC asking to support a time limitation on processing permits by the USACE.

Board members would like to have the soil, sediment and phosphorus reduction numbers available for the annual meeting to show how the organizations are helping improve water quality.

SET DATE FOR DECEMBER BOARD MEETING. Netzke requested that the December meeting date be changed due to the AMC Annual Conference (12/5-12/6) and MAWD Annual Conference (12/1-12/3). Netzke has been asked to present at a MAWD breakout session on One Watershed, One Plan. **Area II** – Motion by Stensrud, seconded by Drietz, to schedule an Executive Board meeting on December 9 at 1:00 PM in Marshall. The full board may meet at the same time and location should it become necessary. Motion carried unanimously. **RCRCA** – Motion by Lingbeek, seconded by Posthuma, to schedule an Executive Board meeting on December 9 at 1:00 PM in Marshall. The full board may meet at the same time and location should it become necessary. Motion carried unanimously.

DISCOVERY FARMS MINNESOTA. Netzke was contacted by Scott Matteson, MN Dept. of Ag, requesting RCRCA to conduct water quality monitoring on a new Discovery Farms Minnesota (DFM) project site located 4½ miles north of Wabasso. RCRCA would contract with the MN Ag Water Resource Center (MAWRC) to gather samples on two sites within one field using automated water samplers and a flume to measure overland water flow. This requires year-round sampling with extra work in the spring when overnight frost may require cleanout of the flume for proper operation. The location of the sampling site is convenient as Wohnoutka travels near the site on the way to and from the Marshall office. Netzke also lives close by, if needed as backup. The hourly reimbursement rate is provided by the MAWRC as well as reimbursements for mileage and other expenses. Samples are delivered to MVTL in New Ulm for testing in similar fashion as WPLMN sampling. Netzke and Wohnoutka will investigate the time commitment needed if the board approves this endeavor. This project would begin January 1, 2017 with a 6-7 year commitment for the site. Wohnoutka will visit a DFM site near Franklin with the Hawk Creek WD staff to view the sampling method and determine time requirements. Carter is familiar with the DFM project and is impressed with their data; he recommends continuing discussions with them and to bring contract/project details to the next Board meeting.

HONNER 32 REPAIR. Netzke received the outstanding seeding/mulching bill from Ryan West. The subcontractor had estimated the cost at about \$10,000, the bill came in at \$13,387.20, and the final cost was negotiated to \$11,000. The total amount that Area II is responsible for increased to \$23,630, of which Ryan West Excavating was previously paid \$20,500. This results in \$3,130 left to pay Ryan West Excavating for Area II's share. Motion by Walling, seconded by Moline, to approve final payment of \$3,130 for the Honner 32 Repair project. Motion carried unanimously.

Holmen asked about the warranty of the Area II projects. Netzke stated that the contractor's warranty is 1 year from the completion date, Area II's warranty is 3 years, and then it becomes the landowner's responsibility. Area II's warranty is clearly stated on the project specifications. RCRCA's warranty falls under state or federal cost-share rules.

RCRCA ADJOURNMENT. Chair Holmen adjourned the RCRCA meeting at 10:55.

Those who are not Board members of Area II were asked to step out of the room.

PERFORMANCE REVIEW OF EXECUTIVE DIRECTOR. Vice Chairman Potter reported that the Executive Board had met prior to the board meeting this morning to review the results of the performance evaluations from the Area II Board of Directors. Potter stated that Netzke's review was very satisfactory. Moline commended Netzke on a fabulous job with Area II and the additional duties for RCRC. She is beginning her 24th year with Area II. Netzke added that she has top notch staff with both organizations and she prioritizes keeping those employees. A 2% COLA (effective July 1) and a 1% merit was budgeted for FY2017. The Executive Board recommends a 1% merit increase. Motion was made by Moline, seconded by Stensrud, to approve the recommendation of a 1% merit increase for Netzke. Motion carried unanimously. Motion by Walling, second by Holmen, that upon a successful evaluation, staff will receive the 1% merit increase as Deschepper's evaluation will be in January. Motion carried unanimously.

AREA II ADJOURNMENT. With no other business to address, Vice Chairman Potter adjourned the meeting at 11:10.

UPCOMING MEETINGS.

October Board Meeting FRIDAY, October 7, 2016 Redwood Government Center, Redwood Falls, MN – 9:00AM
November Board Meeting SATURDAY, Nov. 12, 2016 Wabasso Community Center, Wabasso, MN – 8:30 AM
December Board Meeting Friday, December 9, 2016 Marshall, MN–1:00 PM Exec Board, unless notified otherwise