

AREA II

January 5, 2017 – 1:00 PM – BWSR Office, Marshall, MN

AREA II Members Present: Dennis Potter, Norman Holmen, Roy Marihart, Joe Drietz, Rick Anderson, Lori Gunnink, Luke Johnson and Glen Kack.

RCRCA Members Present: Dennis Potter, Greg Roiger, Norman Holmen, Clark Lingbeek, Joe Drietz, Rick Anderson, Mark Meulebroeck, Lori Gunnink, Paul Posthuma, Luke Johnson, Arvin Pater, Dennis Groebner and Glen Kack.

Others Present: Kerry Netzke – Executive Director, Joy Bruns – RCRCA Office Manager, John Boulton – YMRWD, Darrel Ellefson – LQP-YB Watershed District, Kaitlyn Culver – SMBSC Environmental Department, and Jason Beckler – BWSR.

The meeting was called to order at 9:00AM by Area II Chairman Johnson and RCRCA Chairman Holmen. Introductions were done as there were new board members.

ADOPT AGENDA. RCRCA Chairman Holmen asked for any additions to the agenda. Netzke requested an addition for Area II – Trimble R8 Purchase. Motion made by Posthuma, seconded by Potter, to approve the agenda as amended. Motion carried unanimously.

AGENCY AND MEETING REPORTS.

MASWCD – Supervisor Lingbeek reported that there is a meeting scheduled for next week to review the resolutions from the annual convention and determine the legislative platform for 2017. Supervisor Roiger reported that Clark Lingbeek received the 2016 MASWCD Supervisor of the Year award. Lingbeek was congratulated by the Boards.

AMC – Commissioner Anderson reported that January 20, 2017 is the next regular meeting for the AMC Board of Directors. BWSR will be discussing the first draft of the Buffer Ordinance.

YMRWD – Boulton reported that the tiling is nearly complete; some culverts are being replaced. Beaver trapping is ongoing. Jeff Hoffman passed away on December 23, 2016 after his battle with cancer. Yellow Medicine County will be appointing Hoffman's replacement to the YMRWD Board of Managers.

LQP-YB – Ellefson reported that they are working on the WRAPS, updating policies and finishing year-end reporting.

SMSBC – Culver reported that they are half way through processing the beets and should finish by early April. They are busy partnering with groups on environmental issues and opportunities.

BWSR – Board Conservationist Beckler reported that the BWSR year-end eLINK reporting is fast and furious with the February 1st deadline. Reports need to be published on the website by March 15th. **1W1P** – The resolution templates for plan adoption and implementation are available. BWSR is finalizing the local water plan amendments stemming from BWSR Board approval on December 14, 2016, when the YM 1W1P was also approved. The Missouri Basin 1W1P is in progress as seven new 1W1Ps were funded. **SWCDs** completed the initial buffer compliance reports by January 1st. More than 50% buffer compliance was reported in our area. **CWF Tillage & Erosion Survey** for 67 counties is underway. The county is eligible if more than 30% of the land is in agricultural production. The grant will track tillage practices, cover crops, and residue management. U of M is leading the charge; BWSR is the fiscal agent.

RCRCA – ELECTION OF OFFICERS. Chairman Holmen turned the meeting over to Netzke for the election of the RCRCA Chairman. Netzke asked for nominations for RCRCA Chairman. Motion by Meulebroeck, seconded by Lingbeek, to nominate Norm Holmen. Nominations were called three more times. Motion by Johnson, seconded by Posthuma, to cease nominations and cast a unanimous ballot for Holmen. Motion carried unanimously for ***RCRCA Chairman Holmen***. The meeting was turned over to the chairman.

Holmen asked for nominations for Vice Chairman. Motion by Meulebroeck, seconded by Anderson, to nominate Clark Lingbeek. Nominations were called three more times. Motion by Potter, seconded by Drietz, to cease nominations and cast a unanimous ballot for Lingbeek. Motion carried unanimously for ***Vice Chairman Lingbeek***. Chairman Holmen asked for nominations for Treasurer. Motion by Johnson, seconded by Lingbeek, to nominate Mark Meulebroeck. Nominations were called three more times. Motion by Anderson, seconded by Lingbeek, to cease nominations and cast a unanimous ballot for Meulebroeck. Motion carried unanimously for ***Treasurer Meulebroeck***. Chairman Holman asked for nominations for Secretary. Motion by Johnson, seconded by Lingbeek, to nominate Paul Posthuma. Nominations were called three more times. Motion by Lingbeek, seconded by Pater, to cease nominations and cast a unanimous ballot for Posthuma as Secretary. Motion carried unanimously for ***Secretary Posthuma***. Chairman Holmen asked for nominations for Public Relations & Information (PR&I). Motion by Johnson, seconded by Posthuma, to nominate Rick Anderson for PR&I. Nominations were called three more times. Motion by Drietz, seconded by Potter, to cease nominations and cast a unanimous ballot for Anderson as PR&I. Motion carried unanimously for ***PR&I Anderson***. Chairman Holmen asked for nominations for Member-At-Large. Motion by Johnson, seconded by Anderson, to nominate Dennis Potter for Member-At-Large. Nominations were called three more times. Motion by Roiger, seconded by Lingbeek, to cease nominations and cast a unanimous ballot for Potter. Motion carried unanimously for ***Member-At-Large Potter***.

These individuals comprise the RCRCA Executive Board of Directors. *Note: At the next meeting, an alternate will need to be elected per policy.*

AREA II ELECTION OF OFFICERS. Netzke asked for nominations for Area II Chairman. Motion by Holmen, seconded by Drietz, to nominate Luke Johnson. Nominations were called three more times. Motion by Potter, seconded by Anderson, to cease nominations and cast a unanimous ballot for Johnson. Motion carried unanimously for ***Area II Chairman Johnson***.

Chairman Johnson asked for nominations for Vice Chairman. Motion by Anderson, seconded by Holmen, to nominate Dennis Potter. Nominations were called three more times. Motion by Anderson, seconded by Gunnink, to cease nominations and cast a unanimous ballot for Potter. Motion carried unanimously for ***Vice Chairman Potter***.

Chairman Johnson asked for nominations for Secretary/Treasurer. Motion by Potter, seconded by Drietz, to nominate Rick Anderson. Nominations were called three more times. Motion by Holmen, seconded by Gunnink, to cease nominations and cast a unanimous ballot for Anderson. Motioned carried unanimously for ***Secretary/Treasurer Anderson***.

These individuals comprise the Area II Executive Board of Directors. *Note: At the next meeting, an alternate will need to be elected per policy.*

DESIGNATE BANKING INSTITUTION FOR RCRCA CHECKING ACCOUNT. RCRCA has banked at Home Town Bank in Redwood Falls since 2011. This bank pays interest on the checking account and has an online method for payroll direct deposits with no fees unlike other banking institutions. Motion by Posthuma, seconded by Potter, to retain the checking account at Home Town Bank in Redwood Falls. Motion carried unanimously. Bruns noted that there were no changes needed for the signature card (currently Netzke, Meulebroeck and Bruns).

DESIGNATE BANKING INSTITUTION FOR AREA II CHECKING ACCOUNT. Area II opened a checking account in February 2016 at Home Town Bank in Redwood Falls. This bank pays interest on the checking account and

has an online method for payroll direct deposits with no fees unlike other banking institutions. Motion by Drietz, seconded by Anderson, to retain the checking account at Home Town Bank in Redwood Falls. Motion carried unanimously. Bruns has the necessary paperwork to make changes for authorized signers (Netzke, Johnson, Potter, Anderson and Bruns).

APPROVE RCRCA MINUTES of November 12, 2016 Monthly Board Meeting. Motion made by Johnson, seconded by Potter, to approve the November 2016 minutes as recommended by the Executive Board of Directors. Motion carried unanimously.

APPROVE AREA II MINUTES of November 12, 2016 Monthly Board Meeting. Motion made by Potter, seconded by Anderson, to approve the November 2016 minutes as recommended by the Executive Board of Directors. Motion carried unanimously.

APPROVE RCRCA MINUTES of December 9, 2016 Executive Board Meeting. Motion made by Drietz, seconded by Meulebroeck, to approve the December 2016 minutes as corrected. Motion carried unanimously.

APPROVE AREA II MINUTES of December 9, 2016 Executive Board Meeting. Motion made by Potter, seconded by Holmen, to approve the December 2016 minutes as corrected. Motion carried unanimously.

APPROVE RCRCA TREASURER’S REPORT - November 2016. Financials for the month of November 2016 were reviewed. Motion made by Posthuma, seconded by Potter, to approve the financial report and approve the bills as recommended by the Executive Board. Motion carried unanimously.

APPROVE AREA II TREASURER’S REPORT - November 2016. Financials for the month of November 2016 were reviewed. There were three pay periods in November. Miscellaneous Expense included the Annual Meeting expense of \$509.87. Motion made by Potter, seconded by Holmen, to approve the financial report and the bills for payment as recommended by the Executive Board. Motion carried unanimously.

Revenue as recorded:

Contract Service Income (RCRCA)	\$ 5,794.64	Projects-Bonding	\$ -0-
Interest Income	\$ 48.60	Misc. Income	\$ -0-
1W1P Grant Income	\$ -0-	County Levy	\$ -0-
State of MN-Administrative	\$ -0-	1W1P Grant Funds	\$ -0-

Paid bills are summarized below:

Administration	\$ 20,203.21	Directors’ Expense	\$ -0-
Maintenance & Repair	\$ 94.39	Rent	\$ 837.00
Miscellaneous Expense	\$ 745.87	Office Supplies	\$ -0-
Professional Services	\$ 4,185.00	Vehicle Expense	\$ 188.32
Contract Services - RCRCA	\$ 1,131.29	Field Supplies	\$ -0-
Bonding Project Funds	\$ -0-	Employee Expense	\$ 343.41
Postage	\$ -0-	Project Expense	\$ 24,342.89
1W1P Grant Expenses	\$ -0-	Investigating & Testing	\$ -0-
Directors’ Insurance	\$ -0-	Telephone	\$ 14.30
Other Insurance	\$ -0-		

Approved bills for payment are summarized below:

Contract Services - RCRCA	\$ -0-	Professional Services	\$ 7,595.00
Consulting Services - 1W1P	\$ -0-	Project Expenses	\$ -0-
Contract Services - 1W1P	\$ -0-	Investigation/Testing	\$ 504.50

APPROVE RCRC A TREASURER’S REPORT- December 2016. Financials for the month of December 2016 were reviewed. Johnson noticed a discrepancy between the total checks written and the total expenses in the Profit/Loss Statement. Motion made by Lingbeek, seconded by Drietz, to approve the bills for payment and to table the financial report until next month when the difference can be determined. Motion carried unanimously.

APPROVE AREA II TREASURER’S REPORT. Financials for the month of December 2016 were reviewed. Income was received from bonding reimbursement \$25,536.14, contract services \$3,767.95 and PERA aid \$265.00. Expenses were routine with the exception of \$20,897.50 final payment to RESPEC. The RESPEC invoice had been approved earlier by both Area II and 1W1P Policy Committee contingent on the receipt of all the digital documents and Plan approval by the BWSR Board. Johnson noticed a discrepancy between the total checks written and the total expenses in the Treasurer’s Report. Motion made by Potter, seconded by Anderson, to approve the bills for payment and to table the financial report until next month when the difference can be determined. Motion carried unanimously.

Revenue as recorded:

Contract Service Income (RCRCA)	\$ 3,767.95	Projects-Bonding	\$ 25,536.14
Interest Income	\$ 10.16	Misc. Income	\$ 265.00
1W1P Grant Income	\$ -0-	County Levy	\$ -0-
State of MN-Administrative	\$ -0-	1W1P Grant Funds	\$ -0-

Paid bills are summarized below:

Administration	\$ 13,549.73	Directors’ Expense	\$ -0-
Maintenance & Repair	\$ 181.32	Rent	\$ 837.00
Miscellaneous Expense	\$ 41.00	Office Supplies	\$ -0-
Professional Services	\$ 7,595.00	Vehicle Expense	\$ 225.94
Contract Services - RCRCA	\$ 994.99	Field Supplies	\$ -0-
Bonding Project Funds	\$ -0-	Employee Expense	\$ 232.99
Postage	\$ 115.00	Project Expense	\$ -0-
1W1P Grant Expenses	\$ 20,897.50	Investigating & Testing	\$ 504.50
Directors’ Insurance	\$ -0-	Telephone	\$ 12.06
Other Insurance	\$ -0-		

Approved bills for payment are summarized below:

Contract Services - RCRCA	\$ -0-	Professional Services	\$ 3,240.00
Consulting Services - 1W1P	\$ -0-	Project Expenses	\$ -0-
Contract Services - 1W1P	\$ -0-	Insurance	\$ 4,130.00

RCRCA - APPROVE NEW COST SHARE APPLICATIONS/AMENDMENTS/CANCELLATIONS: None

RCRCA CONTRACTS FOR PAYMENT:

REDWOOD WATERSHED:

Netzke presented the Redwood-Underwood 25 Alternative Tile Intake for payment. The Drainage Water Management grant ended December 31, 2016. Due to last minute contract cancellations, the remaining funds of 4,760.84 cannot be used. This project payment was recorded in December 2016 prior to grant expiration. Motion made by Meulebroeck, seconded by Potter, to approve payment of the completed project. Motion carried unanimously.

AREA II – APPROVE NEW COST SHARE APPLICATIONS: None

AREA II CONTRACT AMENDMENT: None

AREA II CONTRACTS FOR PAYMENT:

Beverly Pfarr

Original Cost: \$146,338.50

ACT Cost (Partial): \$26,483.33

Redwood – Charlestown 30

Original Cost Share: \$109,753.87 (75%)

REQ Cost Share Partial Payment #1: \$19,862.50 (75%)

Grade Stabilization

Netzke presented a partial payment on the Redwood-Charlestown 30 Grade Stabilization project. The weather and discovery of soil issues halted the project for this construction season. Motion by Drietz, seconded by Marihart, to approve the partial payment. Motion carried unanimously.

EXECUTIVE DIRECTOR'S REPORT.

- Executive Board meeting was held December 9th.
- Will attend Governor's Water Town Hall Water Summit at the University of Minnesota in Morris on January 27th.
- MN Environmental Congress – EQB sponsored event in St. Paul on February 3rd.

AREA II

Yellow Medicine One Watershed One Plan (1W1P):

- BWSR Board of Directors approved the Plan at their meeting on December 14th in St. Paul.
- After approval, the final payment was issued to RESPEC as all electronic files have been received from RESPEC.
- \$2,648.77 remains in the grant for printing copies of the approved plan. Printing quotes have been received and 72 copies will be printed for the 10 MOA partners.
- December 12th Conference Call with Doug Thomas, BWSR; RESPEC; YMRWD and myself to discuss a proposal to more closely tie the Scenario Application Manager (SAM) tool with the ACPF tool for “field scale” level targeting of BMP practices. BWSR has some discretionary funding from the Targeted Watershed program that can be used to keep the momentum of the 1W1P project going until implementation funds become available. It is anticipated that the “Fund The Plan” money will be approved by the 2017 Legislature to automatically direct funds to approved 1W1Ps around the state to exclude them from the competitive Clean Water Funds grant process. After January 1, Netzke, Javens and Blackburn will meet to develop a Work Plan and Budget for the BWSR funds. This grant would not require matching funds, much like the 1W1P grant. Work is to be completed by 12/31/2017.

RCRCA

- Finalized the Stormwater Assessment Grant (SWAG) for the Cottonwood and Redwood River watersheds, to begin March 2017. The 2-year contract amount is \$75,650.42 and is currently in MPCA Contracting for approval.
- Phase 1 WRAPS Work Plan and Budget for the Cottonwood and Redwood watersheds has been developed. Of the \$70,000 budget, \$47,440 would be income for RCRCA for coordination of planning and reporting of the grant. This is also at MPCA Contracting for approval.
- A Clean Water Fund meeting was held December 19 to discuss the YM 1W1P and RCRCA applications that were not approved. Both applications made it through the first round of funding; of the 171 applications, 72 were approved for further consideration. Tips were provided to improve the applications for 2017.

RCRCA and AREA II POLICY UPDATES. The federal mileage reimbursement rate has been reduced to \$0.535 (previously \$0.54) per mile. This is the new rate will be used for mileage reimbursement to staff and for use of the organization vehicles per policy of both organizations.

2017 LEGISLATIVE SESSION PROPOSALS.

RCRCA – Lake Redwood Reclamation Project is not included in the Governor's bonding priorities for 2017. It was included in the 2016 Bonding Bill that was not passed. New language will need to be drafted if the City of Redwood Falls wishes to continue pursuit of funding. Motion by Groebner, seconded by Lingbeek, to draft a letter of support for this project, if pursued by the City of Redwood Falls. Motion carried unanimously.

Area II – Netzke is recommending three legislative proposals as follows:

- 1) The Administrative Services request will be \$189,000/year (increased 25% from \$140,000) to allow Area II to assist partners with additional engineering services due to the lack of NRCS sign-off and JAA at SWCD levels. Netzke noted that up until the Ventura Administration, annual funding was at this \$189,000 amount.
- 2) A request for \$1,000,000 in Bonding for the FY18-FY19 biennium as the remaining funds will be mostly expended by the end of 2017.

3) The LQP-YB WD continues to seek \$500,000 in Bonding for the engineering of two floodwater control projects that require a higher level of engineering than what Area II can provide. Precedence has been set with an appropriation made for the Lazarus Creek project engineering. A letter of support may help them achieve funding. Motion by Anderson, seconded by Potter, to approve the legislative request recommendations. Motion carried unanimously.

YELLOW MEDICINE ONE WATERSHED ONE PLAN ADOPTION. As previously reported, the BWSR Board of Directors approved the Plan at their December 14, 2016 meeting along with the Root River Watershed plan. These are the first two plans to be approved statewide. All 10 MOA partners must adopt the Plan via resolution. Motion by Drietz, seconded by Marihart, to approve the presented resolution for the adoption and implementation of the Yellow Medicine One Watershed One Plan and to authorize signatures by Chairman Johnson and Netzke. Motion carried unanimously.

AREA II ENGINEER'S REPORT.

Projects Being Worked On:

Charlestown 30 Small Dam, Redwood County. The Redwood SWCD has met with the landowners for this project. Even though the costs have escalated as a result of finding a substantial vein of sand at the site, they wish to proceed. A Change Order for the extra work is being executed with the contractor and landowner and Partial Payment #1 has been approved. Work on the project has been suspended until the spring. ***Redwood Falls 18 Small Dam, Redwood County.*** Due to numerous questions with the first permit application, the revised application for wetland impacts was submitted to USACE and WCA on November 30, 2016. We are awaiting further review and comments. ***Lincoln CD 37 Pump Station, Lincoln County.*** The Lincoln County Board has advertised for bids for the project to be opened February 21, 2017 at 10:30 in Ivanhoe, MN. We are revising the final bidding documents which will be available to contractors in early January. ***Morton Dam Repair – Birch Cooley 19, Renville County.*** The Renville County SWCD continues to work with the landowners to resolve issues regarding ponding and the acquisition of property for the emergency spillway. The adjacent landowner is willing to sell .05 acres to the pond owner for the creation of a new emergency spillway. The project is planned to be constructed in the spring using Flood Recovery Funds. ***Delhi 5 Small Dam Repair, Redwood County.*** The survey work for this project has been completed and design work has started. This project will be funded with federal EQIP funds. The design needs to be completed by mid-January in order to gain additional points in the funding process. ***Sherman 6 Streambank Stabilization, Redwood County.*** The Lower Sioux Indian Community is proposing to stabilize a substantial reach along the Minnesota River where erosion is occurring. Because the area is about ¼ mile in length, the cost of the project is in the area of \$300,000. Due to this cost, it may be necessary to phase the project or limit the scope of work. A meeting with the Lower Sioux will be scheduled to further explore the alternatives for this project. It is our understanding that federal cost-share funds are being sought. ***Charlestown 34 Small Dam, Redwood County.*** A small dam was planned several years ago at this location; however sand was discovered in the borings. A new site, further upstream of the previous location, has been investigated with a few borings drilled. This location is promising, however additional borings are necessary. These borings are part of the Scope of Work with American Engineering Testing that will be undertaken this winter. Further design work will commence once their report is available. ***Verdi Small Dam Repair, Lincoln County.*** This project lies outside of the Area II watershed boundary, draining into the Big Sioux watershed, so no cost-sharing through Area II can be offered, however design of the repair was provided by Area II. Funding from South Dakota sources sought, but not successful. Lincoln County SWCD approved 75% cost-share funding. Request for reimbursement of engineering costs will be made to the SWCD. Bids will be accepted January 10th with construction scheduled for Spring of 2017. ***Gales 26 Grade Stabilization, Redwood County.*** Design work has been started for this project which will include a small dam and tile down a steep ravine. This is another project scheduled for federal EQIP funds, so the design work will need to be finished by mid-January for the federal funding process.

Chairman Holman adjourned the RCRCA meeting at 11:00 AM as the remaining two items pertain only to Area II.

AREA II FY2016 AUDIT. Dick Holmberg presented his audit report to the Board of Directors and answered questions. During the presentation, a few minor corrections were found that needed to be addressed. The GASB 68 pension reporting and entries have altered the beginning FY2016 balance from the FY2015 ending balance. Netzke requested either a cover letter explaining this adjustment or a notation in the FY2016 Audit Report regarding the balance adjustment. Holmberg stated that adding this to the notes is standard practice which he will do. Motion made by

Marihart, seconded by Potter, to table approval of the audit until February 2017 to allow the revisions to be made. Motion carried unanimously.

AREA II - TRIMBLE R8 UPGRADE.

The Lyon SWCD is requesting to upgrade their Trimble R8 GPS equipment to a R10 unit. Lyon SWCD paid \$12,000 for the used R8 equipment two years ago and the current trade-in value is only \$2,700. The R8 unit will work with Area II's current equipment and would be tremendous improvement as the technology is based on a cellular service link to satellites instead of a base station. Marihart spoke of the considerable savings of the R8 unit and what a time savings it will provide to not set up the base station each time a survey is done. A Wi-Fi hot spot and data package would be needed with the upgrade. Jason Beckler, BWSR Conservationist, is encouraging the SWCDs, NRCS, TSA and JPO partners to invest in compatible surveying equipment so information may be easily shared between partners. Beckler is lining up a meeting for the parties to discuss current equipment inventories and future needs. Lyon SWCD will seek approval from the Lyon County Commissioners on February 7th for the R10 upgrade. Motion by Marihart, seconded by Potter, to purchase the R8 unit when it becomes available. Motion carried with Anderson abstaining.

ADJOURNMENT. With no other business to address, Area II Chairman Johnson declared the meeting adjourned at 11:38 AM.

UPCOMING MEETINGS.

February 2017 Board Meeting	Thursday, February 2, 2017	Redwood Falls, MN–Minn-West Conference Room – 9:00AM
March 2017 Board Meeting	Thursday, March 2, 2017	Marshall, MN – BWSR Conference Room – 9:00 AM
April 2017 Board Meeting	Thursday, April 6, 2017	Redwood Falls, MN–Minn-West Conference Room – 9:00AM