

Area II

AREA II & RCRCA Boards of Directors Meeting

February 4, 2016 – 9:00 AM – Redwood County Government Center – Redwood Falls, MN

AREA II Members Present: Dennis Potter, Norman Holmen, Roy Marihart, Joe Drietz, Rick Anderson, Bob Moline, Luke Johnson, Lon Walling and Louis Sherlin.

RCRCA Members Present: Dennis Potter, Jack Vogel, Norman Holmen, Clark Lingbeek, Joe Drietz, Mark Meulebroeck, Rick Anderson, Bob Moline, Paul Posthuma, Luke Johnson, Arvin Pater, Lon Walling, Ed Carter, Louis Sherlin and Burton Kuehn.

Others Present: Kerry Netzke – Executive Director Area II/RCRCA, John Boulton – YMRWD.

The meeting was called to order at 9:00 AM by Area II Chair Johnson and RCRCA Chair Holmen.

ADOPT AGENDA. RCRCA Chair Holmen asked for any additions to the agenda. Motion made by Lingbeek, seconded by Vogel, to approve the agenda as presented. Motion carried unanimously.

AGENCY AND MEETING REPORTS:

AMC – Commissioner Moline reported that Jack Swanson is the new AMC Chairman. All meeting minutes are on the AMC website. Their next meeting is March 10, which coincides with the AMC Legislative Conference.

MASWCD – Supervisor Lingbeek reported the Area V meeting is in Marshall on February 18. A DNR mapping update is on the agenda. Governor Dayton has decided that no private ditches will be included in buffer legislation.

YMRWD – Boulton reported on his attendance at the Legislative Town Hall meeting in Canby. Senator Dahms and Representative Swedzinski support the Area II and RCRCA opposition of the MN River Commission. An offer has been made to Emily Javens to serve as the District’s new administrator. The details are being worked out.

APPROVE AREA II MINUTES of January 7, 2016 Monthly Board Meeting. Motion made by Moline, seconded by Anderson, to approve the January 2016 minutes as corrected. Motion carried unanimously.

APPROVE RCRCA MINUTES of January 7, 2016 Monthly Board Meeting. Motion made by Posthuma, seconded by Meulebroeck, to approve the January 2016 minutes as corrected. Motion carried unanimously.

APPROVE AREA II TREASURER’S REPORT. Netzke reviewed the January 2016 Treasurer’s Report with the Board. Revenue was \$302,626.54 of which the majority was bonding projects reimbursements (\$287,404.90). Netzke closed the savings account at the State Bank of Taunton as the new Hometown Bank account pays 0.20% interest compared to 0.15% interest on the existing savings. Motion made by Drietz, seconded by Potter, to approve the January 2016 Treasurer’s Report and to approve the bills for payment. A voice vote was taken. Motion carried unanimously.

Revenue as recorded:

Contract Service Income (RCRCA)	\$ 4,649.50	Projects-Bonding	\$ 148,324.94
Interest Income	\$ 4.70	Misc. Income	\$ 30.00
1W1P Grant Income	\$ 7.58**	County Levy	\$ -0-
County Funds-Redwood SWCD	\$ -0-	1W1P Grant Funds	\$ -0-

Paid bills are summarized below:

Administration	\$ 13,095.98	Maintenance & Repair	\$ 94.39
Rent & Utilities	\$ 837.00	Miscellaneous Expense	\$ 337.81
Office Supplies	\$ -0-	Professional Services	\$ 10,207.50
Contract Services - RCRCA	\$ 972.95	Vehicle Expense	\$ 134.62
Bonding Project Funds	\$ -0-	Field Supplies	\$ -0-
Postage	\$ -0-	Employee Expense	\$ 574.00
1W1P Grant Expenses	\$ 9,004.40	Project Expense	\$ -0-

Directors' Insurance	\$ -0-	Investigating & Testing	\$ -0-
Continuing Education	\$ -0-	Telephone	\$ 9.60

Approved bills for payment summarized below:

Contract Services - RCRCA	\$ -0-	Professional Services	\$ 5,897.00
Consulting Services - IWIP	\$ 9,011.25**	Project Expense	\$ -0-
Contract Services - IWIP	\$ 4.58**	Maintenance/Repairs	\$ -0-

**** To be approved by IWIP Policy Committee**

APPROVE RCRCA TREASURER'S REPORT. Netzke reviewed the January 2016 Treasurer's Report with the Board. Motion made by Lingbeek, seconded by Sherlin, to approve the financial report and for payment of the bills. Motion carried unanimously.

APPROVE NEW RCRCA COST SHARE APPLICATIONS/AMENDMENTS/CANCELLATIONS

NEW COST SHARE CONTRACTS: None

CONTRACT AMENDMENT: None

CONTRACTS FOR PAYMENT:

REDWOOD WATERSHED:

CWFDWM 01-29

Dallas Dolan	Redwood – Underwood 12, Vesta 21, 29, 33	Alternative Intakes (8)
Total Amended Cost: \$3,200.00		Total Amended Cost Share: \$2,400.00 (75%)
ACT Cost: \$2,320.00		REQ Cost Share Payment: \$1,740.00 (75%)

Netzke presented one contract for payment -- 8 alternative intakes in Redwood County, Underwood Township, Section 12 and Vesta Township, Sections 21, 29 and 33. Motion was made by Sherlin, seconded by Walling, to approve the payment. Motion carried unanimously.

EXECUTIVE DIRECTOR'S REPORT:

- Attended the BWSR Grants Training seminar in New Ulm on January 15.
- The resolution opposing Senate File No. 2204 (Minnesota River Basin Commission creation) was distributed to all interested parties, member counties, and local legislators.

AREA II

- eLINK entries and Annual Progress Reports were completed for: FY2016 Bonding; FY15 Administration Grant; FY16 Administration Grant; and **One Watershed, One Plan** Grant. February 1 was the completion deadline.
- The Final Report for the FY2012 Bonding appropriation is being completed. Netzke is verifying a few federal cost-share amounts before submitting the final spreadsheets to BWSR which detail the funding sources and expenses attributed to each project.
- Yellow Medicine **One Watershed, One Plan** Planning Work Group and Technical Committee met on January 26 to review and complete the Goals and Implementation Plan sections. The Monitoring section has been drafted and is being reviewed by the committees. Model ordinances were also reviewed that address the Goals. The next meeting is scheduled for February 24 to review the draft Plan. The Policy Committee will meet on February 10 to approve the Measurable Goals and Implementation Plan.
- The bonding reimbursements were received. The new checking and Sweep accounts at Hometown Bank have been started pending one Board signature today. The Wells Fargo account will be kept at minimum balance until all electronic transfer arrangements have been completed.
- Netzke met with Joel Swanson from MCIT, Laura McKnight and Steve Aggergaard from the firm of Bassford Remele on January 8 at MCIT's office. The attorneys clarified the outstanding questions that they had concerning Area II's insurability by MCIT. Aggergaard will have a check list of items prepared by the February Board meeting which outlines the steps needed to dissolve Area II's corporate status. The firm has dissolved private corporations and feels dissolving a public corporation will be similar.

RCRCA

- The 4th of the 6 Civic Engagement Training sessions has been attended.
- eLINK entries and Annual Progress Reports were completed for: BWSR Clean Water Funds; Drainage Water Management Grant; LiDAR Grant (utilized by TSA); MPCA Cottonwood Grant; new MPCA Redwood River Turbidity Reduction Grant; and Cottonwood/Redwood Septic Loan Grant. February 1 was the completion deadline. The WPLMN grant (old) Annual Report was extended to coincide with the Final Report which should be ready by the end of February. The final SCAP grant invoice will be submitted on February 26.
- Quarterly invoices for the WPLMN grant (old) and Cottonwood Grant were completed.
- Netzke attended a MPCA 319/Clean Water Partnership Grants Training seminar on January 29.

RCRCA and AREA II POLICY REVISIONS. Chair Johnson requested that a Policy Committee be established to review both policies for errors, omissions and inconsistencies. Policy Committee will consist of **Area II:** Johnson & Anderson; **RCRCA:** Meulebroeck & Lingbeek. The committee will meet face-to-face on February 29th at 9:00 AM at a location to be determined. Each organization will pay for the expenses of per diem and mileage for this meeting.

TECHNICAL APPROVAL AUTHORITY for LYON SWCD. Netzke reported that Duane Hansel and Bill Moldestad will work together with Lyon SWCD to provide sign-off on project plans. Emily Javens, the new YMRWD Administrator, is also a registered engineer and will provide sign-off for projects within that watershed.

COMPENSATED ABSENCES. At the December meeting, it was asked if a fund for the compensated absences liability existed. Neither organization has a designated fund for this purpose.

Area II – Richard Holmberg was contacted regarding this issue. Holmberg stated that during the audit he makes the required entries to record the expense and liability. Making changes would be duplication and would overstate the expenses and liabilities. The funds to cover this liability are contained in the Office Funds.

RCRCA – Bruns checked with Thomas Stotesbery regarding this issue. The entries were never made in the accounting system and the audit is only done every three years. Bruns has made the necessary accounts within the accounting system to track the expense/liability. A Cash Account was made with the December 31, 2015 expense of \$15,690.00; the corresponding liability was set up. The salaries/benefits expense entry was also made. Note: the Cash Account is only within the accounting system; no separate bank account was opened.

ONE WATERSHED, ONE PLAN UPDATE. Netzke reported that the committees continue to meet and make progress. The Planning Work Group and Technical Committee met on January 26 to work on the Measurable Goals, Implementation Plan, and model ordinances. The monitoring section has been drafted and was provided to the PWG to review. The Policy Committee will meet on February 10. The Planning Work Group and Technical Committee will meet on February 24 to review more of the draft Plan.

AREA II ENGINEER'S REPORT:

Sherman 22 Streambank Stabilization, Redwood County. The Corps of Engineers has requested more information in order for them to evaluate the permit requirements for this site. We are assembling this added information. The project will be completed in the spring. ***Nordland 20 SE Grade Stabilization, Lyon County.*** We are in the design process for this proposed dam located downstream from another dam structure. Funding for the project will be available through FY2016 Bonding Funds. Soil borings have been obtained and the geotechnical report should be available in February. ***Lake Stay 3 Small Dam, Lincoln County.*** Design work is progressing on this project, scheduled for 2016 construction. So far, no wetlands or other permitting issues have been identified for this project. Soil borings have been performed. ***Charlestown 30 Small Dam, Redwood County.*** Updating the design for this project is continuing. We are planning to have the design completed so that it can be submitted to the NRCS Area Engineer in time to meet an early February EQIP deadline. Soil borings have been obtained and the geotechnical report has been requested by the end of January. ***Monroe 31 Grade Stabilization, Lyon County.*** This project includes a series of small dikes in an agricultural waterway as a means to reduce erosion and control flow. A tile outlet system would convey flows to an established outlet. We are in the design phase with the intent that the project will be constructed in the spring. ***Sandness 19 Off-Channel Storage, Yellow Medicine County.*** The landowner of the property along the Yellow Medicine River recently met with us to discuss a potential storage project. The tentative design concept is that the site would be excavated and bermed to create temporary storage alongside the river, both as a means of reducing downstream flow and improving water quality. We will be performing preliminary design work to see if the site would be suitable. ***Milford 11 Small Dam, Brown County.*** We have started,

using the LiDAR data, to evaluate a ravine just northwest of New Ulm for a potential small dam. The landowner is interested in flood storage as well as creating a better crossing of the ravine. A preliminary cost estimate has been prepared, and if the landowner wants to proceed, the field survey will be scheduled. **Redwood Falls 18 Small Dam, Redwood County.** Design work has been started on this project which is near another dam, which was constructed in 2014. The site is adjacent to the Redwood River. Some wetland mitigation is anticipated to be needed for this project. Soil borings have been performed. **Lamberton 27 Streambank Stabilization, Redwood County.** We have also been working on design work for this streambank project along Dutch Charlie Creek near Lamberton. The creek has eroded the outside bend located just upstream from a county road bridge. Permitting will be required. **Upper Delhi 30 Small Dam Repair, Redwood County.** Design work is progressing on the repair of this dam northeast of Belview. The dam requires a new outlet pipe as well as a revised spillway and resloping. **Geotechnical Investigations.** American Engineering Testing has completed all of the soil borings requested. The geotechnical reports should be completed in the coming weeks.

DISSOLUTION OF AREA II'S CORPORATE STATUS. Netzke reported on her meeting with Bassford Remele and MCIT in Minneapolis on January 5th. Bassford Remele submitted a list of items to dissolve the corporate status as well as some decisions for the Board to make today. Review of the January 29, 2016 letter and discussion followed. Motion by Sherlin, seconded by Johnson, to contact the creditors directly and not publish the notice in the paper. Motion carried unanimously. Motion by Sherlin, seconded by Holman, for Area II MN River Basin Projects, Inc. to dissolve the corporate status, yet remain as a joint powers organization and for the member counties to support this transformation through the prepared resolutions. Motion carried unanimously. Motion by Moline, seconded by Walling, to authorize Bassford Remele to proceed with dissolution and to draft the necessary documents. Motion carried unanimously.

OTHER ANNOUNCEMENTS.

Murray SWCD – Commissioner Moline reported that Howard Konkol, Murray SWCD Manager, has resigned to accept the new position of the Murray County Ditch Inspector.

PM Windom – The beef packing plant was closed last fall. It has just been made public information that Glen Taylor, owner of the Timberwolves and originally from Comfrey, has purchased the plant and intends to turn it into a pork facility named “Prime Pork”. The plant will process 4,000 head of hogs per day.

ADJOURNMENT. RCRCA Chair Holmen and Area II Chair Johnson adjourned the meeting at 10:21 AM.

UPCOMING MEETINGS:

March Board Meeting	Thursday, March 3, 2016	BWSR Conference Room – Marshall, MN – 9:00 AM.
April Board Meeting	Thursday, April 7, 2016	Redwood Government Center, Redwood Falls, MN – 9:00 AM
May Board Meeting	Thursday, May 5, 2016	BWSR Conference Room – Marshall, MN – 9:00 AM.