

# AREA II

## AREA II & RCRC Board of Directors Meeting

**November 12, 2016 – 8:30 AM – Wabasso Community Center, Wabasso MN**

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

**RCRCA Members Present:** Dennis Potter, Norman Holmen, Clark Lingbeek, Joe Drietz, Glen Sorensen, Rodney Stensrud, Mark Meulebroeck, Bob Moline, Lon Walling, Ed Carter, Luke Johnson, Louis Sherlin and Burton Kuehn.

**Others Present:** Kerry Netzke – Executive Director, Joy Bruns – RCRCA Office Manager, and Jay Gilbertson – East Dakota Water Development District.

The meeting was called to order at 8:32 AM by Area II Chairman Johnson and RCRCA Chairman Holmen.

**ADOPT AGENDA.** RCRCA Chairman Holmen asked for any additions to the agenda. Motion by Moline, seconded by Walling, to approve the agenda as presented. Motion carried unanimously.

**AGENCY AND MEETING REPORTS.**

**AMC** – Commissioner Moline reported many changes to county commissioner seats statewide; 33 commissioners were voted out at the primary election and 31 commissioners were voted out in the general election. Two commissioners served on the AMC Board. The Annual AMC Conference will be December 4-6 in Minneapolis.

**MN RIVER CONGRESS (MRC)** – Supervisor Lingbeek reported that 7<sup>th</sup> MN River Congress meeting is scheduled for November 17, 2016 at the Kato Ballroom in Mankato, starting at 4:30 pm. Netzke has registered for this meeting.

**EDWDD** – Jay Gilbertson reported that they are embarking on a 3-year program to assess nitrate concerns. South Dakota is working on a buffer bill which will be voluntary and would provide tax incentives to landowners.

**APPROVE AREA II MINUTES of October 7, 2016 Monthly Board Meeting.** Motion by Stensrud, seconded by Drietz, to approve the October 2016 minutes as corrected. Motion carried unanimously.

**APPROVE RCRC MINUTES of October 7, 2016 Monthly Board Meeting.** Motion by Sorensen, seconded by Carter, to approve the October 2016 minutes as corrected. Motion carried unanimously.

**APPROVE AREA II TREASURER’S REPORT.** Netzke reviewed the financials with the Board for the month of October 2016. State of MN administrative funds of \$140,000 and \$60,185.66 Bonding reimbursement for completed projects and engineering expenses were received. Miscellaneous Expense includes a \$400 MPCA permit which will be reclassified later as a project expense. Motion by Drietz, seconded by Sherlin, to approve the financial report and the bills for payment. Motion carried unanimously.

**Revenue as recorded:**

Contract Service Income (RCRCA)	\$ 2,740.33	Projects-Bonding	\$ 60,185.66
Interest Income	\$ 81.02	Misc. Income	\$ -0-
1W1P Grant Income	\$ -0-	County Levy	\$ -0-
State of MN-Administrative	\$ 140,000.00	1W1P Grant Funds	\$ -0-

**Paid bills are summarized below:**

Administration	\$ 13,486.80	Directors’ Expense	\$ -0-
Maintenance & Repair	\$ 94.39	Rent	\$ 837.00

Miscellaneous Expense	\$ 537.23	Office Supplies	\$ 52.47
Professional Services	\$ 5,270.00	Vehicle Expense	\$ 353.27
Contract Services - RCRCA	\$ 1,131.29	Field Supplies	\$ -0-
Bonding Project Funds	\$ -0-	Employee Expense	\$ 166.43
Postage	\$ -0-	Project Expense	\$ 14,046.41
1W1P Grant Expenses	\$ -0-	Investigating & Testing	\$ -0-
Directors' Insurance	\$ -0-	Telephone	\$ 14.12
Other Insurance	\$ -0-		

**Approved bills for payment summarized below:**

Contract Services - RCRCA	\$ -0-	Professional Services	\$ 4,185.00
Consulting Services - 1W1P	\$ -0-	Project Expenses	\$ -0-
Contract Services - 1W1P	\$ -0-	Maintenance/Repairs	\$ -0-

**APPROVE RCRCA TREASURER'S REPORT.** Netzke reviewed the financials for the month of October 2016. Motion by Johnson, seconded by Stensrud, to approve the financial report and approve the bills. Motion carried unanimously.

Sherlin suggested that Netzke investigate a program offered by Bremer Bank of Willmar, which would require a 2 year commitment and would earn 1.2% after the management fees are taken out. The funds are liquid the entire time.

**RCRCA - APPROVE NEW COST SHARE APPLICATIONS/AMENDMENTS/CANCELLATIONS**

**RCRCA CONTRACT CANCELLATION:**

Netzke presented a contract cancellation for 20 Alternative Intakes in Brown & Redwood County. Brown SWCD and Moldestad had been checking routinely on the status of these intakes throughout 2016. Cancellation is requested due to wet construction conditions and lack of a contractor. Motion by Lingbeek, seconded by Moline, to approve the cancellation of the cost share contract.

Netzke, Brown SWCD, Lyon SWCD, Redwood SWCD and Moldestad have worked diligently to reassign the cancelled funds before grant expiration on December 31, 2016. Netzke stated that we need to move quickly and requested to be given authority to approve new alternative intake contracts at the established cost share rate to allow installation and payment by December 31, 2016. Motion by Lingbeek, seconded by Walling, to authorize Netzke to approve any new Alternative Intake cost share contracts without Board approval. Motion carried unanimously.

**NEW RCRCA CONTRACTS:**

***REDWOOD & COTTONWOOD WATERSHEDS:***

Netzke presented three new Alternative Intakes: 1) Redwood-Underwood 25, 2) Brown-Prairieville 24, 3) Brown-Prairieville 20 and one Water & Sediment Control Basin in Redwood-Redwood Falls 13, cost share contracts for approval. Motion by Sherlin, seconded by Potter, to approve the new cost share contracts. Motion carried unanimously.

**RCRCA CONTRACT AMENDMENT:**

***REDWOOD & COTTONWOOD WATERSHEDS:***

Netzke presented four cost share contract amendments for approval. Lyon - Lynd 13 had two adjacent landowners on a Streambank Protection project which came in over the estimate due to additional riprap. Brown-Home 32 requested to add two additional Alternative Intakes to the initial contract of four. Redwood-Lamberton 1 came in over the estimate due to additional tile deemed necessary; Netzke requested to amend the contract to encumber the last of the funds in this grant. Motion by Moline, seconded by Meulebroeck, to approve all the amendments as presented. Motion carried unanimously.

**RCRCA CONTRACTS FOR PAYMENT:**

**REDWOOD & COTTONWOOD WATERSHEDS:**

Netzke presented three projects for payment: 1) Lyon - Lynd 13 Streambank Protection, 2) Lyon - Lynd 13 Streambank Protection and 3) Redwood - Lambertson 1 Grade Stabilization. Motion by Walling, seconded by Stensrud, to approve payment of the completed projects. Motion carried unanimously.

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

**AREA II CONTRACT AMENDMENT:**

<b>Robert &amp; Patty Anderson</b>	<b>Lincoln – Lake Benton 25</b>	<b>Grade Stabilization Repair</b>
<b>Original Cost: \$63,097.00</b>		<b>PAID Cost Share: \$47,332.50 (75%)</b>
<b>Add: Crop Damage: \$292.80</b>		<b>REQ Cost Share: \$209.85 (75%)</b>
<b>Total Cost: \$63,389.80</b>		<b>Total ACT Cost Share: \$47,552.10 (75%)</b>
<i>Other Funds: \$1,000.00 Lincoln SWCD towards landowner match</i>		

Netzke presented one cost share contract amendment for Lincoln - Lake Benton 25 Grade Stabilization Repair. Some unavoidable crop damage occurred during the construction of the project, resulting in an additional \$209.85 expense. Motion by Moline, seconded by Potter, to approve the amendment. Motion carried unanimously.

**AREA II CONTRACTS FOR PAYMENT:**

<b>Robert &amp; Patty Anderson</b>	<b>Lincoln – Lake Benton 25</b>	<b>Grade Stabilization Repair</b>
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		<b>PAID Cost Share: \$47,332.50 (75%)</b>
		<b>REQ Cost Share Payment: \$209.85 (75%)</b>
<i>Other Funds: \$1,000.00 Lincoln SWCD towards landowner match</i>		

<b>Marlys Pemble</b>	<b>Cottonwood – Ann 4</b>	<b>Grade Stabilization Repair</b>
<b>Original Cost: \$38,294.30</b>		<b>PAID Cost Share: \$28,720.73 (75%)</b>
<b>ACT Cost: \$30,624.88</b>		<b>REQ Cost Share Payment: \$22,968.66 (75%)</b>

Netzke presented two cost share contracts for payment: 1) Lincoln-Lake Benton 25 Grade Stabilization Repair crop damage, and 2) Cottonwood-Ann 4 Grade Stabilization Repair. Motion by Moline, seconded by Potter to approve the cost share contract payments. Motion carried unanimously.

**EXECUTIVE DIRECTOR’S REPORT.**

- Area II and RCRCA were saddened with the news of Andrew Lochner’s passing. Andy, former Brown County Commissioner, served on both boards and was Chairman of Area II for many years. A card and memorial was sent to the family on behalf of both boards.
- Worked on the PowerPoint presentation for the Legislative Gathering as time allowed.

**AREA II**

- **Yellow Medicine One Watershed One Plan (1W1P)** – presented or will present at the following:
  - Pomme de Terre 1W1P Kick-Off meeting on October 17 in Morris, MN
  - BWSR Board presentation on October 27 in St. Paul
  - Missouri Basin 1W1P Kick-Off meeting on November 1 in Luverne, MN
  - BWSR Southern Region Water Plan Committee presentation on November 4 in New Ulm
  - BWSR Board meeting on December 14 to approve the Plan in St. Paul
- 11/3/2016 Telephone call from Barb Huberty, Administrator of the Legislative Water Commission, to discuss the altered hydrology goals of the YM 1W1P.

- Final payment will be made to RESPEC once the BWSR Southern Region Water Plan Committee approves the plan and all electronic files are received from RESPEC. Approximately \$2,600 remains in the grant for printing copies of the approved plan.

**RCRCA**

- Netzke and Wahnoutka worked on the Stormwater Assessment Grant (SWAG) for the Cottonwood and Redwood River watersheds, to begin March 2017. The 2-year contract will include sampling 8 streams in the Redwood and 16 streams in the Cottonwood twice per month. Also included are monthly lake samples (May thru September): 3 in the Redwood and 7 in the Cottonwood watershed. The submittal date for the SWAG grant budget and work plan is November 18.
- Netzke signed the Discovery Farms Agreement with the MN Ag Water Resource Center (MAWRC) for reimbursement at \$45/hour.
- Followed up on cost-share projects to be completed Fall of 2016 as the Drainage Water Management, Clean Water Assistance, and LiDAR grants all expire December 31, 2016.
- Prepared quarterly WPLMN invoice for \$12,055.14.
- Prepared final invoice for \$95,226.04 and Final Report for the Cottonwood Streambank Inventory and Prioritization Project (319 Funds). Both were approved and we await receipt of the payment.
- Prepared FY2017 Budget for Board consideration.

**RCRCA FY2017 BUDGET.** Netzke presented the board with the proposed budget for 2017. The budget is based on an estimated 2% COLA and step increase for payroll. The budget includes the purchase and maintenance subscription of ArcGIS software required to utilize the Terrain Analysis Data that recently became available. Motion by Johnson, seconded by Lingbeek, to approve the proposed budget for FY2017. After some discussion, motion carried unanimously.

**December 9, 2016 Meeting – 1:00PM at BWSR, Marshall, MN. Executive Board Meeting only.** Since the budget was approved, there is no need for a full Board meeting in December. A notice/reminder of this Executive Board meeting will be sent. A list of the Executive Board Members and the alternates will be provided with the meeting notice.

**ADJOURNMENT.** With no other business to address, RCRCA Chairman Holmen and Area II Chairman Johnson declared the meeting adjourned at 9:27 AM.

**UPCOMING MEETINGS.**

<i>December Board Meeting</i>	<i>Friday, December 9, 2016</i>	<i>Marshall, MN–1:00 PM Exec Board, unless notified otherwise</i>
January 2017 Board Meeting	Thursday, January 5, 2017	Marshall, MN – BWSR Conference Room 9:00 AM
February 2017 Board Meeting	Thursday, February 2, 2016	Redwood Falls, MN – Minneota-West Conference Room