

AREA II

AREA II / RCRC

March 7, 2019 Board of Directors Meeting
BWSR Meeting Room – Marshall, MN

[NOTE: No meeting was held in February due to inclement weather conditions.]

AREA II Members Present: Jeff Veerkamp, Norman Holmen, John Maatz, Joe Drietz, Rick Anderson, Lori Gunnink, Luke Johnson, Lon Walling and Glen Kack.

RCRCA Members Present: Jeff Veerkamp, Norman Holmen, Clark Lingbeek, Joe Drietz, Glen Sorensen, Rick Anderson, Mark Meulebroeck, Lori Gunnink, Paul Posthuma, Luke Johnson, Larry Fenicle, Lon Walling, Ed Carter, Glen Kack.

Others Present: Kerry Netzke – Executive Director, Joy Brunns – RCRCA Office Manager, John Boulton – YMRWD, Darrel Ellefson and Mitch Enderson – LQP-YB WD, and Jason Beckler – BWSR.

The meeting was called to order at 9:01 AM by Area II Chairman Maatz and RCRCA Chairman Johnson. Introductions were made.

ADOPT AGENDA. Chairman Maatz asked for any additions. Motion made by Holmen, seconded by Walling, to approve the Agenda as presented. Motion carried unanimously.

AGENCY AND MEETING REPORTS.

MASWCD – Supervisor Lingbeek reported on MASWCD’s Legislative Days at the Capital held March 5-6. The statutory funding fiasco continues. There is a big disparity in funding that counties provide to the SWCDs statewide. Crow Wing SWCD only gets rent from the county. SWCD Technical Capacity Funding (\$11 million) stems from Clean Water Funds. MASWCD would like to change the funding source to General Funds, which is not in the Governor’s proposed budget. Chairman Johnson reported that the Crow Wing County Commissioners were spoken to at AMC and are aware of the funding needs of the northern SWCDs.

AMC – Commissioner Anderson reported that at the January meeting, some promotional information from BWSR contained the AMC logo, yet wasn’t supported by AMC. A resolution was passed requiring prior authorization before using the AMC logo. BWSR is pushing to get all the watersheds going with 1W1P; AMC has concerns when the outcomes are unknown. AMC recommends that the process be slowed to see what the results are first. Doug Thomas, BWSR, announced his upcoming retirement in May. Thomas issued a letter to counties confirming that 1W1P is voluntary; counties do not have to participate. AMC continues to not support SWCD taxing authority legislation.

YMRWD – Boulton reported that snow is slowing progress and no surveying has been done due to the snow depths. A contractor’s meeting is scheduled on March 20 to cover permits required by the District.

LQP-YB WD– Enderson reported that they have been busy with year-end reporting. The Drainage Modernization Grant to digitize maps and ditch centerlines is about 75% complete. At the LQP WRAPS workshop in February, the implementation strategies were ranked. The District was notified in December that they received a \$300,000 CWF Grant for upstream work at Del Clark Lake located west of Canby. The workplan, approved March 5, involves installation of water and sediment control basins above the reservoir on existing gullies. An executed agreement will be coming soon. Area II will provide survey and design for these projects. Drainage permits are starting to come in as farmers anticipate Spring.

BWSR – Jason Beckler, BWSR Conservationist, reported that we are in the second year of the biennium and it’s business as usual. The legislative session is ongoing. Everyone is waiting to see if flooding happens and what disaster relief funding may be available. Due to the success of *YM-IWIP*, the Lincoln SWCD has become eligible and has applied for federal 319 funds. *RCPP (Regional Conservation Partnership Program)* is being administered by BWSR with \$2.5 million for the pilot watersheds. Yellow Medicine is receiving ~\$330,000 for the next 3 years. Ranking questions are being developed for cost share applications with practices to include: cover crops, nutrient management, strip till, etc. *National Water Quality Initiative (NWQI)* – The Cottonwood Lake watershed was identified and received this special federal grant. One application has 700 acres of cover crop. There was lengthy discussion on cover crops and the variables that are hard to control for successful cover crops.

APPROVE RCRCA MINUTES of January 3, 2019 Board Meeting. Motion by Meulebroeck, seconded by Drietz, to approve the January 2019 Minutes as amended. Motion carried unanimously.

APPROVE AREA II MINUTES of January 3, 2019 Board Meeting. Motion by Johnson, seconded by Anderson, to approve the January 2019 Minutes as amended. Motion carried unanimously.

APPROVE RCRCA TREASURER’S REPORT – January 2019. Netzke reviewed the financials with the Board. Motion by Lingbeek, seconded by Carter, to approve the January Treasurer’s Report and for payment of the bill. Motion carried unanimously.

APPROVE RCRCA TREASURER’S REPORT – February 2019. Netzke reviewed the financials with the Board. Anderson noted that the Cash Sweep Account is only earning 0.5% interest. He recommends contacting E.J. Moberg at Lyon County for investment opportunities with the *MAGIC (Minnesota Association of Governments Investing for Counties)* Account that several counties utilize. Motion by Holmen, seconded by Posthuma, to approve the February Treasurer’s Report, for payment of the bills, and to authorize researching the *MAGIC* Account. Motion carried unanimously.

APPROVE AREA II TREASURER’S REPORT – January 2019. Netzke reviewed the financials with the Board. Revenue received: \$3,814.23 Contract Services Income, \$2,945.30 County Levy and \$29.08 Interest Income. Bills for approval will be moved to March as there was no meeting held in February. Area II Chairman/Executive Director approved: \$3,912 MCIT 2019 insurance renewal. Motion by Anderson, seconded by Gunnink, to approve the January Treasurer’s Report and for payment of the bills. Motion carried unanimously.

Revenue as recorded:

Contract Service Income (RCRCA)	\$ 3,380.09	Projects-Bonding	\$ 55,612.68
Interest Income	\$ 50.39	County Levy	\$ -0-
State of MN-Administrative	\$ -0-	SWCD Tech Assistance	\$ -0-
Miscellaneous Income	\$ 265.00	Other Income	\$ 16,681.96

Paid bills are summarized below:

Administration	\$ 14,990.42	Office Supplies	\$ 69.61
Bonding Project Funds	\$ -0-	Other Insurance	\$ -0-
Capital Outlay	\$ -0-	Postage	\$ -0-
Contract Services - RCRCA	\$ 1,481.76	Professional Services	\$ 3,105.00
Directors’ Expense	\$ -0-	Project Expenses Paid	\$ 42,132.13
Directors’ Insurance	\$ -0-	Project Permit Fees	\$
Employee Expense	\$ 55.59	Rent	\$ 837.00
Field Supplies	\$ 85.74	Telephone	\$ 18.02
Investigating & Testing	\$ -0-	Utilities	\$ 67.00
Maintenance & Repair	\$ 240.69	Vehicle Expense	\$ 144.45
Miscellaneous Expense	\$ 14.99	Continuing Education	\$ -0-

Approved bill for payment by Area II Chair & Executive Director are summarized below:

Insurance (MCIT 2019 Renewal)	\$ 3,912.00
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APPROVE AREA II TREASURER’S REPORT – February 2019. Netzke reviewed the financials with the Board. Revenue received: \$2,728.88 Contract Services Income, \$42,934.70 County Levy and \$33.42 Interest Income. The bills for February were routine. Anderson noted the same concern with the Cash Sweep Account interest and recommends investigating the MAGIC (*Minnesota Association of Governments Investing for Counties*) Account. Motion by Anderson, seconded by Drietz, to approve the February Treasurer’s Report, for payment of the bills, and to research investment in the MAGIC Account. Motion carried unanimously.

Revenue as recorded:

Contract Service Income (RCRCA)	\$ 2,728.88	Projects-Bonding	\$ -0-
Interest Income	\$ 33.42	County Levy	\$ 42,934.70
State of MN-Administrative	\$ -0-	SWCD Tech Assistance	\$ -0-
Miscellaneous Income	\$ -0-	Other Income	\$ -0-

Paid bills are summarized below:

Administration	\$ 15,760.56	Office Supplies	\$ 35.59
Bonding Project Funds	\$ -0-	Other Insurance	\$ -0-
Capital Outlay	\$ -0-	Postage	\$ -0-
Contract Services - RCRCA	\$ 833.96	Professional Services	\$ -0-
Directors’ Expense	\$ -0-	Project Expenses Paid	\$ -0-
Directors’ Insurance	\$ -0-	Project Permit Fees	\$ -0-
Employee Expense	\$ 119.44	Rent	\$ 837.00
Field Supplies	\$ -0-	Telephone	\$ 24.34
Investigating & Testing	\$ -0-	Utilities	\$ -0-
Maintenance & Repair	\$ 313.65	Vehicle Expense	\$ -0-
Miscellaneous Expense	\$ -0-	Continuing Education	\$ -0-

Approved bills for payment are summarized below:

Professional Services	\$ 9,127.50	Investigation/Testing	\$ 21,200.00
Capital Outlay – Computer/Laptop	\$ 5,350.81	AutoCad Civil 3D Renewal	\$ 1,161.30

APPROVE NEW AREA II BONDING COST SHARE CONTRACTS.

FY2019 Bonding

Sam Smith
EST Cost: \$ 94,069.21

Lyon – Nordland 20

410 Grade Stabilization
EST Cost Share: \$ 70,551.90 (75%)

FY2019 Bonding

Wes Buesing
EST Cost: \$ 52,852.13

Lyon – Sodus 2

410 Grade Stabilization
EST Cost Share: \$ 39,639.10 (75%)

Netzke presented two new grade stabilization cost share contracts: Lyon – Nordland 20 and Lyon – Sodus 2. Motion by Holmen, seconded by Johnson, to approve these contracts as presented. Motion carried unanimously.

EXECUTIVE DIRECTOR’S REPORT.

- The weather has caused many cancellations and/or rescheduling of meetings in February. Staff have worked from home when possible or taken leave to cover their absence.
- **Conflict of Interest Disclosure Forms** – Several forms are outstanding from Area II and RCRCA Board members. If you haven’t already submitted one, please print/sign and bring to the meeting, or you may scan/email the form or send in the mail.
- **Resolution to Authorize Electronic Transfer of Funds** – Commissioner Anderson brought to our attention that Lyon County had a finding in their most recent audit that this resolution needs to be approved annually. The Lyon County Auditor, who is a former state auditor, also recommended that joint powers organizations pass similar resolutions. Information was received from the statute pertaining to this, the Office of the MN State Auditor’s website, and the opinion of MCIT (Jennifer Wolf). It is not explicitly stated that joint powers boards or special

purpose districts require the resolution, but given the county membership in Area II and RCRCAs, it certainly isn't going to hurt. The draft resolutions are in the Agenda materials.

AREA II

- **Administrative Funding Request** – The language requesting restored funding of \$190,000/year has been introduced by Representative Torkelson (hf 1473) and is coauthored by Swedzinski, Hamilton and Schomacker. Senator Dahms introduced sf1771, coauthored by Weber and Tomassoni, and Netzke provided testimony at the Senate Environment and Natural Resources Finance Committee on March 5. The testimony was well received and one senator from Grand Forks asked the chairman for special consideration of our request as water storage is an issue affecting the entire state, not just regional areas. The letters of support received are greatly appreciated.
- **eLINK Reporting** – Annual reports have been submitted via eLINK and approved for the FY18 and FY19 Administrative Services grants and the FY16 and FY19 Bonding appropriations (February 1 deadline). Website posting of the reports has been completed (due by March 15).
- **Soil Borings** – American Engineering Testing collected borings in mid-December. All sites were successfully accessed without snow removal. Reports arrived by the end of January and no soil concerns were noted.
- **Gales 15/CSAH 5 Road Retention (Redwood)** – Rob Collette, DNR, issued a letter in early January stating that the DNR cannot support a project at this proposed location due to concerns with fish passage, aquatic habitat and geomorphology. Despite design changes, impacts cannot be lessened enough to offset anticipated damages. Redwood County has begun planning for a bridge replacement in order to open the highway. Commissioner Walling offered additional comments on how these concerns may be obtained from the agencies before time and effort are put into planning and design. Netzke added that without a preliminary plan and flow reduction data, the agencies cannot determine impacts or make decisions regarding acceptable impacts.
- **Kurtz Wetland Restoration (Lyon)** – Netzke drafted a simple agreement with the agreed upon terms. This agreement will be presented for approval and signature by the Board.
- **BWSR February Snapshot** – Area II and Lyon County/SWCD were featured in BWSR's February Snapshot, an online newsletter. The article featured a success story in Lyon County where landowner Greg Taylor has incorporated several floodwater detention ponds onto his property and utilized many different sources of funding including his own. A copy of the article was provided to the Board.
- **LQP-YB WD Grant Funds** – The watershed district was informed that it was successful in being awarded \$300,000 for upstream water quality improvements to Del Clark Lake at Canby. Area II worked with Mary Homan to pre-engineer and estimate cost of sediment catch basins to reduce sediment and nutrients entering the lake. Area II will be working with Mitch Enderson, who has replaced the retired Homan, to complete the projects.
- **DeSchepper - Inspector Training Recertification** – Despite poor driving conditions, DeSchepper managed to attend this required training in Mankato on February 13. This certification is good for 2 years.

RCRCA

- **Quarterly Invoices/Semi-Annual Reports/Final Report** – Quarterly invoices for WPLMN, WRAPS (planning), Cottonwood WRAPS, Redwood WRAPS, and Discovery Farms were submitted in January and payments received. Semi-annual reports for the WRAPS grants, Interim Report for WPLMN, and the SWAG Final Report were also submitted and approved in January. No eLINK reporting is required for these grants as these are not BWSR-based grants. Website posting is required by March 15 which has been completed for all grants except the WPLMN Interim Report which MPCA is providing hydrographs for.
- **The WRAPS (planning) Grant** is being extended by Amendment which should be received very soon for signature. MPCA Contracting Division has undergone major staff turnover, including supervisors, which is causing a backlog. This Amendment will allow for the reimbursement of RCRCA/county/SWCD staff time for the Local Work Group from this grant, with savings to be seen by the Redwood WRAPS grant. These savings will hopefully cover the added TMDL expense of the new River Eutrophication Standard impairment just downstream of the dam at Redwood Falls.
- **Lake Redwood Dredging Project** – Legislation was introduced in January transferring the source of bonding funds from LCCMR to General Obligation. The file numbers are hf233 and hf80 (both bills transfer the project from MPCA oversight to DNR); sf310 (leaves oversight with MPCA). The funding remains at \$7.3 million as before. Upon Netzke's arrival to Senator Dahms' office on March 5, she was informed that hf80 had been approved by both houses and was awaiting signature by the Governor. The bill transfers fiscal oversight to DNR. Netzke will soon find out when the funds will become available and the project timeline.

- **WPLMN Statewide Training** – This mandatory training was scheduled for February 13 at Brainerd, however adverse weather conditions statewide forced postponement. MPCA has not determined if in-person training will be rescheduled or a webinar-based training as many are concerned with snowmelt and early runoff events.
- **Draft Redwood River TMDL** – Wenck Associates, Inc. provided the first draft of the Redwood River TDML on February 21. The consultant is seeking preliminary comments for any changes needed to the report content and format. RCRCA and MPCA will conduct an internal review for about 10 days and submit comments to Wenck. After those revisions are made, another draft will be provided to the Local Work Group for further review and comment. Once the format is approved, Wenck will use it for the Cottonwood TMDL to save time/effort on their end as well as the reviewers' end.

REQUEST TO RESCHEDULE APRIL 4 MEETING. Netzke has been invited to speak at the *Conflict with Water Storage Forum* in Mankato on April 4. After some discussion on the different meeting dates, **AREA II Chairman Maatz** changed the start time of the April 4 meeting to 8:30AM at the normal location in Redwood Falls. Accordingly, **RCRCA Chairman Johnson** changed the start time to 8:30 AM at the normal location in Redwood Falls. If there is not sufficient business, the meeting may be cancelled.

RESOLUTIONS TO AUTHORIZE ELECTRONIC FUNDS TRANSFERS. Lyon County's most recent audit included a finding that a yearly resolution is required for ACH transactions that the organization may do during the course of the year. Joint powers organizations involving counties should also enact this resolution. The presented resolutions will authorize the RCRCA Office Manager to do ACH transfers as required for payroll, payment of taxes, contributions to pension/retirement funds, vendor payments and investment accounts for both Area II and RCRCA. **AREA II:** Motion by Anderson, seconded by Gunnink, to approve the presented resolution to authorize RCRCA's Office Manager to perform ACH transfers for Area II business. Motion carried unanimously. **RCRCA:** Motion by Anderson, seconded by Drietz, to approve the presented resolution to authorize RCRCA's Office Manager to perform ACH transfers for RCRCA business. Motion carried unanimously.

COLOR COPIER/PRINTER REPLACEMENT OPTIONS. Netzke was contacted by Marco and informed that the Area II copier model has been discontinued and that replacement parts are limited and no longer being produced. Netzke presented a quote from Marco to replace Area II's black/white copier and RCRCA's color copier (Canon Image Runner C5035) with one Konica Bizhub color machine. The Konica copier/printer would provide significant print savings: black/white prints at \$0.008 compared to \$0.02; color prints at \$0.051 compared to \$0.226. Currently the monthly bill for RCRCA ranges \$225-\$235/month with Area II reimbursing for color copies. The proposed monthly fee would be approximately \$42.33/month plus tax & supplies fee. The intent is for RCRCA to purchase the machine and Area II to reimburse for the copies used. The board requested that Netzke obtain a second quote from A&B Business Systems on a comparable copier as they have been very competitive with Marco. **RCRCA:** Motion by Holmen, seconded by Walling, to authorize both chairman to review the quotes and to authorize purchase by RCRCA up to \$7,000. Motion carried unanimously. **AREA II:** Motion by Holmen, seconded by Walling, to authorize the chairman to review the quotes and to authorize purchase by RCRCA up to \$7,000. Motion carried unanimously.

AREA II ENGINEER'S REPORT (January & February). Netzke reviewed the Engineer's Report with the board. **Holly 7 Grade Stabilization, Murray County.** Plans for this project have been submitted to NRCS for review. Comments have been received and we are in the process of making minor changes to the plan. The project will be funded through the EQIP program. **Nordland 20 Small Dam, Lyon County.** Groundworks of Ivanhoe is scheduled to start this project when the weather conditions permit. Wetland credits, as approved by the Board today, need to be purchased before the start of construction. A request for financial assistance with the local match is being made to YMRWD. **Alta Vista 18 Small Dam Repair, Lincoln County.** Plans for this project are completed and funding is being secured. A meeting with the landowner is needed to gain his concurrence. **Charlestown 34 Small Dam, Redwood County.** Work on this project will start in the Spring. Wetland credits have been purchased and a WCA final determination received. **Springdale 19 Dams, Redwood County.** Plans for this project are being prepared for the original site. Additional survey data has recently been acquired and a possible additional downstream dam location is being investigated. The funding for the project(s) may be landowner-provided rather than through the establishment of a special taxing district. **Lyons 12 Small Dam Repair, Lyon**

County. This is another typical dam repair project. The plans are nearing completion. **Ann 17 Small Dam, Cottonwood County.** This project, in a pasture area, has good potential for the reduction of downstream flows. We met recently with the landowner who wishes to proceed. The soil report for the site has recently been received and the design work will continue. **Monroe 25 Small Dam Repair, Lyon County.** This project includes the repair of a dam damaged by the July 2018 storm event. The pipe will be removed and replaced, and the erosion repaired. Design work is underway. **Custer 10 Small Dam, Lyon County.** Design of this dam was started a number of years ago. With a recent increase in the erosion occurring at the site and with funding available, the landowner would again like to pursue the project. The design work is continuing. A WCA pre-application has been submitted for concurrence on wetland boundaries and type. **Kurtz Wetland Restoration, Lyon County.** With the anticipated approval by the Board to provide engineering services for this restoration, I have been collecting previous studies and drawings in order to perform the design. This effort will continue over the next months. I believe that you have drafted an agreement with Mr. Kurtz for payment of engineering services and the future purchase of wetland credits at a discounted rate. **Holly 2 Grade Stabilization, Murray County.** The design for this project is progressing. The site is on a steep ravine and appears to provide good storage and flow reduction characteristics. The project is expected to be funded with special Plum Creek 319 Funds in 2020. **Lamberton 26 River Bank Stabilization, Redwood County.** This project is targeted toward the stabilization of a portion of Dutch Charley Creek adjacent to the wastewater stabilization ponds for the City of Lamberton. Because of the close proximity to the ponds and risk of wastewater entering the creek if the erosion is not addressed, the project is considered high priority. Preliminary plans were submitted to the DNR for their comments and minor changes to the plans were made based on the comments received. Funding is anticipated through Redwood County's Flood Disaster Relief Funding. **Nordland 25 Grade Stabilizations, Lyon County (Ghent).** This site has two potential dams and would help provide flood storage above the City of Ghent. The soils reports for both sites have been received and design work is progressing. A meeting with the landowner will be scheduled once the design has been formalized.

KURTZ WETLAND (LYON COUNTY) ENGINEERING PROPOSAL. Netzke presented the agreement that the landowner has signed. Details of the agreement include: 7 acres of Type II (fresh meadow) wetland credits, \$25,000/acre, and a 5-year time frame for Area II to purchase/use the wetland credits. The 5 years begins when the wetland bank is established. Kurtz will reimburse Area II monthly for engineering services provided by Hansel. Netzke requested authorization for the Area II Chairman and Executive Director to sign the agreement. Motion by Johnson, seconded by Gunnink, to approve the Kurtz Wetland (Lyon County) Engineering Proposal and to authorize signatures. Motion carried unanimously.

ADJOURNMENT. Area Chairman Maatz and RCRCRA Chairman Johnson declared the Joint Area II and RCRCRA meeting adjourned at 10:48 AM.

UPCOMING MEETINGS.

April Board Meeting	Thursday, April 4, 2019	Redwood Falls – Government Learning Center – 8:30 AM
May Board Meeting	Thursday, May 2, 2019	Marshall, MN – BWSR Meeting Room – 9:00 AM
June Board Meeting	Thursday, June 6, 2019	Redwood Falls – Government Learning Center – 9:00 AM

Area II Chairman, John Maatz

Date