

SAND HILL RIVER WATERSHED DISTRICT

March 6, 2018

1. **Attendance:** Chairman Stuart Christian called March 6, 2018 to meeting to order at 8:23 AM at the District Office. Other managers present were JJ Hamre, Roger Hanson, and Dan Vesledahl. Clayton Bartz arrived at 9:25 AM. Two staff members were present: Daniel Wilkens – Administrator and April Swenby – Administrative Assistant. Managers Others in attendance Gerald Paulson– Bear Park landowner, Bill Downs- Landowner, and Zach Herrmann – Houston Engineering.
2. **Approval of the Agenda:** A **Motion** was made by Manager Hanson to approve the agenda as presented, **Seconded** by Manager Vesledahl, **Carried**.
3. **Minutes:** Swenby mentioned an error in the section of “Dan’s Report”. The original meeting minutes distributed read “Wilkens reviewed his written calendar for December and the proposed upcoming events for January.” She proposed the following change “Wilkens reviewed his written calendar for January and the proposed upcoming events for February”. It was also noted that last month the minutes from January 2, 2018 were approved, not 2017 (the minutes read that January 2, 2017 minutes were approved). A **Motion** was made by Manager Hanson to approve the minutes from the February 6, 2018 meeting, adding the corrections noted by Swenby, **Seconded** by Manager Hamre, **Carried**.
4. **Treasurer's Report:** A **Motion** was made by Manager Hamre to approve the treasurer’s report for February, **Seconded** by Manager Hanson, **Carried**. Swenby noted that the interest allocated to funds were completed in February, which adjusted the fund balances affecting the December 2017 and January 2018 treasurer’s report.

The managers reviewed their expense reports and reported on activities for the month. A **Motion** was made by Manager Hamre, to approve and pay bills, excluding the SWCD balances which are listed for informational purposes only, **Seconded** by Manager Vesledahl, **Carried**. For further reference, copies of the bills approved are attached hereto in the Treasurer's Report.

5. Engineer's Report

Climax Ring Dike: An invoice on the bills to be paid to Northern Improvement for the grinding on the asphalt patch.

Declarations for all 15 of the signed permanent private property easements are put together and waiting for easements to be recorded. Easements must be recorded before declarations are recorded. The declaration is also complete for the SHRWD and City properties. MnDOT and Polk County areas of the levee or restricted use areas that they control will be regulated through SHRWD permits.

A letter from the City of Climax was discussed regarding the ditch on the north side of 220 by the church and the ditch on the east side of County Road 220. The letter also addresses concerns with the east side of the ditch located on CR 220. The City of Climax requests investigations in these areas. A report on the progress of these investigations will be discussed next month.

Herrmann will talk with Langan to get a timeline of this projects completion. Swenby confirmed that a request for reimbursement was recently submitted.

Fish Passage: Houston Engineering is currently reviewing the filed survey to determine where additional riffles could be installed. This information will be discussed with the MN DNR and West Polk SWCD to determine how to allocate funding between available grant dollars. A meeting is anticipated in the next 2-3 weeks to discuss potential additional riffle locations.

One Watershed/One Plan: Herrmann will help coordinate an open house between the district and the SWCD's to discuss the application for Clean Water Fun Grant opportunities for the One Watershed /One Plan.

Polk County Flood Plain: Wilkens and Herrmann are investigation to see if a LOMA is a realistic option for each structure before reaching out to any landowners. Landowners will be contacted after feasibility is reviewed.

Upper Sand Hill Detention (RCPP): A draft planning structure document has been completed and submitted as NRCS Review Point 1. The district is currently awaiting comments, if any.

Hydraulic modeling of the Sand Hill ditch will be used to reinforce the Purpose and Need for the project. Hydraulic modeling work will begin now that Field Survey has been completed. Houston Engineering will use the survey data from the Sand Hill Fish Passage and Grade Stabilization project as leverage against the RCPP grant requirements. This work is currently underway.

Project # 24: The official complaint will be filed by Dave Hauff and the Trust will be served. Hauff will notify the SHRWD once the Trust has been served.

Project #5: Viewers have begun their work for the redetermination of benefits on Project 5.

Polk County Ditch 80: Houston Engineering is finalizing the plan and the Preliminary Engineer's Report based on the comments from the Informational Meeting. Wilkens reported that there are landowners who would like to do portions of this project, and breaking apart the project into smaller pieces for bidding, thus saving costs.

Bear Park: Herrmann presented maps for possible drone inspections. Swenby will contact Wayne Goeken about kayaking the area and if he is able to GPS obstructions found. The managers agreed that drone footage would be beneficial when the water is low. Herrmann suggested June and August flights. A **Motion** was made by Manager Vesledahl to inspect this portion of the river (either by drone or kayak), twice a year contingent upon river levels, **Seconded**, by Manager Hamre, **Carried**. The managers authorized Houston Engineering to send their drone crew out this spring when the river levels are low, at their discretion.

Corp Drop Structures/Rip Rap: Herrmann was in contact with the Corp contact with Jamison Wendell regarding the design of the channel and the angle towards the road. Jamison felt it would make sense to look for evidence of bank failure either through modeling or monitoring. For permitting, any implementation work would need to go through both USACE and DNR and Wendell thinks both agencies would want to see evidence of an impact at this site. He indicated there are some models that can be used to assess bank stability and toe erosion that may be applicable in this situation and is in the process of communicating with the Corp.

6. **Dan's Monthly Report**

Calendar: Wilkens reviewed his written calendar for February and the proposed upcoming events for March.

RRWMB: The RRWMB met in Ada on February 20, 2018. Meeting highlights were given to the managers. A complete discussion of the RRWMB agency is found in the section of "Other Business".

RRBC: The RRBC board retreat was held February 28. Meeting highlights were given to the managers.

MAWD Legislative Breakfast: The Legislative Breakfast is scheduled for this week. Wilkens, Manager Vesledahl and Manager Hanson will attend. Wilkens discussed the option of increasing the Admin Levy and will express the Sand Hill River Watershed District's support for the legislation.

RRWMB March Annual Conference: The RRWMB Annual Conference is held in conjunction with the RRWMB meeting in March 20, 21 and 22. Swenby, Wilkens, Manager Hanson, and Manager Vesledahl plan on attending. Registration is not yet open.

Drainage Workgroup: Meeting highlights from the February 22 at the Farmers Union building by the capitol in St. Paul were distributed to the managers.

Vesledahl Wetland: A landowner meeting concerning implementing a legal ditch system in the area was held March 2 at the Winger Community Center. Meeting minutes will be forthcoming. Greg Knoff, Senate Council, is scheduling a meeting Thursday morning, March 8th with Senator Johnson to discuss the option of the Watershed assuming ownership of the project. A **Motion** was made by Manager Hanson authorizing the discussion and meeting with Greg Knoff to discuss the option of the SH assuming ownership of the land, **Seconded** by Manager Bartz, **Carried**. Manager Vesledahl recused himself from voting. Clayton Bartz agreed that the landowner meeting went well and the idea of the Sand Hill taking over the land was well received because it is a local entity vs. a state entity.

Manager Hanson asked about property taxes for the Vesldehal area and how they would be handled given the district tax exempt status. The watershed would be tax exempt from property taxes, but not special assessments (ditch tax). The district owning the land can be a short term solution and the Sand Hill can in turn sell the property after a legal ditch system is in place and all of the drainage problems as a result of the Wetland Banking project have been fixed.

Another Vesledahl Wetland Banking meeting will be held March 15 at the Winger Community Center at 7 PM.

7. Other Business:

Public Relations: The managers reviewed possible public relations items. No new information was brought before the board.

Gerald Paulson:

1. Paulson offers to draft a maintenance policy for Project # 1 for the board review, free of charge. The managers agreed to accept Paulson's offer.
2. Paulson requests the stretch of river between Rindahl and the Harstad bridge is obstructed with fallen trees/brush be considered for cleaning. The managers will consider this request. There are no known grant dollars available for river cleaning.
3. Paulson suggested that the SH Advisory Committee is under used according to MN Statute. Swenby stated that the Advisory Committee meets at the call of the Advisory Committee chair, usually annually.
4. The December minutes indicate a personnel committee be put in place. Paulson asked if a succession plan is in place. Chairman Christian stated that succession planning has taken place several years ago and all that is left is review and adoption of the board.

RRWMB: As a courtesy, Bill Downs and Gerald Paulson left the meeting as sensitive issues were on the table for discussion regarding the RRWMB fiscal responsibility and it's operations.

The managers were told that at the last RRWMB meeting, the RRWMB managers voted to accept the WRWD office location with a ten-year lease in the amount of \$1,150 (plus shared expenses), noting that the lease amount was contingent upon preliminary estimates, assuming that amount is subject to change. The Sand Hill River Watershed District submitted their bid (as agreed at the SHRWD February meeting) in the amount of \$700 per month (plus shared expenses) without contingencies. It was testified that the reason for accepting the WRWD proposal vs. the SHRWD proposal was not given by the RRWMB managers, only that the Executive Director preferred the WRWD as the permanent office location. Three representatives from the Sand Hill River Watershed District attended the meeting and all three verified that there was no discussion at a board level for office location before the office location was selected. It was said that John Finney wanted to listen in on the conversation of this portion of the meeting via phone conference, and the Executive Director would not allow that stating legality issues and open meeting law violations however in contrast, Lisa Frenette's report was accepted and discussion was held via phone conference. Questions arose as to whether the decisions made were self-serving for the ease of the employees or if the decisions made are best for the RRWMB.

Manager Hanson stated that last year, the RRWMB decided that they would like to go in a different direction and hire an Executive Director, and eliminate the Administrator position. Manager Hanson acknowledged that he has only attended a few RRWMB meetings with the new leadership, but it is his opinion that the RRWMB's actions at the last meeting was reflective of a dictatorship direction, with limited board involvement. The strategic planning process adopted by the RRWMB was deemed necessary due to lack of lack of board oversight, resulting in poor direction. Discussion was held questioning if the RRWMB was repeating history and how imperative it was that the RRWMB remain involved and informed on all facts of all decisions. It was questioned if the Sand Hill had a voice at that table, given the way the discussion was held for an office location at the February RRWMB meeting.

Much discussion was held regarding the fiscal responsibility of the RRWMB and the reporting required to its constituents. Wilkens has had several meetings at his own request with the RRWMB staff as treasurer of the RRWMB and is not confident with the abilities of the staff to manage the magnitude of funds that the RRWMB is responsible for. Wilkens reported his findings with concerns to the SHRWD managers and the discrepancies in the financial reports that the RRWMB distributed. Wilkens stated that the staff was not receptive with his requests as treasurer for reporting, and it was his opinion that a defensive attitude was present on RRWMB staff.

It was noted that 21 applicants applied for the position. The managers were also informed that Swenby was offered the position and declined the offer due to the lack of negotiations for a location as Sip would not offer the position if the location was in any other City except for Ada, MN. The managers noted that a location was never considered final by the RRWMB because it was their goal to find the most qualified applicant for the position and did not want the location to be a hinderance for qualified applicants. The managers were also informed that the WRWD Administrator was on the hiring committee and the new Executive Assistant that was hired, was an employee of the WRWD, employed as their receptionist. As an effort to avoid accusing or assuming, the managers discussed submitting a request through the DPA for the cover letters and resumes of all applicants to ensure that the best applicant was chosen for the position, that there was not an indication of any conflict of interest and that every applicant was given a fair chance to represent water management, namely all the member districts of the RRWMB.

RRWMB staff stated that it was difficult to pick up the pieces from Swenby and Goral, and blame that for the lack of reporting and financial accountability. Swenby informed the managers that she did not feel it was difficult to pick up the pieces from Goral and complimented Goral's records. Swenby acknowledged that she could only provide limited support to Sip as she only had access to final records for about 2 weeks in January, but the transition was self-explanatory for daily operations. While there were many things Swenby would do differently, Swenby felt that the records were in great shape and provided an optimum opportunity for a knowledgeable bookkeeper to take over and to implement utilizing QuickBooks to its full capacity. Swenby only entered in necessary transactions to provide a draft Treasurer's report, payroll, pay bills and implement QuickBooks to manage payroll liabilities. She did have time or the data to fine tune a final Treasurer's Report. Swenby informed the board that she did not feel right about the Sand Hill being reimbursed for her time by the RRWMB, if the RRWMB did not feel she did a good job. As a result Swenby called Sip to offer negotiations regarding the reimbursement for her time, and Sip told her to cash the check. He stated he could not confirm or deny the quality of her workmanship because he was not educated enough for accounting and QuickBooks.

After a lengthy discussion, the managers reviewed the following options:

1. Attending the hearing on March 20, 2018 that finalizes the location of the RRWMB.
2. Sending a letter of inquiry asking for RRWMB justifications and clarifications for costs regarding the meeting location, thus giving them an opportunity to present their side of matters.
3. Suggesting the RRWMB hire an outside firm to come in and assist the Executive Assistant with her responsibilities to provide her instruction.
4. Opting out of the RRWMB and not be a member of the RRWMB. The deadline is April 1.

All the managers agreed that the Sand Hill's sole responsibility is to represent its tax payers within their boundaries. The Sand Hill must provide justification for the levy imposed upon their tax payers. If there are any questions of conflict of interests, qualifications for those that manage tax payer dollars, and financial irresponsibility at a RRWMB level, the managers agreed that more information should be sought.

A **Motion** by Manager Vesledahl was made by Manager to do the following:

1. Send a letter asking for justification and clarification for each area of concern (Swenby will gather all the information and unanswered questions discussed at today's meeting and send a draft to all managers before it is officially sent). The manager request that the letter be written in great detail to ensure that a fair opportunity is given to the RRWMB to provide their side of each matter.
2. Encourage all members to attend the public hearing in Moorhead on March 20 regarding the permanent RRWMB office location.
3. Request through the data privacy act the cover letters and resumes of all applicants received for the Executive Assistant positions.
4. Hold a special SHRWD meeting on March 22 at 6 PM to discuss the SHRWD's continued RRRWMB membership.

Seconded by Manager Bartz, **Carried**.

8. **Permits:** Three permits were brought before the board.

A **Motion** was made by Manager Bartz to approve the following permits, **Seconded** by Manager

Hamre, **Carried.**

2018-02: Garden Valley Telephone – Section 27 – Winger Township – Directional Boring

2018-03: Garden Valley Telephone - Knute, Woodside, Garden and Godfrey Townships – varied sections – plowing fiber optic lines.

A **Motion** was made by Manager Vesledahl to table a permit from Lee Carivou requesting 2018 street improvements in the City of Fosston was until next month’s meeting when Carivou can attend with more information, **Seconded** by Manager Hanson, **Carried.**

9. **Adjournment:** The next regular meeting will be held **Tuesday at 8:00 AM on April 3, 2018.** As there was no further business to come before the board, a **Motion** was made by Manager Hanson to adjourn the meeting at 12:34 PM, **Seconded** by Manager Hamre, **Carried.**

April Swenby, Administrative Assistant

JJ Hamre, Secretary