

**SAND HILL RIVER WATERSHED DISTRICT**

September 4, 2018

1. **Attendance:** Chairman Stuart Christian called the September 4, 2018 meeting to order at 8:09 AM at the District Office. Other managers present were Clayton Bartz, JJ Hamre, and Roger Hanson. Managers absent: Dan Vesledahl. Two staff members were present: Daniel Wilkens – Administrator and April Swenby – Administrative Assistant. Others in attendance include Joyce Downs – Landowner, and Zach Herrmann – Houston Engineering.
2. **Approval of the Agenda:** A **Motion** was made by Manager Bartz to approve the agenda as presented, **Seconded** by Manager Hamre, **Carried**.
3. **Minutes:** A **Motion** was made by Manager Hanson to approve the minutes from the August 7, 2018 meeting, **Seconded** by Manager Hamre, **Carried**. A **Motion** was made by Manager Hamre to approve the minutes for the Improvement Hearing on Ditch # 80 held on August 7, 2018, **Seconded** by Manager Bartz, **Carried**
4. **Budget Hearing:** A **Motion** was made by Manager Hanson to recess the regular meeting at 8:30 AM and open the budget hearing, **Seconded** by Manager Hamre, **Carried**. The budget hearing was called to order at 8:31 AM by Chairman Stuart Christian. Chairman Christian opened the hearing for discussion. No one came forward with any comments or questions on the budget as advertised. The budget for 2019 was presented as follows:

	<u>Jan - Dec 19</u>
<b>Income</b>	
<b>HOMESTEAD/AG CREDIT (HACA)</b>	7,500.00
<b>INTEREST INCOME</b>	13,000.00
<b>REIMBURSED EXPENSE</b>	200.00
<b>TAX LEVY INCOME</b>	<u>250,000.00</u>
<b>Total Income</b>	270,700.00
<b>Expense</b>	
<b>EMPLOYEE TRAVEL EXPENSES</b>	4,000.00
<b>CAPITAL IMPROVEMENTS</b>	62,675.00
<b>WEB-SITE</b>	600.00
<b>MEETING EXPENSE</b>	1,100.00
<b>BUILDING MAINTENCE/OCCUPANCY</b>	8,000.00
<b>COMPUTER EXPENSE</b>	5,000.00
<b>DUES-MEMBERSHIP</b>	3,000.00
<b>EDUCATION</b>	3,000.00
<b>MANAGER EXPENSE</b>	16,000.00
<b>OFFICE OPERATIONS</b>	11,000.00
<b>PAYROLL EXPENSES</b>	123,325.00
<b>PAYROLL TAXES</b>	12,500.00
<b>PROF SERVICES</b>	20,000.00
<b>PUBLICITY</b>	<u>500.00</u>
<b>Total Expense</b>	<u>270,700.00</u>
<b>Net Income</b>	<u><b>0.00</b></u>

Three petitions to fund basic water management, water quality and erosion, and water studies education and agency support were presented and discussed, as well as insurance and the data and acquisition fund levy.

A **Motion** was made by Manager Bartz to adjourn the budget hearing at 8:43 AM and reconvene the regular meeting at 8:43 AM, **Seconded** by Manager Hamre, **Carried**.

#### 5. **Treasurer's/Financial Report:**

A **Motion** was made by Manager Hamre to approve the administrative budget as presented during the budget hearing, **Seconded** by Manager Hanson, **Carried**.

A **Motion** was made by Manager Hamre to approve the following resolution as presented during the budget hearing, **Seconded** by Manager Bartz, **Carried**.

BE IT RESOLVED by the Board of Managers of the Sand Hill River Watershed District:

WHEREAS, the Board of Managers of the Sand Hill River Watershed District have adopted budgets for 2019, said levies shall be for the year 2019 and shall be collectible with the taxes recovered in the year 2019; and said levies are all based on the 2019 taxable market values; and

WHEREAS, pursuant to Minnesota Statutes Annotated (M.S.A) Sections 103D.905, 103D.911, and 103D.915, the Board of Managers, Sand Hill River Watershed District is authorized to levy an ad valorem tax against all taxable property, in the District for various purposes; and

WHEREAS, pursuant to Minnesota statutes, published notice was given by the said Board of Managers, Sand Hill River Watershed District, for a hearing, which was held on September 4, 2018, whereby the 2019 budget of the Sand Hill River Watershed District was determined, and the said Board of Managers is legally authorized to tax the levies listed below.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Managers, Sand Hill River Watershed District:

1. In accordance with M.S.A. 103D.905, Subd. 3, the Sand Hill River Watershed District does hereby levy an ad valorem tax of \$250,000 to be assessed at the appropriate mill rate on all taxable property within the district. The proceeds of said levy shall be used and credited to the District's General Fund to pay for the general administrative expenses and any expenses involved in the construction and maintenance of any projects of common benefit to the District.
2. In accordance with M.S.A. 466.06, the Sand Hill River Watershed District does hereby levy \$6,000 for liability and other insurances necessary to operate the Sand Hill River Watershed District.
3. In accordance with M.S.A. 103D.911, Subd. 8., the Sand Hill River Watershed District does hereby levy \$78,815 for Data and Acquisition. The Board has established this fund in 1998. The levy for 2019 will not exceed 0.02418 percent of taxable market value.
4. In accordance with M.S.A. 103D.905, Subd. 3, the Sand Hill River Watershed District does hereby levy an amount not to exceed 0.00798 percent of all taxable market value (\$95,568.15) to pay the costs attributable to the basic water management features of projects initiated by petition of a political subdivision within the Watershed District. In 2019, these funds will be used for a variety of water

management related efforts such as records retention and housing, construction, maintenance, beaver control and NRE benefits.

5. In accordance with M.S.A. 103D.905, Subd. 3, the Sand Hill River Watershed District does hereby levy a second amount not to exceed 0.00798 percent of all taxable market value (\$95,658.15) to pay the costs attributable to the basic water management features of projects initiated by petition of a political subdivision within the Watershed District. In 2019, these funds will be used for water quality and erosion efforts.
6. In accordance with M.S.A. 103D.905, Subd. 3, the Sand Hill River Watershed District does hereby levy a third amount not to exceed 0.00798 percent of all taxable market value (\$95,658.15) to pay the costs attributable to the basic water management features of projects initiated by petition of a political subdivision within the Watershed District. In 2019, these funds will be used for watershed studies, education and agency support.
7. That the Auditors of the Counties of Polk, Norman and Mahnommen shall make said levies in accordance with the provisions of the Minnesota Watershed Act, Chapter 103D, as amended. This entire levy (\$286,704.45) can be levied as one assessment, prorated per taxable market value between the three counties, and our office can do the breakdown.

Swenby noted that August has not been reconciled as of the date of the presented report due to our early meeting date and not receiving the bank statement.

Wilkens read the Treasurer’s Report. A **Motion** was made by Manager Hamre to approve the treasurer’s report for August, **Seconded** by Manager Hanson, **Carried**.

The managers reviewed their expense reports and reported on activities for the month. The following bills were reviewed:

	<u><b>TOTAL</b></u>
<b>U.S. Post Office</b>	54.00
<b>VISA Credit</b>	86.78
<b>Wild Rice Electric</b>	130.88
<b>Norman County Index</b>	136.30
<b>Otter Tail Power Company</b>	179.06
<b>Anderson, Bottrell, Sanden &amp; Thompson</b>	200.00
<b>Garden Valley Telephone Company</b>	235.39
<b>Red River Insurance</b>	295.00
<b>Kaitlyn Fuglseth</b>	497.00
<b>Minkota Technologies</b>	1,157.73
<b>Houston Engineering</b>	14,345.00
<b>Red River Watershed Mgmt Board</b>	<u>151,830.14</u>
<b>TOTAL</b>	<u><b>169,147.28</b></u>

A **Motion** was made by Manager Bartz, to approve and pay the above listed bills, **Seconded** by Manager Hanson, **Carried**.

## 6. **Engineer's Report**

**Fish Passage and Grade Stabilization**: Herrmann is hoping to advertise for bids this week, with a bid opening in October.

**Kittleson Creek Outlet**: Herrmann is currently working with the Polk County Highway Department to access bridge funds to help in the replacement of the Kittleson Creek outlet into the Sand Hill River.

**Carlson Coulee**: Carlson Coulee design is underway. Additional information was provided to MN DNR to satisfy fisheries staff that provided initial comments on the design.

**DFIRM**: Maps were scheduled to be effective 6/7/17 but to date, this has not happened. After the maps become effective the district will then pursue corrective action if needed.

**Project #5**: A hearing is set for September 18, 2018 at 9 AM at the district office.

**Ditch #80 Preliminary Hearing**: Bid opening is scheduled for the October board meeting.

**Ditch Inspections**: Cattail and brush spraying was completed on Project 2 and Project 13. Additional spraying may be needed.

**Verdell Olson Dam Maintenance**: Wilkens and Herrmann met with Verdell Olson on August 23, 2018 to discuss the findings of the recent survey and recommended modifications to provide a lower grade line through the structure. The landowner appeared in favor of the proposed modifications but asked for time to discuss with his son.

**Brady Kroening Erosion**: Swenby and Herrmann toured the dam site with severe erosion SE of Winger after the Project Team meeting. Swenby has forwarded the contact information of the NRCS engineer who may have the original engineering plans for Herrmann to review. There are possible grant opportunities for this site.

**Union Lake Sarah Pump**: Surveyors will need to get elevations on lake benchmarks to verify vertical datum on the plan set. Herrmann reviewed the findings with the LID and conducted a field review on August 23, 2018.

## 7. **Dan's Monthly Report**

**Calendar**: Wilkens reviewed his written calendar for August and the proposed upcoming events for September. Wilkens told the board that he will be unable to attend the October meeting due to a doctor's appointment at Mayo.

**Project Team**: A Project Team meeting was held on August 14, 2018. Meeting minutes are still in the process of being reviewed by staff.

**RRBC**: The RRBC board meeting and tour is scheduled for September 5 and 6.

**Drainage Workgroup**: Wilkens will attend the Drainage Workgroup meeting on September 13 in St.

Paul.

**LID:** A meeting is scheduled for September 17 at 6:30 PM at the Deuce. The LID has installed a gauge pipe and a float. The DNR will need to be contacted to get the proper measurement tape to install on the uprights. A decision needs to be made on the range of measurement that will be needed. Herrmann and Wilkens met with Richard Rock and showed him the large discrepancies between the plans and what is currently out at the site on the Lake Sarah/Union interconnect.

**Rules and Regulations:** According to BWSR, the buffer rule needs to be added to our Rules and Regulations by November 2018. Manager Hanson reviewed the information and made comments, but it was discarded by accident. He noted several suggestions. Consequences for permit violations were discussed. Wilkens suggested an evening meeting to discuss the Rules and Regulations. The managers agreed to hold a special meeting **September 26 at 6:30 PM** to discuss the district rules and regulations

**Ditch Inspections:** Several violations were found on ROW out west. A few ROW markers need verification. Herrmann is putting together maps of ditch cleaning, spraying and ROW problems that need addressing.

**Ditch and Project Inspections:** Wilkens and Manager Hanson met with Rich Sanders, Polk County Highway Engineer on August 27 regarding cornstalk residue blowing into the highway ditch east of Nielsville. Wilkens has forwarded Sanders the Soil Loss Ordinance from WPSWCD. Sanders will send that to the Polk County attorney and Kurt Deter to verify if cornstalks are classified as "soil". Wilkens will contact Darrell Chisholm about adding more fill in the bank of the SH Ditch on a tile outlet in section 19 of Scandia Township and the proposed ditch he planned on constructing around the Travis Johnson farmstead in section 27 of Hubbard Township.

Wilkens has contacted Joe Miller and discussed leveling spoil banks and additional ditch cleaning.

Herrmann has prepared maps for ROW enforcement, signage, cleaning, and spraying. Leo Splonskowski sprayed cattails in mid-August and continues the process of spraying.

**RRRA:** The board reviewed a letter from the Red River Retention Authority, which stated their position regarding the Sand Hill River Watershed District's withdrawal from the RRWMB. The RRRA plans to advise NRCS to void the contract with the Sand Hill River Watershed District regarding the RCPP Program.

The contract does not state any contingencies upon RRWMB membership. The contract is between NRCS and the Sand Hill River Watershed District. The managers will plan to request an audience with NRCS after the outcome of tomorrow's Red River Retention Authority meeting. It was also noted that there are watersheds on the North Dakota side who have signed agreements with NRCS who do not belong to the RRWMB. It was also noted that the Sand Hill is a feasible location for water storage and impoundments. Creating obstacles for flood storage contracts goes against the mission statement of the RRRA and the RRWMB. Three RRWMB managers represent the MN side of the RRRA, Jerome Deal, John Finney, and Greg Holmvik.

**City of Nielsville:** The managers discussed applying for a new grant for the City of Nielsville.

**Sarles Land Sale:** Wilkens has been helping Sarles and Pederson with ROW to obtain access to a property.

**8. Other Business:**

**Public Relations:** The managers reviewed possible public relations items. No new information was brought before the board. Swenby presented a proposal for \$500 from Nufire Marketing to reformat the district logo so that it can be printed for PR materials. The current logo format is in a .jpg format and isn't compatible for larger printing. She suggests this to create a more presentable and professional fair booth and other opportunities for public relations. A **Motion** was made by Manager Hamre to hire Nufire Marketing to reformat the district logo into a universal format, **Seconded** by Manager Hanson, **Carried**.

A press release was distributed to local newspapers regarding the districts recent decision to withdraw membership from the RRWMB and implement M.S.A. 103D.905, Subd. 3 petitions to continue funding.

**Building Upgrades:** The managers authorized Wilkens to get an estimate for a building addition 30' wide and the full length of the existing building, with just the shell and the foundation, finishing the interior later.

**Joyce Downs:** Downs asked if there was any point in her saying anything and feels the board looks the other way. Downs was told that opportunities regarding her property have been deemed unfeasible. The district continues to look for grants for Ditch #122 but is not currently seeking solutions to route water through her property, nor has this proposal been brought to the board for review in many years. She asked that routing water through her property be taken off the table, and Downs was assured that those conversations have been taken off the table years ago and found unfeasible; however, the board will not make a blanket statement that creates a policy prohibiting that these discussions will never take place again, should surrounding landowners want to have this discussion. Downs stated that Dwight Christian asked Tony Jagol if he could dig a ditch through his property and Downs was reassured that it was not the watershed asking for a ditch. Manager Hanson assured Downs that she does not have to worry and that the alternatives discussed years ago regarding her property were deemed unfeasible.

**Administrator Position:** The managers agreed to advertise for the Administrator position for two weeks using the Fertile Journal, MAWD, and our web-site. The pay scale was set at \$50,000-\$70,000 range. The application deadline was set for September 25. Manager Christian and Manager Hamre will review the applicants and make recommendations to the board.

9. **Permits:** Four permits were presented to the board. A **Motion** was made by Manager Bartz to approve the following permits, **Seconded** by Manager Hanson, **Carried**.

**2018-15:** Mike Skaug – Reis Township Section 8 – Construct a new ditch

**2018-16:** Steven Hamre – Scandia Township – Section 21 – Install Culvert

**2018-17:** Brainard Farmland – Scandia Township – Section 25 – Install Approach & Culvert

**2018-18:** Darryl Larson – Hubbard Township – Section 7 – Install Approach and Culvert, (Holding for more information.)

10. **Adjournment:** The next regular meeting will be held **Tuesday, October 2, 2018 at 8 AM**. As there was no further business to come before the board, a **Motion** was made by Manager Hanson to adjourn the meeting at 10:57 PM, **Seconded** by Manager Bartz, **Carried**