

**SAND HILL RIVER WATERSHED DISTRICT**

March 5, 2019

1. **Attendance:** Chairman Stuart Christian called the March 5, 2019 meeting to order at 8:00 AM at the District Office. Other managers present were Clayton Bartz, JJ Hamre, and Roger Hanson. Managers absent: Dan Vesledahl . One staff member was present April Swenby – Administrator. Others in attendance include 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 Bartz, **Carried**.
3. **Minutes:** A **Motion** was made by Manager Bartz to approve the minutes from the February 14, 2019 meeting, **Seconded** by Manager Hamre, **Carried**.
4. **Treasurer's/Financial Report:** April Swenby read the Treasurer’s Report. A **Motion** was made by Manager Hamre to approve the Treasurer’s Report for February, **Seconded** by Manager Hanson, **Carried**.

The managers reviewed their expense reports and reported on activities for the month.

The following bills were reviewed:

<b>Aaron Swenby</b>	840.00
<b>April J. Swenby</b>	577.75
<b>Dan Wilkens</b>	478.15
<b>First Community Credit Union</b>	1,987.22
<b>Houston Engineering</b>	24,309.21
<b>Otter Tail Power Company</b>	686.26
<b>Red River Basin Commission</b>	5,000.00
<b>Red River Watershed Mgmt Board</b>	150.00
<b>Sarah Wise</b>	77.00
<b>Todd's Landscaping</b>	140.00
<b>TOTAL</b>	<b><u>34,245.59</u></b>

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

Last month the managers asked if the interest the county collects is passed through to the district for delinquencies. If there is a special assessment, such as Sand Hill Watershed, and the taxes are delinquent the special assessment receives their portion of the interest and penalty once the taxes are paid. The penalty and interest is included in the amount that is forwarded back to the watershed. When a taxpayer is delinquent there are multiple taxing authorities that are not receiving funds. Once the taxes are paid, the penalty and interest that is charged for the delinquency is divided up between all the entities, along with the original tax amount, and sent to each taxing district/watershed/etc.

5. **Engineer's Report**

**Kittleson Creek Outlet:** Herrmann is finalizing plans to forward to Polk County Highway Dept for review.

**Sand Hill Lake Outlet:** The district is awaiting a response from the MnDNR regarding the alternatives.

A meeting has been scheduled by the West Polk SWCD for Monday, March 11, 2019 at 10:00 AM at the SHWRD Office.

**Targeted Watershed Demonstration Program (BWSR Funding):** Herrmann is working to acquire documentation from East Polk SWCD from previous investigations.

**SHRWD Project No. 5 Redetermination of Benefits:** Dave Hauff has drafted the following resolution allowing the district to use construction fund monies as a funding source as the project will be in the deficit after the ROW is purchased.

#### STATE OF MINNESOTA

The Sand Hill River Watershed District Board of Managers, sitting as the drainage authority for Project No. 5, at its regular meeting on March 5, 2019, and based on the record and proceedings, Manager Bartz moved, seconded by Manager Hanson to adopt the following Findings and Order:

#### Findings:

1. Minn. Stat. § 103E.655 provides that the costs for a drainage project proceeding and construction must be paid from the drainage system account by drawing on the account and that if money is not available in the drainage system account on which the warrant is drawn, the board may, by unanimous resolution, transfer funds from any other drainage system account under its jurisdiction to the drainage system account.
2. Under Minn. Stat. § 103E.655, If the board transfers money from another account or fund to a drainage system account, the money plus interest must be reimbursed from the proceeds of the drainage system that received the transfer. The interest must be computed for the time the money is actually needed at the same rate per year charged on drainage liens and assessments
3. That there is a need to fund the acquisition of buffer strips as determined for Project No. 5, in the sum of not more than \$75,000. There are insufficient funds in the Project No. 5 system account to pay for such buffer strips at this time.
4. There are sufficient funds in the Sand Hill River Watershed District Construction Fund account from which the Board could borrow to pay for the buffer strip acquisition for Project No. 5.

#### Order:

Based on the foregoing Findings and the entire record of proceedings before the Board, the Board, acting as the drainage authority for Project No. 5, hereby adopts the following order for transfer of funds:

1. The sum of not more than \$75,000 shall be transferred from the Sand Hill River Watershed District Construction Fund account to the account for Project No. 5 to be used for the acquisition of buffer strips for Project No.5.
2. Upon the receipt of sufficient funds from assessments for Project No. 5 to repay the sum transferred from the Sand Hill River Watershed District Construction Fund account to the account for Project No. 5, the funds shall be re-paid to the Sand Hill River Watershed District Construction Fund account with interest at the same rate per year charged on drainage liens and assessments.

After discussion, the Board Chair called the question. The question was on the adoption of the foregoing findings and order, and there were 4 yeas, 0 nays, 1 absent, and 0 abstentions as follows:

	Yea	Nay	Absent	Abstain
Christian	x	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vesledahl	<input type="checkbox"/>	<input type="checkbox"/>	x	<input type="checkbox"/>
Hamre	x	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bartz	x	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hanson	x	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Upon vote, the Chair declared the motion passed and the Findings and Order adopted.**

**Verdell Olson Detention:** Herrmann is currently working on Dam Safety permit submittal for revisions to the outlet pipe.

**7. Administrator Report:**

**Calendar and March Work Plan:** Swenby highlighted her calendar for March.

**Administrator’s Meeting:** Swenby attended the Administrator’s meeting on February 26, 2019 at the RLWD office. Lobbying for Region 1 was discussed among the Administrators regarding the unification of using one voice. Three watersheds within Region 1 do not belong to the RRWMB. Minutes from the Administrator’s meeting were made available to the managers.

**MAWD Legislative Breakfast:** Manager Vesledahl and Swenby attended. While at the Legislative Breakfast, additional meetings were held with Senator Mark Johnson, Pat Lynch, and Kent Lokesmoe.

**FDRWG March Annual Conference:** In conjunction with the March Annual Conference, a drainage conference will be held March 19, 2019 (agenda attached). Manager Vesledahl and Swenby have been registered for the drainage conference. The March Conference is planned for March 20-21, 2019. Swenby and Manager Hanson have been registered for the Annual March Conference. This year, the conference planning committee is asking for fees for the conference. Swenby has paid the non-refundable fees for Vesledahl, Swenby, and Hanson. The FDRWG is asking for Administrators to help announce speakers at the Annual March Conference.

**FDRWG:** Swenby attended the Flood Damage Reduction Workgroup meeting on February 28 at the MnDOT Office. Dan Money was appointed as a new co-chair, replacing Jerome Deal who no longer resides on the board of the RRWMB. The FDRWG is in the process of amending the project team handbook (amendment suggestions attached). The FDRWG will send a letter of support in conjunction with the RRWMB asking the Governor to support FDR bonding. Following the meetings, Swenby met with Henry Van Offelen regarding the FDRWG, its roles and the Sand Hill’s relationship for funding. Swenby is scheduling another meeting with Van Offelen to discuss the many questions that came up during the meeting. Meeting handouts were made available to the managers and presented during the meeting.

**MPCA biological assessment staff:** Cary Hernandez, MPCA has requested a meeting in January with the biological assessment staff for March 7, 2019 at 1 PM.

**Project Team Meetings:** A Project Team meeting is scheduled for March 7, 2019 at 10 AM.

**Partnering Agencies:**

- *Norman County SWCD:* Swenby will meet with the Norman County SWCD on March 14.
- *EPSWCD:* Swenby will attend the EPSWCD meeting on April 18, 2019 at 9:30 AM.
- *WPSWCD:* Due to scheduling conflicts, Swenby will meet with WPSWCD on April 18, 2019 at 7 AM.
- *Polk County:* Swenby had scheduled to meet with Joan Lee for a lunch meeting February 25 in Fertile. Due to the weather, Lee was unable to meet. This will be rescheduled.
- *Townships:* Swenby sent out a letter of introduction to the townships along with a copy of the new Rules and Regulations.
- *Counties:* Swenby sent out a letter of introduction to the counties within the district along with a copy of the new Rules and Regulations.
- *Transportation Departments:* Swenby sent out a letter of introduction to the Transportation Departments within the district along with a copy of the new Rules and Regulations.

**Building project:** Swenby contacted the FSA office for building plans and was able to get in touch with the owner. The landowner is a business investor who builds federal buildings for the federal government and continues to own them and manages them. The federal government in turn, pays him rent. He was unwilling to share the building plans and specs as he is a builder and project manager. He was open to building for the district and renting to the district, should the district not want property ownership.

At the Administrator's meeting, Jesme gave Swenby a tour of the RLWD office and offered ideas of how to shrink that space down to suit the Sand Hill's needs. Jesme offered the Red Lake Watershed District's building plans with the name of the architect and plans were given to the managers. The plans as specs were also offered.

Chairman Christian asked Swenby to look research possible lots for sale in town. It was suggested to look at the Buffalo Red plans.

**Notary:** To become a notary, a \$120 non-refundable filing fee applies when you submit your application, and a \$20 fee applies when you register with your county after you receive your commission certificate, which is valid for five years. A stamp will also need to be purchased. In the past month, a notary signature has been required on documents for the Sand Hill River Watershed District. This discussion was tabled until next month.

**Service Learning – FB School:** Hallie Strem started February 18. Employees employed by a governmental subdivision who have not reached the age of 23 and who are enrolled on a full-time basis to attend or are attending classes on a full-time basis at an accredited school, college, or university in an undergraduate, graduate, or professional-technical program, or at a public or charter high school are not eligible to participate in PERA. Additionally, if the district plans on paying the student less than \$5,100 for the year, they aren't eligible for PERA. Any payroll would be subject to the same payroll taxes as any other employee (medicare, unemployment, social security, workmans comp).

Strem is open to coming a couple of hours after school each week to get a little bit of a longer training so that she can be more independent during her daily 35 minutes during the week.

Minimum Wage is \$9.86. At the last meeting, pay for Strem was determined to be handled by the Administrator. Swenby has elected to pay Strem minimum wage for her time spent assisting the district. Because Strem was open to additional hours if needed for training after school, Swenby elected to offer an hourly pay vs. contributing to the program. Hours will be logged and handled according to the hourly, part-time pay in the personnel manual.

She has started to learn the scanning process for Account Payable. Swenby suggested the district consider purchasing another scanner in the near future.

**2017 Annual Report:** Swenby worked with Bret Arne for the distribution of the 2017 Annual Report according to MN Statute and has forwarded the report to the required people in BWSR and MnDNR.

**Personnel Manual Updates:** This discussion was tabled in February. The managers discussed proposed changes. The following changes were made. A **Motion** was made by manager Hanson to accept the following proposed policy revisions, **Seconded** by Manager Bartz, **Carried**.

#### **4.6 Overtime**

The District Administrator may schedule work in addition to the standard workday or workweek. Compensatory time or overtime at the rate of one and one-half (1-1/2) times the base rate shall be paid to non-exempt employees for all hours worked in excess of 40 hours in a standard workweek. For purposes of overtime, holidays, vacation and personal leave days do not count toward the calculation of compensatory time off or overtime.

Unlike hourly employees, salaried exempt employees are not entitled to overtime pay by law. However, the Sand Hill River Watershed offers flexibility for salaried employees compensation/flex time when salaried employees are required to work more than 40 hours in any work week. The time may accumulate up to a maximum of 15 hours per pay period and must be used within the pay period or the following pay period. Comp/flex hours for exempt employees cannot be used beyond one additional pay period and are never subject to financial reimbursement. Exempt employees must note comp/flex hours used on a time sheet and must account for unworked hours in exchange for comp/flex hours.

#### **5.8 Expenses**

**Mileage:** The District will reimburse Employee for mileage when using Employee's personal vehicle on District business at the rate specified by the Internal Revenue Service for mileage allowance.

**Expenses:** The District will reimburse Employee for reasonable and necessary expenses incurred by employees in the performance of his/her duties. Employee must provide District Administrator with proof of mileage and other expenses to receive reimbursement.

All expense reimbursements will be presented to the board for final review. Expenses will be paid out after board of approval and be presented as "bills to be paid".

#### **5.41 Administrator Vacation/Sick Leave Reporting**

The Administrator should, when possible, let the board of managers know of expected use of Vacation/Sick leave hours and should do so at the regular monthly board meetings. When circumstances arise where the use of vacation/sick leave are necessary and unable to be reported in advance to the full board, the Administrator will contact the Chairman to let them know of used hours. Use hours are indicated on the pay stubs of each paycheck.

#### **3.5 Severe Weather**

The District Administrator or Board President is authorized to close the workplace for part or all of the day on those rare occasions when bad weather makes travel extremely hazardous and

unsafe. As a general rule, if the local school district does not have school due to inclement weather, the district will close the office. Time lost will be considered paid time. The district Administrator can determine if employees are able to work from home due to inclement weather. During inclement weather, employees that are able, are encouraged to continue work from a home office setting, if applicable. It is the responsibility of the employee to contact the District Administrator to find out whether the workplace has been declared officially closed for all or part of the day. Time lost will be considered paid time.

If an employee is unable to get to work, and the workplace is open, the time missed will be considered paid personal leave time off if earned, or unpaid leave if there is no earned leave accumulated.

**BWSR Education/Training:** Swenby has scheduled training with BWSR for April.

**District parking:** Swenby has designed and ordered replacement reserved parking signs for the parking lot. The City of Fertile was also contacted with a request to be more proactive for removing snow from the district parking lot. The City of Fertile stated that the snow moved behind the building is not a result from City employees, rather it is private entity snow. As a courtesy, the City has moved the snow in the past; however, this winter there is so much snow and it is unusual. They will try to get it moved to coincide with our meetings, but city employees stated they are very busy and it isn't a top priority. To make room for parking for district constituents for planned upcoming meetings, Swenby hired the removal of the snow pile in parking lot. She called each individual manager for consensus before hiring the removal. Before/After images are attached.

Swenby contacted the snow removal people in the area and asked them to find another location for private entity snow, reserving the parking lot for parking, and Sand Hill River Watershed District snow only. Signs will be installed this week.

**Rules and Regulations:** Swenby has updated the district web-site to reflect the newly adopted Rules and Regulations. She has also forwarded the adoption to BWSR, the transportation authorities, and required municipalities. She has also filed the rules with the Polk County recorder and will file the amended rules with Mahnomon and Norman in March.

**Drainage Work Group:** Swenby provided current overview documents regarding the 2019 recommendations from the DWG. All recommendations are now in HF-1244, Rep. Hansen, Chief Author. Rep. Torkelson is a co-author for this House bill to date. The first hearing for the bill was in the House Environment and Natural Resources Policy Committee, Rep. Persell, Chair, on Wednesday, Feb. 27.

**Sand Hill Lake/Kittleson Creek Outlet:** Jason Tiedeman, MnDNR is the representative working with the district when requesting reimbursement from the LSOHC. Swenby has submitted for reimbursement; however, he is requesting a contract between Houston Engineering and the Sand Hill River Watershed District. To move the process forward, Swenby suggests board approval authorizing Swenby to sign a contract on behalf of the district between the district and Houston Engineering for professional services for the work regarding Sand Hill Lake/Kittleson Creek Outlet. A **Motion** was made by Manager Hamre to delegate the formation of a contract and authorized Swenby to sign on behalf of the district, **Seconded** by Manager Bartz, **Carried**.

**City Ring Dikes:** Dave Hauff has forwarded draft easements to the district and Swenby provided a copy to the board of managers, along with legal descriptions. Houston Engineering verified the property descriptions. Swenby has been in contact with the City of Climax to inform them of the land transfer and Quit Claim Deed. A **Motion** was made by Manager Hanson to approve the Quit Claim

deed and proceed with the land transfer, **Seconded** by Manager Bartz, **Carried**.

**Nielsville Ring Dike:** A “one pager” fact sheet was developed to presented to the legislatures at the Legislative Breakfast. Swenby and Manager Vesledahl met with Kent Lokkesmoe and Pat Lynch at the Legislative Breakfast. Lokkesmoe is responsible for allocating the bonding funds according to need. He stated that in relation to only 90 homes affected in Nielsville the cost for the dike is substantial and did not foresee funding in the near future, but did not rule it out. Both Lynch and Lokkesmoe did not recommend separate legislation to fund Nielsville on its own.

The taxable value is being researched to determine the value of the property.

Swenby spoke with Senator Mark Johnson after the Legislative Breakfast who agreed of the importance of flood protection for the City of Nielsville and offered to call Kent Lokkesmoe. Herrmann and Swenby are planning to work together to develop costs scenarios of a possible flood for the City of Nielsville.

**Bear Park:** A “one pager” fact sheet was developed to presented to the legislatures at the Legislative Breakfast. This information was given to Pat Lynch.

**Ditch Mowing:** Swenby has asked Rich Sanders about date regulations and asked if the county has a ditch mowing policy. Sanders stated that they start mowing in around June 15<sup>th</sup> which is contrary to what Statute says, but stated they needed to for Snow and therefore it is a safety issue. The county has bailing permits for landowners that lets them know the areas that farmers will be maintaining independently.

Swenby also contact Norman County for similar policies relating to ditch mowing. Swenby will work on a ditch mowing policy for the board to review and asks for board input.

The board will continue to read and consider the options for the district and revisit this topic in April.

**Beaver Bounty Program:** Three additional Townships have returned their contract to participate in the program, which is a total of twelve townships. The web-site has been updated to reflect the changes and new participants.

**Carlson Coulee:** Swenby contacted the landowners regarding trapping in the area. Both landowners gave verbal permission for trapping. Swenby met with Jason Benbo and gave him maps of the area for trapping and was also given landowner contact information. Landowner 2 was opposed to blowing the dams as he has wells within ½ mile away. The landowner would grant Miller’s access through his property for removal by track hoe and asked that when the dams are ready for removal, the contractor call him first.

**Corp Drop Structures:** Joe Schroetter, US Army Corp of Engineers will be e-mailing exit contracts and maintenance agreements for the drop structures. As the board was informed last month, Swenby talked with Jamison Wendel, MN DNR regarding the process for inspections and the responsibility of monitoring the rocks. Swenby also discussed with Jamison the area with alignment questions and the responsibility for future maintenance in that area. It was suggested to lay out these terms and concerns in the agreement with the US Army Corp of Engineers. Schroetter stated that these documents are in “engineering” for signatures.

**Union Lake Pumping:** Swenby, Herrmann and Lonnie Paradis will meet this afternoon to discuss the findings and review the cost estimate for the area. Wilkens stated that Lonnie Paradis requested

his presence at this meeting and would like to attend.

Wilkins was in the district office this week and talked to Swenby about the gage. Herrmann was going to get a quote for some gages.

Herrmann is planning on finishing the property description to forward to Hauff to present easements for the April meeting.

**Ditch # 80:** PFM Financial Advisors LLC is assisting Polk County in the structuring and issuance of Watershed Bonds to finance several ditch projects, including Ditch #80. They have asked for review of questions to structure the financing appropriately. Swenby provided the answers she would like to submit and asked the board for input. The board did not make any changes the presented responses.

**Vesledahl Wetland Mitigation:** At the MAWD Legislative Breakfast, a meeting was held with Mark Johnson, Jim Curran, Manager Vesledahl, Swenby, and Dave Weirens. A memorandum of understanding was drafted at the suggestion of Senator Johnson and made available for review. The MOU highlights the process for transferring the land to the district. It was confirmed that upon the land transfer to the Sand Hill, it is the expectation of BWSR and MnDOT that the existing structures would be at the financial responsibility of the SHRWD and would be required to be maintained and written in the easement. Swenby spoke again with Senator Mark Johnson, who offered to call Dave Weirens to suggest flexibility regarding the negotiations of a possible complete structure failure. Johnson wondered what the probability of a complete structure failure is and what the cost could potentially be. Herrmann asked about the statement of quantities so that a determination could be made regarding the possible costs of a structure failure.

Additionally, BWSR forwarded a report generated by BWSR engineering staff in response to the tour held on June 15, 2018, which was available for viewing. The report proposes that corrective actions be performed at a number of sites within the Vesledahl Wetland Bank Property, funded by BWSR. They are asking for board review/comments and a discussion for the best time to complete the work.

The board held a discussion about taking over the Banking Site with Operation & Maintenance responsibilities/costs also being transferred to the SHRWD along with the land transaction. Herrmann suggested, as an alternative in the negotiations, to only transfer ownership to the SHRWD for a strip of land required for the ditches crossing the property. This would require that the critical ditches be identified, a suitable width strip of land be determined that would not be disturbed, restored and constructed wetlands, and break out these areas to transfer ownership.

The managers would have to confer with our legal counsel to ensure that this route wouldn't affect our ability to establish a 103E ditch system after the land transfer took place. Before the district incurs more costs reviewing the feasibility of this alternative the board asked Swenby to converse with MN DOT to see if they would be receptive to this as an alternative.

## 6. **Other Business:**

**Public Comment:** There was no public comment brought before the board.

## 7. **Permits:** No permits were presented to the board.

The Minnesota DNR has received a permit application for sediment removal in Polk County. More details are attached. The project was done without a permit (excavation of lake bottom for navigation). Applicant is applying for ATF permit for the excavation work done. WCA portion of



violation has been taken care of. Comments are due by 03/21/2019. The manager reviewed the comments and did not have any comments to submit.

8. **Adjournment:** The next regular meeting will be held Tuesday, April 2, 2019 at 8 AM. As there was no further business to come before the board, a **Motion** was made by Manager Hamre to adjourn the meeting at 10:11 AM, **Seconded** by Manager Bartz, **Carried.**

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April Swenby, Administrator

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JJ Hamre, Secretary