

Red River Watershed Management Board

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Board of Managers

John Finney, Vice Pres.-Humboldt Farrell Erickson, Secretary-Badger Harlan Solberg-Greenbush Ron Osowski, President-Oslo Vernon Johnson-Clearbrook Daniel Wilkens, Treasurer-Fertile Robert Wright-Felton Curtis Nelson-Barnesville Jerome Deal-Wheaton Don Ogaard, Executive Director-Ada

RED RIVER WATERSHED MANAGEMENT BOARD MEETING

March 20, 2001

Sand Hill River Watershed District, Fertile, Minnesota

The RRWMB met on Tuesday, March 20, 2001, at the Sand Hill River Watershed District Office, Fertile, Minnesota.

Chairman Ron Osowski called the meeting to order.

Members present were:

John Finney	Farrell Erickson
Harlan Solberg	Vernon Johnson
Daniel Wilkens	Robert Wright
Curtis Nelson	Jerome Deal

Others present were:

- Don Ogaard, Executive Director
- Dick Nelson, Financial Coordinator
- Naomi Jagol, Administrative Assistant, Sand Hill River WD
- Dan Thul, Red River Coordinator
- Ron Adrian, Administrator, Middle River-Snake River WD
- Charlie Anderson, Engineer, JOR Engineering
- Brent Johnson, Engineer, Houston Engineering
- Rob Sando, Administrator, Roseau River WD
- Jerry Bennett, Administrator, Wild Rice WD
- Jon Roeschlein, Administrator, Bois de Sioux WD
- Dan Money, Administrator, Two Rivers WD
- Brian Dwight, BWSR
- Janeen Stenso, Red River Basin Board
- Dennis Nikolayson, Red Lake WD
- Roger Love, Red Lake WD
- Roger Hanson, Sand Hill River WD
- Ron Nargang, The Nature Conservancy
- Rod Voss, The Nature Conservancy
- Ray Redding, Natural Resources Conservation Service

Ogaard stated that an additional item had been added to the agenda at the request of President Osowski regarding the Executive Director transition.

Motion by Manager Johnson to dispense with the reading of the minutes of the February 20, 2001 meeting, **Seconded** by Manager Erickson, **Carried**. **Motion** by Manager Deal to approve the minutes as written with minor corrections, **Seconded** by Manager Wright, **Carried**.

The Treasurer's report was presented and it was approved as read. **Motion** by Manager Nelson to approve the Treasurer's Report, **Seconded** by Manager Finney, **Carried**. A one-page handout of monthly bills to be approved was distributed. Manager Finney inquired about the bill from Applied Ecological Services (AES), Inc. Ogaard explained that AES is an engineering firm that represents the National Audubon Society and Minnesota Center for Environmental Advocacy (MCEA) on the Technical and Scientific Advisory Committee (TSAC) of the RRBFDROWG. Ogaard added that bills associated with the work group are forwarded to himself and Paul Swenson for approval, and then paid from funds received by the RRWMB through the legislative appropriation. **Motion** to approve and pay bills by Manager Erickson, **Seconded** by Manager Deal, **Carried**. **Motion** to approve Dick Nelson's pay request by Manager Solberg, **Seconded** by Manager Deal, **Carried**. For further reference, copies of the bills approved are attached hereto in the Treasurer's Report.

RRWMB Office/Executive Director Transition

Manager Osowski stated that the personnel committee had met at the legislative breakfast and discussed the transition period relative to the retirement of Don Ogaard. He noted that the committee addressed several issues and agreed that this item should be added to the agenda for the March board meeting.

Ogaard distributed a handout he prepared outlining the current administrative structure of the RRWMB and his recommendation regarding the transition period. Following board review, the managers discussed the handout. Ogaard noted that he has performed the duties of Executive Director entirely from his home office and this arrangement has worked quite well considering the limited personal contact that is needed.

Ogaard discussed the current workload of the position of Executive Director. He explained that numerous phone calls and questions are received from individual watershed districts, state agencies, and engineering firms regarding RRWMB activities. He noted that he also attends approximately 8 meetings a month and participates on several boards including the Red River Institute, Tri-College University, International Flood Mitigation Initiative regarding a Public Broadcasting System (PBS) proposal, and other functions as directed by the board. He stated that, historically, he also assumed the duties currently performed by Dick Nelson.

Ogaard suggested that a new position of Associate Director be established which would become the central office of the RRWMB upon his retirement on January 1, 2003. He recommended that the position be offered to Naomi Jagol and include the duties that she currently performs for the RRWMB of preparing monthly minutes and financial reporting, as well as incorporating the duties of publishing the monthly newsletter of the RRWMB and maintaining a website.

Manager Osowski stated that should this position be established, it would create the first employee position of the RRWMB. Manager Wilkens noted that the current bookkeeping system of the RRWMB is already set up to account for payroll since, in effect, all the managers of the RRWMB are considered employees with regard to deducting for social security and medicare.

Manager Finney inquired about how the proposal would compare to the current monthly expenditures of the RRWMB for administrative costs. Ogaard responded that the RRWMB spends over \$30,000 annually for administrative costs, in addition to the \$22,470 spent for the newsletter contract. This proposal would combine all the duties currently performed by Jagol under one full-time position.

Manager Deal inquired whether this proposal had been prepared in conjunction with Naomi Jagol. Ogaard responded that he had consulted with Jagol during the development of the proposal and she indicated that she could begin this position on September 1, 2001.

Manager Erickson stated that as the RRWMB becomes more involved and assumes more responsibility, the need for creating a staff position increases. Ogaard concurred with Erickson and noted that nearly all the individual watershed districts currently have full-time administrators and the need for a knowledgeable staff to assist them is essential.

Manager Nelson inquired whether the personnel committee had any recommendations for the board. Manager Wilkens, chair of the committee, responded that two meetings had been conducted and it was determined that Ogaard should develop a proposal for board review. Wilkens stated that following board review of Ogaard's proposal, the committee would be available to address issues as directed by the board.

Ogaard noted his concern relative to the outcome of the first personnel committee meeting regarding the discussion of the need for individual watershed district assistance. He stated that the primary objective of the RRWMB is to provide funding assistance to the individual watershed districts, and should any other type of assistance be needed either the Board of Water and Soil Resources (BWSR) or the Red River Basin Board (RRBB) should be contacted.

Manager Johnson suggested that the individual watershed districts, prior to any action taken by the RRWMB, should discuss Ogaard's recommendation. Manager Nelson concurred with Johnson.

Ogaard distributed a draft employment agreement to the board for review. He noted that in the absence of an employee policy manual, the agreement includes items that would be included in a job description as well as the terms of employment.

Manager Deal inquired about the difference of hiring an independent contractor versus an employee. Ogaard responded that himself and Dick Nelson meet the IRS definition of independent contractors. The Associate Director position would not meet this criteria and would need to be an employee position.

Manager Finney inquired whether Jagol would represent the RRWMB at various functions as part of the new position. Ogaard stated that she would attend pertinent meetings at the request of the board, however, he anticipated an increase in board member involvement upon his retirement for some of these functions.

Legal Issues

Ogaard distributed a handout for the board to review regarding the project responsibilities of member watershed districts. He referenced the determination received from Dorsey & Whitney and explained that should the RRWMB want to pursue the change in wording, the legislation should be initiated promptly, which could involve adding a section to the existing law. He noted that all subsequent changes to the initial RRWMB legislation had been drafted by Senate legal counsel and proceeded through the Senate. He added that the amendment could also be linked to another law, however, historically each amendment to the RRWMB legislation has been drafted by Senate legal counsel.

Osowski inquired whether the proposed change would affect all member watershed districts in the RRWMB. Ogaard responded that the change would involve an amendment to the current RRWMB law which would affect all member watershed districts.

Manager Johnson noted that the proposed change would benefit counties since the valuation of land could increase. D. Nelson agreed that the proposed change could benefit counties, however, several counties have significant tax bases that are not agriculture land based.

Manager Finney stated his support proceeding through the Senate with the proposed changes. D. Nelson suggested that next year the RRWMB legislation should be put in statute, therefore, any changes needed should be initiated during the current legislative session.

D. Nelson noted that should the RRWMB proceed with the proposed changes through the Senate, some other type of legal review should be obtained. Bennett suggested that after the Senate develops draft language regarding the proposed change, the language could be distributed to the individual watershed districts for review. Roeschlein concurred with Bennett and suggested that should no comments be received by the individual watershed districts prior to month-end, the RRWMB should proceed with the proposed language.

Ogaard stated that the current RRWMB legislation has no language relative to funding limitations. He explained that the Joint Powers Agreement states that the RRWMB has the full powers and duties of a watershed district, however, no process has been designated relative to progressing projects by resolution of the board.

Manager Finney inquired whether the issue of progressing projects by board resolution would ever be a consideration of the RRWMB since Chapter 103D supercedes a vast majority of the projects. Ogaard responded that one such case is now proceeding through the funding sequence of the RRWMB.

Manager Finney inquired about the qualification regarding grants totaling at least 50 percent of the estimated project costs. Ogaard explained that in Chapter 103D.601, Subd. 1 of the Minnesota Statutes a provision states that a project may be initiated by resolution of at least a majority of the managers if the project is financed by grants totaling at least 50 percent of the estimated project cost.

Ogaard inquired whether the board would be interested in modifying the current language or allowing it to remain as it is and leave it up to current interpretation. D. Nelson noted that should the language remain as it is, a project opponent could obtain legal counsel and argue that since the RRWMB has full powers and duties of a watershed district, their funds should also be treated like watershed district funds.

Manager Osowski suggested that the RRWMB should proceed with the proposed changes through the Senate, and then obtain legal counsel for review of the draft language. D. Nelson requested that members of the RRWMB be available to testify before the legislative committee regarding the proposed changes.

As there was no further discussion, a vote was taken. **Motion** by Manager Wright to proceed with the proposed changes through the Senate, and then obtain legal counsel for review of the draft language, **Seconded** by Manager Wilkens, **Carried**.

Financial Coordinator Report

D. Nelson reported on the 2001 MAWD Legislative Breakfast & Day at the Capitol conducted on March 15-16, 2001, in St. Paul, MN. He stated that manager attendance was excellent and made a strong impression of unity regarding the efforts of WD's. He thanked Jerry Bennett-WRWD and Bruce Albright-BRRWD for their assistance in organizing the meetings with legislators.

D. Nelson stated that the FDR bill for \$6.95 million for the biennium would sufficiently cover the needs of the four active RRBFDROW approved projects. This bill also includes the 75/25 cost share language for all projects that are approved by the work group. The amount needed for emergency funding is \$234,000 for the fiscal year, which would need to be a higher amount should it turn out to be a two-year bill which is supported

by the Governor. The ring dike bill is for \$1.515 million for the biennium and \$960,000 for the annual emergency bill.

D. Nelson discussed an upcoming conference relative to Natural Resource Conservation Service (NRCS)/U.S. Army Corps of Engineers (USACE) project capabilities on May 20-23, 2001 in Virginia. He stated that he was contacted and requested to speak, however, since he is extremely involved with the legislature at this time would be unable to attend. Ogaard noted that he would be able to attend the conference. **Motion** by Manager Wilkens to authorize Don Ogaard to attend the conference and approve all related expenses, **Seconded** by Manager Johnson, **Carried**.

Red River Coordinator/TAC Report

Thul stated that the Technical Advisory Committee (TAC) had met earlier and discussed the upcoming Third Annual Joint Conference scheduled for March 29-30, 2001. Charlie Anderson stated that the TSAC is currently addressing two issues. The first issue involves developing a tool for basin modeling that utilizes GIS capabilities. The other issue relates to the development of a basin strategy for flood damage reduction (FDR) with regard to defining areas to apply FDR strategies.

Thul noted that the TAC discussed the North Ottawa project. He stated that with regard to the project, the costs of natural resource enhancements (NRE's) not only add to the initial project costs but also to maintenance. He added that the RRB/FDRWG would need to address this issue relative to the responsible party for assuming the maintenance costs.

Anderson estimated the costs of maintaining the NRE's for the North Ottawa project at approximately \$40,000 to \$50,000 per year. He noted that should the WD agree to sign an Operation and Maintenance agreement, they would also be agreeing to absorb the costs of maintenance.

Thul stated that the TAC continues to review the STAR value method in order to develop a procedure to extend the value of detention time. He explained that the TAC is trying to determine the value of storing water more than 30 days.

Thul added that the TAC discussed culvert sizing strategies. He noted that the TSAC is also considering this issue. He stated that Charlie Anderson has been promoting culvert sizing for several years and that the TAC also believes it is beneficial. Ogaard inquired whether the TAC would recommend that every ditch in the RRB be improved to include culvert sizing. Anderson responded that he would encourage culvert sizing in the RRB, however, not necessarily an improvement proceeding to do so.

Executive Director Report – Don Ogaard

A) Report on TSAC Meeting

Ogaard stated that he attended a RRB/FDRWG/TSAC committee meeting conducted on February 27, 2001 in Alexandria, MN with Charlie Anderson, Jim Solstad, Don Buckhout, and Mark Ten Eyck (via telephone). The issue of water storage on agricultural land was discussed. The committee noted that general agreement

has been that water storage is acceptable on ag land and, since water retention is a goal of the mediation agreement, a target should be established to determine the volume that is needed to accomplish a specific level of protection.

The location of tributaries that are major contributors to peak flows on the Red River was discussed. The committee agreed that water retention projects on these tributaries should be pursued assuming that funds are available.

The McCombs-Knutson study was discussed relative to analyzing the years that were not included in the original study. The committee determined that it would not be necessary to analyze the data regarding the years that were not included in the study.

The committee discussed the process of quantifying natural resource gains for FDR projects. It was agreed that the individual project teams should address this issue since each project should be reviewed on a case-by-case basis.

B) Report on the March 16th Meeting of the RRBFDROWG Funding Committee

Ogaard explained the funding committee, at the meeting conducted on March 16, 2001, discussed the issue of the \$160,000 of remaining unallocated funds. He noted that several members of the committee are concerned about available funding for monitoring activities and support authorizing the TSAC to develop a monitoring plan. He added that several members from environmental groups suggested that the cost of monitoring activities should be included in the project costs.

Anderson stated that the TSAC has been involved in developing a monitoring plan and Doug Eppich, TSAC member, would be making a presentation regarding the proposed monitoring plan at the Third Annual Joint Conference.

D. Nelson noted his concern relative to the costs which could be incurred by WD's regarding future monitoring. He stated that environmental groups have suggested they would not support projects in the legislature that do not include a monitoring component.

Ogaard explained that the funding committee also addressed the \$20,000 that is available to project teams regarding administrative costs and alternatives analysis. He stated that originally it was agreed that this amount would be divided equally among administrative costs and alternatives analysis. The committee agreed to discuss the issue at the next RRBFDROWG meeting of whether the \$10,000 allocated to administrative costs if not totally expended, could the remaining funds be used for alternatives analysis.

Ogaard noted that Buckhout is developing a document outlining the duties of the project teams, watershed districts, the RRWMB, and the RRBFDROWG. He added that Ten Eyck stated that should any organization not follow the agreed upon procedures of the document, he would recommend that the Minnesota Center for Environmental Advocacy (MCEA) withdraw legislative support.

D. Nelson added that the project team members are responsible for discussing available programs regarding their representative organizations. He added that Cheryl Miller is advocating lobbying in Washington, D.C. for additional funding for federal programs.

C) Agenda for April 11th RRWMB/RRJWRB Meeting

Ogaard distributed the agenda regarding the Annual MN/ND Meeting scheduled for April 11, 2001. He stated that presentations on the Thief River Flood Damage Reduction Project, North Ottawa Project, the

Agassiz Valley Water Resource Management Project, Deerhorn Creek Project, and Dalen Coulee Project would be conducted.

D) Report on County “Joint Powers Board” Meeting

Ogaard stated that over 20 individuals were in attendance at the meeting conducted in Moorhead, MN. He noted that progress on the county local water plans was discussed.

Ogaard explained that he is scheduled to conduct a presentation regarding the Governing Documents at the next Joint Powers Board meeting and inquired whether copies of the publication should be distributed to county commissioners. The Board agreed that copies should be made available to the county commissioners in attendance.

E) Funding Projection 2001-2005

Ogaard distributed the most recent information regarding the funding projection for fiscal years 2001 – 2005. He stated that the second page of the handout outlines the funds needed each year. He added that the projection was calculated using the current level of income and expenses and should be used as a guide for the board in decision making.

D. Nelson stated that the issue of providing a match for the \$1 million dollars obtained through the legislature was discussed at a recent funding meeting of the RRBFDW. Ogaard added that the funding projection could change should the Bois de Sioux WD qualify for the USACE 206 program for the North Ottawa project.

F) Annual Report

Ogaard stated that the annual report information has been delivered to the printer. The report should be ready for distribution at the March Conference.

District Reports

- The Roseau River WD reported that the U.S. Army Corps of Engineers (USACE) continues with the preliminary study for Section 206 on the Hay Creek Project. A conference call was conducted by project team members regarding the preliminary design, functions, and overall scope of the project.
- The Two Rivers WD reported that a kick-off meeting was conducted with the Board of Managers, Citizen’s Advisory Committee (CAC), and Technical Advisory Committee (TAC) regarding the comprehensive watershed management plan update. A general overview of the planning process as well as guidelines that would be used for future meetings was discussed. It was agreed that since both the Two Rivers WD and the Joe River WD would be undergoing plan updates simultaneously, and also since the members for both the CAC and TAC would be essentially the same, all planning meetings would be conducted jointly. The planning processes for both WD’s are expected to be completed within 1 ½ years. The next joint meeting is scheduled for Thursday, April 5, 2001.
- The Middle River-Snake River WD reported on the Public Law 566 Project. The appraisers report is being prepared and should be completed by month end. The preparation of the plan for phase 2 by the Natural Resource Conservation Service (NRCS) is underway and should be completed within one month. The second hearing will be conducted during April 2001 with a Step III submittal to be presented to the RRWMB in May.

- The Red Lake WD reported that snow sampling has been conducted on eight different sites. The water content is between 2 to 2 ½ inches, with snow pack about 12 inches. No major flooding should occur this spring, barring any major snowfall or rain accumulation. The staff is also monitoring impoundment levels and will continue to do so during the spring run-off period.
- The Wild Rice WD reported that at the project team meeting held in February, presentations were conducted by individual stakeholders regarding potential solutions to flood damage reduction (FDR) and natural resource enhancement (NRE) problems within the District. Each stakeholder was given 20-30 minutes to review strategies to achieve FDR and NRE goals using an outline that addressed desired future conditions, objectives, and alternatives to obtain FDR and NRE goals. A number of strategies were identified to address the goals. In March, the project team will be working to prioritize the list of strategies for further evaluation by the technical committee in working toward development of the final concept plan to be presented to the public. The strategies selected will be evaluated further using the hydraulic model and other indicators to determine feasibility.
- The Buffalo-Red River WD reported that, in accordance with Minnesota Statutes 103D.705, the Board of Managers accepted a petition for the development of a flood control project north of Hawley. While there were only two signers on the petition, they have met the requirement of having at least 25% of the property owners within the limits of the area proposed to be improved. The next step will be scheduling a meeting with the City of Hawley, their attorney, and engineer to discuss the use of their storm sewer as an outlet. The District has filed an application for a Flood Damage Reduction grant for 50% of the project cost. The total estimated costs are \$115,000. If concerns regarding use of the outlet can be addressed, the District will appoint appraisers after the snow melts to determine whether enough benefits exist to build the project.
- The Bois de Sioux WD reported on the status of the North Ottawa project. Contracts for the \$909,000 Flood Damage Reduction funds have been signed by the District and submitted to the DNR for signatures. No word has been received from the U.S. Army Corps of Engineers (USACE) regarding the request for assistance under the Section 206 program.

Two Rivers/Joe River WD – Comprehensive Watershed Management Plans

Dwight discussed the work plan for the comprehensive watershed management plan updates for the Two Rivers WD and the Joe River WD. He stated that the plan updates would be a combined process for the two WD's since they would utilize joint citizens and technical advisory committees to assist in the identification of problem/issue areas within the WD's.

The total estimated costs of the plan updates are as follows: Two Rivers WD - \$220,000, Joe River WD - \$71,410.00. Previous agreement have indicated that 50% funding will be provided by BWSR, 25% funding from the RRWMB, and 25% funding from the local WD. The payment schedule is 45% after plan approval by the State, RRWMB, and local WD; 45% at the completion of approximately 50% of the work; and 10% after final approval of the plan by BWSR.

A funding request was submitted to the RRWMB in the amount of \$24,750.00 for the Two Rivers WD, and of \$8,033.65 for the Joe River WD. **Motion** by Manager Wilkens to authorize the funding request of \$24,750.00 for the Two Rivers WD, and of \$8,033.65 for the Joe River WD, **Seconded** by Manager Deal, **Carried**.

Initiative for Consideration/Cooperation – The Nature Conservancy

Ron Nargang, project leader for The Nature Conservancy (TNC), discussed the Glacial Ridge Project which represents the Chapter's largest land purchase in 42 Years. He stated that TNC's Minnesota Chapter closed on its option to purchase nearly 25,000 acres, about one-third of it tallgrass prairie, near Crookston, MN. The land is home to a diversity of species from moose to butterflies, and harbors several prairie-dependent plants, including the federally threatened western prairie fringed orchid.

Less than one percent of Minnesota's native prairie still exists today--left from 15 million acres in pre-settlement times. It is one of the largest prairie reconstructions in the country, and important because it links together more than a dozen state and federal lands, as well as the Conservancy's existing 1,650-acre Pembina Trail Scientific and Natural Area.

The Glacial Ridge property is known locally as "Tilden Farms," and was purchased from a Missouri-based group of investors. The Conservancy had been interested in the property since the late 1970's.

In the short term, most of the property will be leased for ranching, agriculture or aggregate mining while the Conservancy works to develop compatible management and prairie reconstruction strategies with surrounding landowners. A number of tracts will be enrolled in the federal wetland reserve program, and others may have conservation easements, limiting their use. It is hoped that the property may become part of a national wildlife refuge within the decade.

Nargang stated that this acquisition is historic both in size and dollars spent, but more importantly it represents the Conservancy's long-term commitment to a place. This is a preserve that will be restored for plants, animals and communities--both the human and natural ones.

Nargang explained that TNC is trying to identify partners, including local citizens, landowners, both public and private, and other conservation and sporting groups (like Ducks Unlimited and the Minnesota Waterfowl Association) who would all play a role in determining the stewardship of Glacial Ridge. But ultimately, it will be The Nature Conservancy that takes leadership of any long-term plans on the property, with the protection of the site's plants and animals as its foremost goal.

District's Funding Requests:

1. **Middle River-Snake River WD / Agassiz Valley Water Resource Management Project (Helgeland Project):** Adrian distributed a funding request for \$40,000 for the FDR cost share for preliminary and final engineering for the Agassiz Valley Water Resource Management Project. Following discussion, the board determined that the request should be submitted to the RRBFDRWG for consideration.

The next meeting will be on April 11, 2001, at 9:00 a.m. Manager Nelson stated that he would inquire whether the boardroom at Houston Engineering, Inc. in Fargo, ND would be available for the meeting location.

There being no further business, the meeting was adjourned at 2:15 p.m.

Respectfully submitted,

Farrell Erickson

Naomi L. Jagol

Secretary

Administrative Assistant