



Red River Watershed Management Board

Board of Managers

John Finney, President-Humboldt Todd Miller-Warroad Dan Money-Hallock Ron Osowski-Oslo
Orville Knott, Vice President-Red Lake Falls Daniel Wilkens, Treasurer-Fertile Greg Holmvik-Ada Jerome Deal, Secretary-Wheaton
Naomi Erickson, Administrator-Detroit Lakes

RED RIVER WATERSHED MANAGEMENT BOARD MEETING

December 21, 2010

Sand Hill River Watershed District, Fertile, Minnesota

The RRWMB met on Tuesday, December 21, 2010 at the Sand Hill River Watershed District, Fertile, Minnesota.

President John Finney called the meeting to order.

Members present were:

Todd Miller	Dan Money
Ron Osowski	Orville Knott
Daniel Wilkens	Greg Holmvik
Jerome Deal	

Others present were:

- Naomi Erickson, Administrator
- Dan Thul, Red River Coordinator
- Myron Jesme, Administrator, Red Lake WD
- Lance Yohe, Executive Director, RRBC
- Nick Drees, Administrator, Middle Snake Tamarac Rivers WD
- Paul Wannarka, MNDNR Red River Basin Coordinator
- Ron Adrian, Engineer, Houston Engineering, Inc.
- Jim Ziegler, Unit Supervisor-MPCA
- Chuck Fritz, Director, International Water Institute
- Kevin Ruud, Administrator, Wild Rice WD
- Charlie Anderson, Engineer, JOR Engineering, Inc.
- Nate Dalager, Engineer, HDR Engineering, Inc.
- Mike Bakken, Engineer, JOR Engineering, Inc.
- Jerry Bents, Engineer, Houston Engineering, Inc.
- Diane Ista, Wild Rice WD
- Roger Falk, District 3, Roseau County Commissioner

Motion by Manager Deal to dispense with the reading of the minutes and approve as written, **Seconded** by Manager Miller, **Carried**.

The Treasurer's report was presented and it was approved as read. **Motion** by Manager Osowski to approve the Treasurer's Report, **Seconded** by Manager Miller, **Carried**. A one-page handout of monthly bills to be approved was distributed. **Motion** to approve and pay bills by Manager Deal,

Seconded by Manager Miller, **Carried**. For further reference, copies of the bills approved are attached hereto in the Treasurer's Report.

Public Information Initiative

M. Meister reviewed the public information monthly report. Activities for the month of November included writing three articles for distribution, and distributing a press release on behalf of the RRWMB and the Red River Retention Authority (3RA).

The final draft of the annual calendar was forwarded to the printer on December 15, 2010. Copies of the calendar will be mailed to each watershed district for distribution.

Upcoming activities include visits to each watershed district as follows: December – Bois de Sioux and Wild Rice; January – Red Lake, Middle Snake Tamarac, and Roseau; and February – Sand Hill River, Two Rivers, and Joe River. After attending each meeting, specific projects will be coordinated with each watershed district.

Project Coordinator Report

In the absence of R. Harnack, the Project Coordinator Report was distributed. The subcommittees of the Farm Bill Task Force continue meeting and are making progress developing recommendations for the new Farm Bill. Minutes of the Water Retention Committee meeting conducted on December 13, 2010 were distributed for review.

The bonding requests of member watershed districts for the upcoming session were discussed. Based on initial discussions, the state flood damage reduction needs are estimated as follows: Two Rivers, Springbrook - \$100,000; Roseau River, Hay Creek/Norland - \$1,500,000; Red Lake, Grand Marais - \$1,875,000; Middle Snake Tamarac, Brandt/Angus - \$1,750,000; Wild Rice, Upper Becker - \$1,318,750 and Shelly & Felton \$2,642,000; and Bois de Sioux, North Ottawa - \$3,000,000 and Redpath - \$4,000,000. The total bonding funds requested is \$12,225,000.

N. Erickson reported that the current contract between the RRWMB and R. Harnack expires on December 31, 2010. **Motion** by Manager Miller to authorize the Human Resources Committee (J. Finney, O. Knott, D. Wilkens, and J. Deal) to negotiate and execute the contract with R. Harnack for the position of Project Coordinator for a two-year term, **Seconded** by Manager Osowski, **Carried**.

Finance Committee Report

Manager Deal, Finance Committee Chair, reported that the committee has met twice since the last board meeting to discuss the board's levy. Various alternatives to provide member districts discretionary authority regarding the local portion of the levy were discussed.

Manager Finney stated that he's had preliminary informal discussions with the City of Moorhead regarding the possibility of the municipality joining the RRWMB as no progress has occurred relative to the Buffalo-Red River WD rejoining.

Manager Deal added that he received a request to meet with the Otter Tail County board regarding the establishment of a watershed district. A question regarding the boundary of the Otter Tail watershed has been forwarded to the Board of Water & Soil Resources for clarification.

M. Jesme reported that the committee discussed revising the local levy by providing for the respective watershed district to decrease the local portion of the RRWMB levy should they have two years worth of levy in reserve. Manager Finney added that a requirement could also be dependent on whether the 20% targeted mainstem flow reduction has been achieved by the watershed district.

Manager Miller requested the committee to address loss of tax base. Manager Deal referred to payments in lieu of taxes (PILT) which are Federal payments to local governments that help offset losses in property taxes due to nontaxable Federal lands within their boundaries. Manager Miller stated that loss of tax base is an issue of concern in Roseau County.

Administrator Report

A) Project Team Support

For fiscal year 2011 (July 1, 2010 – June 30, 2011), the Work Group allocated each project team \$15,000 for project team expenses. Please note that beginning in fiscal year 2011, the project team allocation is not required to be divided into two categories but rather all eligible expenses will be titled Project Team Support. The eligible expenses will be reimbursed at 50%.

The following project team reimbursement requests have been disbursed to date: Bois de Sioux WD - \$13,375; Buffalo-Red River WD - \$9,037; Middle Snake Tamarac WD - \$0; Red Lake WD - \$4,183; Roseau River WD - \$1,508; Sand Hill River WD - \$4,734; Two Rivers WD - \$2,848; and Wild Rice WD - \$0.

B) Minnesota Department of Natural Resources (DNR) Roundtable

N. Erickson reported that Ray Bohn extended an invitation to participate in the Department of Natural Resources (DNR) Roundtable scheduled for January 7-8, 2011. The DNR Roundtable brings together stakeholders who are concerned about Minnesota's fisheries, wildlife, and ecological and water resources. It allows stakeholders to learn from one another, voice their perspectives, and build important relationships. Following discussion, the Board of Managers requested D. Wilkens and J. Deal to attend the meeting.

C) Upcoming Meetings/Conferences

1. **Red River Basin Commission's 28th Annual Red River Basin Land & Water International Summit Conference**, January 18-20, 2011, Ramada Plaza & Suites, Fargo, ND. An online registration form and pre-conference brochure are available at www.redriverbasincommission.org.
2. **Joint Annual Conference (the "March" Conference)**, Wednesday, March 16, 2011, location tba.

Red River Basin Commission

L. Yohe, Executive Director – RRBC, presented an update on the Agricultural Water Enhancement Program (AWEP). In 2010, the USDA Natural Resources Conservation Service (NRCS) allocated ~ \$2 million in financial assistance through the program to be administered by the NRCS in the Minnesota, North Dakota, and South Dakota portions of the Red River Basin. Funds are being utilized at the local landowner level to help address problems related to erosion, water quality and flooding.

Red River Coordinator/TAC Report

D. Thul reported that the Technical Advisory Committee (TAC) met prior to the board meeting and discussed the Palmville Restoration program reimbursement request. The project is applying for “program” funding similar to a culvert sizing type of project. The Star Value computation documents the project’s floodwater retention value even if the gates are not operated. The proposed Star Value only accounts for 870 acre-feet of net non-gated storage over the existing condition. The total ranking score is only 32 and most ranking categories fail to meet the recommended minimum scores identified in the Project Prioritization Process. This is due to the fact that the project functions as a culvert sizing project and has a relatively short retention time – without gate operation. The project has a ranking score of 16 and a RRWMB cost/Star Value of \$12.05. As such, the TAC determined the project qualifies for financial support from the RRWMB.

N. Dalager presented a project summary. The Palmville Fen is a major wetland area covering ~ 3,000 acres located in the upper watershed of the South Fork of the Roseau River, primarily on land owned and managed by the MDNR. The Palmville Restoration project is a flood damage reduction and natural resource enhancement project. Flood control benefits would be provided to immediate areas downstream, the City of Roseau, and the City of Wannaska. Fen restoration would be accomplished by encouraging a greater depth and duration of surface and subsurface flow to spill from the main channel and seep into the adjacent fen. The placement of two proposed stoplog control structures will also allow flow to continue down the main channel, maintaining the ditches existing capacity for all future flood events.

D. Thul referred to the diminished cost-share contribution from the MDNR for stream gages which resulted in the discontinuation of state funding for three gages this year. Due to continued budget reductions, additional stream gages could be slated to be discontinued in the upcoming year. Currently, the MDNR provides cost-sharing on the following four gages: Buffalo-Red River, Clearwater River near Plummer, Clearwater River at Red Lake Falls, and South Branch of the Two Rivers at Lake Bronson.

D. Thul noted that the TAC discussed the U.S. Army Corps of Engineers’ (USACE) Watershed Feasibility Study (WFS). He stated that at a previous monthly meeting, the board discussed a draft proposal developed by the cities of Moorhead and Fargo who agreed to fund the modeling effort of \$975,000 by contracting with local engineering firms. The Board of Managers agreed that the modeling effort conducted in the southern part of the basin could be accepted as work-in-kind toward the WFS.

D. Thul further explained that the TAC discussed that a similar effort should also be conducted in the northern part of the basin. The TAC developed several options for board consideration to ensure that the modeling efforts currently being conducted in the southern part of the basin are also conducted in

the northern watershed districts. The RRWMB could consider providing funding to each watershed district located in the northern part of the basin to conduct a similar modeling effort, forward a request to the USACE to conduct similar modeling efforts in the northern part of the basin, and/or direct the TAC and R. Harnack to collaborate directly with the USACE regarding updating modeling efforts in the northern part of the basin. Following discussion, the board agreed to authorize a resolution to forward to the USACE. **Motion** by Manager Osowski to authorize a resolution to forward to the USACE WFS Project Manager requesting that the modeling efforts currently being conducted in the southern part of the basin are also conducted in the northern part of the basin, with assistance provided by the TAC and R. Harnack, **Seconded** by Manager Money, **Carried**.

D. Thul requested J. Bents to provide an update on the proposed Fargo-Moorhead Red River Diversion. J. Bents explained that two proposed projects are being considered for implementation on the Minnesota side of the Red River. Constructing the diversion in Minnesota remains the federally preferred alternative. The federal comparative plan establishes a cost-share should Fargo-Moorhead select the locally preferred plan.

D. Thul reported that he participated in a meeting of the Basin Technical and Scientific Advisory Committee (BTSAC) along with C. Anderson and N. Dalager. The 3RA requested the International Water Institute (IWI) to undertake a comprehensive drainage study to better understand and manage agricultural drainage in the Red River basin.

D. Thul stated that the Division of Ecological and Water Resources, an integration of the former Divisions of Ecological Resources and Waters, has named a new supervisor for the Bemidji office. Peter Buessler has been named the new Eco Regional Manager for the Northwest Region 1. Bob Bezek, the previous Regional Hydrologist in Bemidji has been reassigned to New Ulm.

Water Quality Project Monitoring Report

C. Fritz distributed a handout depicting LIDAR-derived geospatial products for land and water management. The data generated with the Light Detecting and Ranging (LIDAR) Red River Basin Mapping Initiative was used to develop digital elevation models (DEM), two-foot contours, and other essential products for watershed management. Unaltered DEMs generated from LIDAR data provide a high level of detail for surface features including roads, bridges, and other man-made structures.

Problems arise when using the original LIDAR DEM for water management because these features are incorrectly interpreted as hydrologic barriers (digital dams) to water flow. Therefore, the original LIDAR DEM must be "corrected" to account for these barriers and enable proper hydrologic connections for water flow on the landscape. The anticipated cost for two (ND and MN) Red River pilot projects: \$250,000 - \$300,000.

District Reports

- The Roseau River WD reported on the Hay Creek/Norland Project. The Spruce Valley Corporation continues work on Phase 2 of the project. This phase (impoundment portion) is approximately 1/3 complete. Phase 2 is scheduled to be completed by July of 2012. Phases 1 and 3 are approximately 95% complete.

- The Two Rivers WD reported on the Springbrook PL566 Project. The Natural Resources Conservation Service (NRCS) has indicated that the watershed plan for this project has cleared all of the agency and interagency hoops, and has been forwarded to the NRCS Chief for his signature. Once that happens, funding will be authorized to begin the implementation phase of the project.

The Drayton Bridge project over the Red River has officially opened connecting Minnesota Hwy. 11 to North Dakota. This will provide all-weather, all-flood access between the two states.

- The Middle Snake Tamarac Rivers WD reported on the Brandt/Angus Flood Control Project. The final engineer's report is being completed for the project. Permitting continues with summer of 2011 construction anticipated. The District is working with the Red River Basin Flood Damage Reduction Work Group on determining eligibility for up to 75% state cost-share funding. When completed, the District will enter into an agreement with the Minnesota Department of Natural Resources (MDNR).
- The Red Lake WD reported that the District has received two grants through the Clean Water Fund. The first grant was for the installation of six grade stabilization structures, side water inlets, and stream bank stabilization in the lower 2.5 miles of Marshall County Ditch No. 20 which directly outlets into an impaired stream known as State Ditch No. 83/Thief River. The grant amount approved for this project is \$102,895.00.

The second grant that was awarded to the District is for the Grand Marias Creek Cut Channel Stabilization Project which is a component of the Grand Marais Outlet Restoration Project. This project will stabilize the outlet of Grand Marais Creek (Cut Channel) thus reducing sediment that is presently carried to the Red River of the North. The grant award approved for this project totals \$662,000.00. It is assumed that both these projects will be completed in 2011 and 2012.

- The Wild Rice WD reported that consensus was reached at a meeting conducted at the District office on December 9, 2010 which included the District along with Wynne Consulting (representing Marshall County and themselves), Clay County, Buffalo-Red River WD, and the Minnesota Department of Employment and Economic Development (DEED). The discussion was how to equitably distribute funds from a DEED grant which was applied for to assist with the acquisition process for the homes that didn't meet the requirements for other acquisition programs from the Federal Emergency Management Agency (FEMA).
- The Bois de Sioux WD reported on the North Ottawa Impoundment Project. The project is ready to take spring runoff. All pools have been drawn down as far as possible and the gates are set accordingly for the season. Staff has been in communication with the U.S. Army Corps of Engineers (USACE) regarding Phase 5 funding. The draft report will be available soon and the board will have an opportunity to make a decision whether or not to proceed.

The Redpath project is moving forward. Discussions have begun with the Traverse County Ditch No. 35 landowners in regard to improving the system and moving it to accommodate the impoundment dike. Landowners are cautiously supportive of the project and the concept of moving a ditch. Two parcels have been acquired in the last month to finish acquiring the land rights for pool one. The District now owns pools one through four in fee title. Negotiations continue with landowners in pool five.

Red River Retention Authority (3RA)

Manager Deal reported on activities of the 3RA. He stated that he is Co-Chair of the Farm Bill task force along with Bill Hejl, a North Dakota Water Manager. At the last 3RA meeting, it was agreed to forward a letter to NRCS requesting that as part of the Farm Bill a programmatic Environmental Impact Statement EIS be developed for temporary storage in the Red River Basin. The NRCS would be the lead agency and they would coordinate with federal agencies such as the USACE, U.S. Fish & Wildlife and the Environmental Protection Agency (EPA). The EIS is anticipated to be completed within an 18-month period.

District's Funding Requests

1. Roseau River WD / Program Reimbursement Request / Palmville Restoration

The information for the Palmville Restoration program funding was distributed. A Step I submittal was previously authorized for this project on 11/13/87. At that time, the estimated cost of conducting a study for the project was \$106,000, with a funding breakdown as follows: State of Minnesota \$53,000, RRWMB \$35,500, and Roseau River WD \$17,500.

On 04/12/88, the RRWMB authorized study funding of \$35,500, however, the state reduced their funding from \$53,000 to \$18,000. The Governing Documents publication states that with a Step I submittal, the project must progress to a Step II within three years or the Step I approval will be rescinded. Since no action was taken by the board to reevaluate the Step I for the project, the project was therefore rescinded.

The Roseau River WD proceeded with project construction for a total estimated project cost of \$375,000. The proposed RRWMB cost-share for the program reimbursement request is \$46,875.

Following discussion, the board agreed to table action on the funding request until the January board meeting.

The next meeting will be on January 18, 2011, at 10:00 a.m. at the Ramada Plaza Suites & Convention Center, Fargo, North Dakota in conjunction with the 28th Annual Red River Basin Land and Water International Summit Conference scheduled for January 18-20, 2011, Ramada Plaza & Suites, Fargo, ND.

There being no further business, the meeting adjourned at 2:30 p.m.

Respectfully submitted,

Jerome Deal
Secretary

Naomi L. Erickson
Administrator