



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 June 21, 2011 Red Lake Watershed District, Thief River Falls, Minnesota

The RRWMB met on Tuesday, June 21, 2011, at the Red Lake Watershed District, Thief River Falls, 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
- Ron Harnack, Project Coordinator
- Louis Smith, Attorney, Smith Partners, PLLP
- Myron Jesme, Administrator, Red Lake WD
- Nick Drees, Administrator, Middle Snake Tamarac Rivers WD
- Paul Wannarka, MNDNR Red River Basin Coordinator
- Ron Adrian, Engineer, Houston Engineering, Inc.
- Chuck Fritz, Director, International Water Institute
- Kevin Ruud, Administrator, Wild Rice WD
- Nate Dalager, Engineer, HDR Engineering, Inc.
- Julie Goehring, South Basin Mgr/Communications Coordinator, RRBC
- Jerry Bents, Engineer, Houston Engineering, Inc.
- Sharon Josephson, Congressman Peterson's office
- Andy Martin, Senator Klobuchar's office
- Keith Weston, Red River Basin Coordinator, NRCS
- Jim Ziegler, Unit Supervisor-MPCA
- Duane Erickson, Wild Rice WD
- Wayne Goeken, Director – Center for Watershed Education
- Danni Halvorson, Monitoring Coordinator
- Curt Borchert, District Manager, Norman County SWCD
- Marijo Vik
- Brian Borgen
- Tom Bergren

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

The Treasurer's report was presented and it was approved as read. **Motion** by Manager Deal to approve the Treasurer's Report, **Seconded** by Manager Money, **Carried**. A one-page handout of monthly bills to be approved was distributed. **Motion** to approve and pay bills by Manager Holmvik, **Seconded** by Manager Money, **Carried**. For further reference, copies of the bills approved are attached hereto in the Treasurer's Report.

Red River Retention Authority (RRRA)

Manager Money stated that a committee meeting was conducted on June 9, 2011 to finalize the job description for the proposed USACE regulatory staff position. The committee agreed to recommend that the RRRA send a letter to the USACE requesting a full-time USACE regulatory staff person be assigned to and located in the Red River Basin of the North prior to finalizing a Memorandum of Understanding (MOU) with the USACE and NRCS to cost-share a full-time regulatory staff person.

Manager Finney referred to the \$10 million available from the U.S. Department of Agriculture (USDA) for a special wetlands initiative in the Red River basin and suggested RRRA participation with the administration of the program. R. Harnack stated that the new initiative is primarily focused on flood control with secondary wildlife benefits. R. Harnack further noted that the projects must be initiated by landowners with a sign up deadline the end of August.

K. Weston, District Conservationist – NRCS, reported that funding recommendations for proposed projects will be based on flood control benefits. He added that the main obstacle of the initiative is the timeline. S. Josephson stated that in the first year of operation, the RRRA was influential in securing \$10 million dollars from the USDA for a flood control initiative in the Red River basin. She noted the importance of continued involvement of the committees of the RRRA to further project development in order expedite project implementation once federal funding is secured.

Manager Finney discussed the MOU between the RRRA, NRCS and the USACE. He stated that should the USACE not assign staff in the Red River basin, then the RRRA would consider finalizing the MOU. Louis Smith, Smith Partners, PLLP, reported that he reviewed the MOU and had minor comments that he would clarify with Sean Fredricks, counsel for the North Dakota Red River Joint Water Resource District.

Public Information Initiative

The public information monthly report was distributed for review. Activities for the month of June included writing and distributing a feature article to local newspapers and developing a job description for a Public Information Specialist position. M. Meister conducted a conference call on June 15, 2011 with Jerome Deal, Dan Money, Dan Wilkens, and N. Erickson to finalize the position description for the job posting. The job description and position announcement was distributed. Applications will be accepted until Friday, July 15, 2011.

Legislative-Citizen Commission on Minnesota Resources (LCCMR) Drainage Law Project

Louis Smith conducted a presentation on the results of the Minnesota Drainage Law Analysis and Evaluation project funded through the Environment and Natural Resources Trust Fund as a result of a funding recommendation from LCCMR to the Minnesota Legislature for special environment and natural resources projects.

Mr. Smith explained that several legislative recommendations were developed as a result of the project. The goal of the project was to identify and analyze legal and policy issues where the drainage code conflicts with other laws impacting protection of public waters and wetlands.

The Minnesota Drainage Code must be understood in the context of many water-related statutes. These different laws, adopted at different times, need to be analyzed and reconciled in contexts as different as urban expansion, lakeshore development and ongoing agricultural use at a time of heightened state and national water quality concerns. Water resource management is much different from and more complicated than when the Minnesota drainage code was enacted over a century ago, yet this law remains largely unchanged.

A watershed-based approach to managing drainage systems can reduce conflict between public interests in drainage and conservation, and promote more cost effective outcomes. In a developed or developing area, this approach also can provide a framework to reconcile conflict among multiple land uses, limit public and private costs to maintain conveyance systems, and improve conservation outcomes.

Project Coordinator Report

R. Harnack reviewed the Project Coordinator Report. The legislative session ended without passing a bonding bill. It is anticipated that bonding will be included in the final budget, however, no one knows when that will occur. Due to the pending state shutdown, the MDNR will be sending letters regarding the impacts of the shutdown on existing state grants. The letter will state that although the shutdown will not require project construction to cease, risks of proceeding will involve no state reimbursements during the shutdown with project sponsors responsible for cash flowing a project.

R. Harnack inquired whether the board would consider cash flow funding for continued project construction should a state shutdown occur or no bonding bill is passed. He stated that he confirmed with Kent Lokkesmoe that construction costs would be reimbursed after an agreement is reached as long as current flood damage reduction grants don't expire.

Manager Finney stated that in 2010 the Watershed District statutory borrowing amount increased from \$600,000 to \$2 million and encouraged member districts to borrow their full capacity prior to requesting funding assistance from the board. Manager Money noted that the requirements for project loans are included in the Governing Documents publication. L. Smith added that a loan or advance of funding may be granted should several requirements be met, and a loan agreement is documented.

R. Harnack discussed the status of ring dike funding. He reported that the MDNR funding of \$250,000 has been expended, with approximately half (\$125,000) of the funds received from the Board of Water & Soil Resources (BWSR) remaining to be disbursed by year-end. Based on recent

discussions with watershed districts, funds may be available to construct another one or two dikes. M. Jesme indicated the Red Lake WD could complete another two additional ring dikes, while K. Ruud reported that the Wild Rice WD could complete one additional ring dike.

R. Harnack noted that the farmstead ring dike program was eliminated and these funds will be the last appropriations received from the state. J. Roeschlein noted his frustration with the Environmental Quality Incentives Program (EQIP) ring dike program due to the inequality in the guidelines. R. Sando stated that he participated on a RRRR committee to develop recommendations to revise the EQIP ring dike program.

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. The following project team reimbursement requests have been disbursed to date: Bois de Sioux WD - \$15,000; Buffalo-Red River WD - \$15,000; Middle Snake Tamarac WD - \$15,000; Red Lake WD - \$13,509; Roseau River WD - \$15,000; Sand Hill River WD - \$10,289; Two Rivers WD - \$6,361; and Wild Rice WD - \$15,000.

B) Red River Retention Authority (RRRA)

At the previous monthly meeting, the board requested N. Erickson to draft a letter to the RRRA to request scheduling a meeting with the USACE, NRCS, and congressional delegates or their staffs from the Red River basin to discuss the position description and obtain a commitment from the USACE for establishing the proposed USACE regulatory staff position in the Red River Basin position. A copy of the letter was distributed.

N. Erickson reported that a meeting was conducted on June 9, 2011 at Moore Engineering, Inc. to further discuss the job description for the position. The following items were addressed:

- RRRA will send an official letter to the St. Paul and Omaha districts requesting a full-time USACE regulatory staff person be assigned to and located in the Red River Basin of the North.
- If no USACE commitments are made regarding the request to assign a RRB person, then the RRRA will discuss finalizing an MOU with the USACE and NRCS to cost-share a full-time regulatory staff person. The RRRA may also consider retaining a consultant to facilitate the regulatory requirements of RRRA projects.
- USACE person should attend Project Team meetings (and possibly Red River Basin Flood Damage Reduction Work Group meetings) for technical briefings on projects.
- USACE person should be at key interagency meetings and public meetings for projects in order to be fully engaged in project and its subsequent permitting.

- USACE person will develop a more comprehensive “timeline” for the entire permitting process. This timeline would include critical permitting guidance and input starting early in project planning and go all the way through to final issuance of permit.
- “Points of Concurrence” will be reviewed and clarified in order to alleviate excessive study of alternatives and reduce monitoring requirements.

N. Erickson added that the committee members requested that she develop a draft letter for consideration at the RRRRA meeting conducted on June 14, 2011. A copy of the letter was distributed.

N. Erickson stated that at the RRRRA meeting conducted on June 14, 2011, the two Joint Boards were requested to designate two representatives to participate on a committee to develop criteria for project prioritization. N. Erickson requested the board designate two candidates for representation on the committee. **Motion** by Manager Miller to designate Daniel Wilkens and Ron Osowski as the board representatives on the project prioritization committee of the RRRRA, **Seconded** by Manager Knott, **Carried**.

C) Computer Purchase

N. Erickson requested approval to purchase a new laptop computer, monitor and other required components, not to exceed \$3,000. She stated that she intends to replace the previous desktop and laptop computers purchased in 2004 and 2007 respectively with one laptop and monitor. **Motion** by Manager Wilkens to authorize N. Erickson to purchase a new laptop computer, monitor and other required components, not to exceed \$3,000, **Seconded** by Manager Holmvik, **Carried**.

D) 2011 MAWD Summer Tour

The Red Lake and Middle Snake Tamarac Rivers Watershed Districts hosted the summer tour and meeting of the Minnesota Association of Watershed Districts (MAWD) on June 16-18, 2011 at the Best Western – Thief River Falls, MN. Congratulations to both WD’s for hosting an informative, enjoyable tour.

E) Upcoming Meetings/Conferences

1. **Red River Retention Authority (RRRA)**, Tuesday, July 12, 2011, 10:00 a.m., Moore Engineering, Inc., West Fargo, ND.
2. **Red River Basin Flood Damage Reduction Work Group**, August 17, 2011, Detroit Lakes, MN.
3. **Red River Basin Commission Board Meeting**, September 22, 2011, 9:00 a.m., Fargo, ND.

Water Quality Project Monitoring Report

W. Goeken stated that sampling for the Sand Hill Watershed Intensive Water Quality Monitoring project is underway with samples being collected 2 times per month from May through September during 2011 at 8 stream and 11 lake sites. An initial reimbursement request of \$6,482.45 was submitted on June 15th for grant work completed April through May.

The IWI received notice from MPCA in a letter dated June 10, 2011 that all grant and contract work will be suspended with work ceasing after June 30th should a state shutdown occur. This would suspend all work for the Sand Hill Watershed Intensive Monitoring and Loadstudy projects.

Red River Basin Commission

Julie Goehring, South Basin Mgr/Communications Coordinator – RRBC, distributed Information on the Long Term Flood Solutions (LTFS) project. She stated that the LTFS committees and work groups are in the process of developing recommendations for incorporation into the final report to the Minnesota and North Dakota legislatures by the end of September 2011.

District Reports

- The Two Rivers WD reported on the Springbrook PL566 Project. The Natural Resources Conservation Service (NRCS) is working on the plans and specifications for the construction of setback levees, stream bank protection and rock drops. In addition, they've completed wetland delineation field work and will incorporate the information into the project plan. Upon receiving the completed information from NRCS, the District will submit permit applications to the USACE, DNR, the Board of Water and Soil Resources (BWSR), and others. The plans are expected to be received by the end of July. The District will then proceed with obtaining land rights.

In addition to the PL566 work, the District has named Widseth, Smith and Nolting (WSN) as the project engineering firm to complete the remaining information for the project to be declared a legal ditch and also prepare the engineer's report. The viewer's will be retained this fall to determine the benefitted area. The District plans to secure the permits in 2011, with construction to begin in 2012.

- The Roseau River WD reported on the Hay Creek/Norland Project. The Spruce Valley Corporation continues work on Phase 2 of the project. The Hay Creek setback and levees replacement plan is currently being reviewed before letting bids in July. Monitoring the fen in the project area will continue this summer.
- The Middle Snake Tamarac Rivers WD reported on the Brandt/Angus Flood Control Project. The District is awaiting permits and additional bonding money to begin construction. Land acquisition still remains for the inlet and outlet channels, as well as the coulee rehabilitation.
- The Red Lake WD reported on the Grand Marais Creek Cut Channel Project. The District was notified by the Polk County Commission that they approved local cost-share in the amount of \$253,000 which will be used for the engineering and construction of the project. The funding breakdown is as follows: Red Lake WD - \$253,000, Polk County - \$253,000, and BWSR Clean Water Competitive Grants Program - \$662,000. The final engineer's report is currently being completed, with plans to let bids for the project this fall.

- The Wild Rice WD reported that construction has begun on the community ring dikes in Hendrum and Perley with plans to complete the projects by August 31, 2011. The City of Shelly is progressing with their project's conceptual phase.
- The Bois de Sioux WD reported on the Redpath Project. The data submittal has been conducted for the Environmental Assessment Worksheet (EAW). Randall Doneen of the MDNR will develop the EAW. The District continues to progress with land acquisition for Pool 5.

District's Funding Requests

1. Wild Rice WD / Upper Becker Dam Enhancement Project (Option D) / Step I Submittal

The information required for a Step I submittal was distributed at a previous board meeting as well as a tour of the project conducted following the board meeting on May 17, 2011.

Manager Wilkens noted his concern regarding the significant design changes that occurred in revising the project from Option A to the current Option D version. He questioned whether the revised project retains the same function, performance, and purpose as reported in Option A. He explained that Option A had proceeded through the project team process, was progressing through the RRWMB's step process and obtained 75% cost-share from the state prior to the Wild Rice WD Board of Managers determining not to proceed with project construction. He also stated his concern whether the RRWMB should authorize a Step I submittal which refers the proposed project back to the applicant to conduct additional engineering when sufficient funding may not be available for the project to progress until a later date.

Manager Finney inquired why the Board of Managers decided not to proceed with Option A and pursue Option D. K. Ruud responded that in addition to concerns by an upstream landowner, downstream landowners were apprehensive as well. T. Bergren noted his concern regarding a breach in the dam in the current Option D version. Manager Finney stated that he preferred Option A over Option D as the former's gated storage is greater.

J. Bents stated that the Technical Advisory Committee (TAC) met previously and discussed the Upper Becker Dam Enhancement Project (Option D) of the Wild Rice WD. The revised project involves moving the dam approximately $\frac{3}{4}$ mile downstream of the existing Upper Becker Dam built as an un-gated structure which worked in conjunction with the Lower Becker Dam, also an un-gated structure. The impoundment is proposed to store 7,396 acre-feet of floodwater, which is 3.55 inches of runoff from the 39.1 square mile drainage area. Of the 7,396 total acre-feet of storage, 5,378 acre-feet is gated and 2,018 acre-feet is un-gated. The Star Value Method ranking score for this project is 16 and the TAC supports Step I approval for this project.

A **motion** was made by Manager Deal and **seconded** by Manager Money to approve the Step I submittal for the Upper Becker Dam Enhancement Project (Option D). **Motion carried with Manager Wilkens opposed.**

2. Wild Rice WD / Loan Advance / City of Hendrum and City of Perley Flood Control Levee Improvement Projects

Motion by Manager Money, **Seconded** by Manager Knott to approve a loan to the Wild Rice Watershed District to meet cash flow needs for the City of Hendrum and City of Perley Flood Control Levee Improvement Projects, based on the following findings and conditions:

1. there is a hardship and urgent need for this assistance, given that these projects are currently under construction and dependent upon state grant funding which will be suspended in the event of a state government shutdown, and delay in completion of these projects during such a shutdown could leave Hendrum and Perley in a compromised and vulnerable position during next Spring's flood season;
2. In the event that there is no state government shutdown on July 1, or it is resolved quickly and state government grant funding is promptly restored, then no loan from the RRWMB to the Wild Rice Watershed District will be necessary;
3. an engineering report was prepared that demonstrated that the projects are in conformity with the District's watershed management plan and the projects have great potential for basin-wide benefits beyond the local District;
4. Wild Rice Watershed District will confirm by formal action of its board of managers on or before July 15 the amount of funding that it needs from the RRWMB to continue construction activity for these projects through August 31; any funding required beyond that date will require an additional request from the District and approval by the RRWMB;
5. The RRWMB attorney is directed to prepare the necessary loan agreement for consideration by the District at its July 13 meeting, and consideration by the RRWMB at its July 19 meeting; any loan funding will be contingent upon approval of this loan agreement by the District and the RRWMB. The agreement will provide that the RRWMB will be promptly repaid upon restoration of the state grant payments to the District. **Motion carried.**

Buffalo-Red River Watershed District

Manager Deal reported that BWSR offered to facilitate a meeting between the RRWMB and the Buffalo-Red River WD to discuss the potential for their District to rejoin. He stated that he and R. Harnack were requested to represent the board.

The next meeting will be on July 19, 2011, at 9:30 a.m. at the Sand Hill River Watershed District, Fertile, MN.

There being no further business, the meeting adjourned at 2:25 p.m.

Respectfully submitted,

Jerome Deal
Secretary

Naomi L. Erickson
Administrator