



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

October 18, 2011

Wild Rice Watershed District, Ada, Minnesota

The RRWMB met on Tuesday, October 18, 2011, at the Wild Rice Watershed District, Ada, Minnesota.

In the absence of the President, Orville Knott-Vice President called the meeting to order.

Members present were:

Todd Miller	Dan Money
Roger Hille	Orville Knott
Daniel Wilkens	Greg Holmvik
Jerome Deal	

Others present were:

- Naomi Erickson, Administrator
- Dan Thul, Red River Coordinator
- Ron Harnack, Project Coordinator
- Nick Drees, Administrator, Middle Snake Tamarac Rivers WD
- Myron Jesme, Administrator, Red Lake WD
- Ron Adrian, Engineer, Houston Engineering, Inc.
- Kevin Ruud, Administrator, Wild Rice WD
- Jim Ziegler, Unit Supervisor-MPCA
- Nate Dalager, Engineer, HDR Engineering, Inc.
- Rob Sando, Administrator, Roseau River WD
- Wayne Goeken, Director – Center for Watershed Education
- Jeff Nyquist, Public Information Officer
- Diane Ista, Wild Rice WD
- Julie Goehring, South Basin Mgr/Communications Coordinator, RRBC

Manager Deal requested adding discussion relative to the Drainage Work Group under *Other issues*.

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

The Treasurer's report was presented and it was approved as read. **Motion** by Manager Holmvik 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 Deal,

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

Red River Retention Authority (RRRA)

J. Deal stated that at the previous monthly meeting, the Board of Managers authorized \$80K on an annual basis as matching funds to those provided by the Red River Joint Water Resource District (RRJWRD) to hire an Executive Director and secure office space for the RRRA. Office space has been secured for the RRRA as of November 1, 2011 in Technology Park in West Fargo, ND. The NRCS is planning to sub-lease some of the offices for their staff.

Public Information Initiative

J. Nyquist reviewed the public information monthly report. Activities for the month of October included attending the Two Rivers, Red Lake, and Wild Rice WD board meetings as well as meeting with R. Sando to discuss developing print support for the Hay Creek/Norland Project.

J. Nyquist met with N. Erickson to discuss monthly public information activities including the development of newsletter content, providing assistance for website maintenance, and obtaining information from member districts regarding the annual calendar. Mr. Nyquist also met with M. Meister to obtain background information regarding his previous position with the board.

Future goals and actions include active participation with the Public Information Committee, involvement with watershed district administrators, and collaboration with other entities in the basin.

Project Coordinator Report

R. Harnack reviewed the Project Coordinator Report. He discussed the revised TP14 document and stated that revisions were incorporated into the original draft that addressed most of the concerns referenced in the letter forwarded from the RRWMB to the Work Group. He added that he did not believe the document commits the RRWMB or flood damage reduction funds to any additional NREs that have not been determined or negotiated in the past. He stated that the document is consistent with the Mediation Agreement and provides only guidance, not mandates, in the development and selection of NREs for a particular project.

R. Harnack referred to the farmstead ring dike program and requested the individual watershed districts submit their billings for any remaining costs incurred as these funds must be expended by year-end.

R. Harnack reported that BWSR is awaiting a resolution of support from the petitioners to add the lower Otter Tail watershed to the Buffalo-Red River WD (BRRWD). Information received from Pete Waller – BWSR indicated that BWSR is receptive to this request. A meeting was conducted on October 5, 2011 with the Wilkin County Commission, Otter Tail County Commission, and the BRRWD to discuss the expansion of the BRRWD to include the area proposed as the Upper Red Lower Otter Tail Watershed District. The three local government units agreed to move forward with the expansion. Following discussion, the board agreed to forward a letter to BWSR reaffirming support for the establishment of the originally proposed Upper Red Lower Otter Tail Watershed District. **Motion** by Manager Miller to forward a letter to BWSR reaffirming RRWMB support for the

establishment of the Upper Red Lower Otter Tail Watershed District, **Seconded** by Manager Deal, **Carried**.

Red River Basin Commission

Julie Goehring, South Basin Mgr/Communications Coordinator – RRBC, distributed information regarding conclusions and recommendations for action relative to implementation of the Long Term Flood Solutions (LTFS) plan developed for the Red River basin. The RRBC identified conclusions on structural and non-structural strategies needed for permanent flood solutions in the basin, and recommendations for action for states (individually and collectively) and federal governments to consider.

Water Quality Project Monitoring Report

Wayne Goeken, Director-Center for Watershed Education (IWI) reported that IWI staff has been working with the Red Lake WD, Two Rivers WD, and Middle Snake Tamarac Rivers WD staff to develop monitoring sites and proposals for the upcoming Surface Water Assessment Grant (SWAG) opportunities. TMDL planning is underway in these districts and funds will be sought for any additional monitoring needed.

A letter was distributed regarding the River Watch Citizen Monitoring Program. The letter referenced the agreement between the IWI and the RRWMB to establish terms and conditions to subcontract the River Watch Program and other water quality monitoring activities from the RRWMB to IWI. The contract provided for the agreement to be extended or renewed by written consent of both parties. The IWI requested RRWMB consideration to extend the two-year agreement (\$100K/year) for another two years. **Motion** by Manager Money to extend the two-year agreement between the IWI and the RRWMB for \$100K/year for another two-year term, **Seconded** by Manager Wilkens, **Carried**.

Technical Advisory Committee (TAC)

D. Thul reported that the TAC did not meet prior to the board meeting. He referred to TSAC Paper No. 14 (TP14) and reviewed the TAC recommendations proposed at the September 20th board meeting. The following TAC recommendations were discussed:

1. Endorse TP14 as an *optional* tool for project teams to utilize in project development.
 - a. Require definitive NRE funding strategies for the NRE components identified.
2. Not fully endorse TP14 until the 50-75% criteria for the FDR spreadsheet has been finalized by the Work Group.
 - a. Recommend that the Work Group direct the TSAC to finalize the 50-75% spreadsheet which would include a definition of *incidental* NRE benefits with a set of guidelines for the project teams.
3. Revise Section II a. of the Prioritization Worksheet when the 50-75% criteria for the FDR spreadsheet has been finalized.

J. Ziegler stated that conservation goals are discussed by project teams which include members representing state agencies. He added that TP14 could be utilized to assist project teams in developing NRE goals for a project site. Manager Hille noted that the MSTRWD Board of Managers only support implementing NREs that are required for project mitigation.

N. Erickson distributed a handout regarding her review and recommendations regarding the revised TP14 document. She reviewed several points of concern included in the April 19, 2011 letter from the RRWMB to the Work Group relative to TP14.

The first concern was that the original version of TP14 proposed a very lengthy, reiterative process to compile a list of environmental options to consider, yet contained no mention of either the costs or manner by which the proposed NRE benefits would be quantified or how the costs would be justified. The new version proposed the same process with a similar list of references that an all-environmental committee should review. The new version contains no reference to a cost analysis reflecting reasonable expenditures for quantifiable benefits or negotiated cost-share breakdowns.

The second concern was that the original TP14 version did not acknowledge the time requirement for its implementation or account for the cost of additional flood damage that may occur during the exhaustive search for NREs which best meets intentionally set high standards. Although the new version deletes the reference to intentionally set high standards for NRE objectives, it does not acknowledge the time requirement for its implementation or account for additional flood damage that may occur during its implementation.

The third objection by the board involved several issues. The first two, that no consensus agreement or rationale had been made for prescribing high standards set for NRE objectives, and that no criteria describing how fair and meaningful would be evaluated or to what degree it should be pursued. The third, that an all-environmental committee not only selects the NRE project alternatives to meet those arbitrarily high goals but also decides whether or not those goals have been met before a permit will be issued was only moderately addressed. In the new version, although an all-environmental committee still chooses the NRE planning area, it is now at least subject to project team and watershed district review and approval. Unfortunately, when it comes to ranking the NRE alternatives as to how well each meets the NRE objectives, the new version states that the project team use their best judgment, but with deference to the NRE committee that developed them.

The last concern stated in the letter was that it implied that TP14 was somehow linked to 75/25 funding, yet nowhere in the paper was this referenced. The RRWMB letter stated that clearly defined, written criteria developed through input and negotiation among stakeholders under which projects qualify for increased state funding must be identified within any document, TP14 or otherwise, that is ultimately adopted for implementation after due process. Although the board was verbally notified that TP14 was not, in fact, linked to 75/25 funding, the issue of 75/25 funding was not addressed in any form in the new version. N. Erickson stated that in addition to the TAC recommendations presented at the September 20th board meeting, she also recommends the following:

1. A definition of "incidental NRE benefits" be developed and include a means by which they are accounted for and credited to a project. This should include a description of how they can be applied against any required mitigation for project damage. In addition, a process for accounting for the cost of "net NRE gains beyond mitigation" is needed to differentiate

between project costs payable by FDR dollars and those that need to be paid wholly by environmental interests.

2. An annual, repeating sunset clause for TP14 with an associated annual review.
3. Every project team must complete the Task List for projects to ascertain the actual time involved to complete the requirements of TP14. Submitting the Task List to the RRWMB, completed as an item number corresponding to the relevant Step in the board's Step Process.

R. Harnack referred to the legislation that provides for the FDR funds administered through the MDNR and stated that it includes provisions for funding a portion of the NRE benefits associated with a FDR project.

N. Erickson stated that she's working with Louis Smith on a final draft resolution that will contain additional provisions that articulate the board's understanding of the intent and the conditions by which TP14 will gain RRWMB endorsement.

N. Erickson added that on a separate issue, a need exists to identify funding and evaluation strategies when project teams develop goals for a project site as suggested by J. Bents in the TAC recommendations from the September 20th board meeting. Project teams should be encouraged to develop fundable FDR projects whether or not the associated NRE components can find funding.

Motion by Manager Money to adopt the TAC recommendations presented at the September 20, 2011 board meeting regarding TP14 and forward the recommendations to the Work Group for consideration at the October 19, 2011 meeting, **Seconded** by Manager Deal, **Carried**.

D. Thul inquired about the availability of committee members to schedule a Project Prioritization Committee meeting of the RRRRA in conjunction with the November 8, 2011 meeting. The board members represented on this committee are D. Wilkens and R. Osowski, with G. Holmvik substituting for R. Osowski in the interim. Following discussion, it was agreed that due to scheduling conflicts another date would have to be selected.

D. Thul notified the board that Garry Bennett, MDNR Area Hydrologist in Thief River Falls, will be transferring to the Hutchinson office.

Administrator Report

A) U.S. Army Corps of Engineers (USACE) Hydrologic Modeling System (HMS)

N. Erickson stated that at the January 18, 2011, the board expressed an interest in requesting that the USACE utilize the same firms for modeling efforts conducted in the southern portion of the basin for the Phase 2 modeling to be conducted in the northern portion of the basin.

The board agreed to develop a proposal to the USACE to form a third party quality assurance (QA) team comprised of representatives from engineering firms designated by northern basin watershed districts (Sand Hill River, Red Lake, Middle Snake Tamarac, Two Rivers, Roseau River and Joe River) and authorize funding in the amount of \$120,000 for QA team expenses. Following discussion, the board agreed to appropriate \$20,000 per watershed district for the costs incurred for the third party QA team relative to the Phase 2 HMS modeling effort and that those costs should be billed directly to the RRWMB for reimbursement.

N. Erickson explained that in conjunction with the USACE Watershed Feasibility Study (WFS), she was requested to register as administrator for the RRWMB for the USACE's Document Review Checking (DRChecks) System. Members of the QA Technical Advisory Committee have been requested to participate in reviews of hydraulic modeling information relative to the WFS and will be given the Vendor ID registered to the RRWMB upon request. The registration process has been completed.

B) Farmstead Ring Dikes

N. Erickson stated that Pete Waller, Board of Water & Soil Resources (BWSR), contacted her regarding the Farmstead Ring Dike program. He stated that BWSR will be entering data into elink on behalf of the watershed districts and the RRWMB regarding the \$250,000 appropriation from BWSR. As the grant expires on 12/31/11, Mr. Waller requested forwarding the necessary information to BWSR for data entry as soon as the funds are expended.

N. Erickson added that the \$500,000 grant from the MDNR for Farmstead Ring Dikes has been expended, however, \$123,398.48 remains of the \$500,000 grant received from BWSR.

C) Legally Green Gala 2011 / A Dinner Party for the Planet

N. Erickson noted that the board received an invitation from the Minnesota Center for Environmental Advocacy (MCEA) to a dinner party at Macalaster College to celebrate their successes and honor their donors for Thursday, October 27, 2011, from 6:00 p.m. - 9:00 p.m. Tickets are \$125 per person or \$1,000 for a table of eight. Following discussion, the board agreed to decline the invitation.

D) Northern Plains Railroad

N. Erickson stated that at the September board meeting, a letter of support was authorized to Northern Plains Railroad regarding a Minnesota Department of Transportation Tiger Grant application for a bridge improvement project near the City of Oslo, Minnesota. A handout was distributed.

E) Upcoming Meetings/Conferences

1. **Red River Basin Flood Damage Reduction Work Group**, October 19, 2011, Red Lake WD, Thief River Falls, MN.
2. **Red River Basin Commission Board Retreat and Meeting**, November 2-3, 2011, Fargo, ND, 11/2 - Retreat (Expressway), 11/3 - meeting (Ramada).
3. **Red River Retention Authority (RRRA)**, November 8, 2011.
4. **MAWD Annual Meeting & Trade Show**, December 1-3, 2011, Arrowwood Conference Center, Alexandria, MN. Register online at www.mnwatershed.org by **November 18, 2011**.
5. **Red River Basin Commission's 29th Annual Red River Basin Land & Water International Summit Conference**, *Water, Water! Finding Solutions to Our Challenges*, January 24-26, 2012, Fort Garry Hotel, Winnipeg, MB.

District Reports

- The Roseau River WD reported on the Hay Creek/Norland Project. The Spruce Valley Corporation continues work on the Norland Impoundment. The Hay Creek setback and levees wetland replacement plan bid opening was conducted on August 3, 2011. Three bids were presented to the Board of Managers and rejected since they exceeded the engineer's estimate.

Due to high winds and extremely dry conditions, a grass fire ignited in the east end of the Norland Impoundment during the week of October 6-12, 2011. Approximately 150 acres were burned.

- The Two Rivers WD reported on the Springbrook PL566 Project No. 10. The Natural Resources Conservation Service (NRCS) is finalizing the project plans and specifications for the dikes, streambank protection, side water inlets, and other items. The NRCS and the District have been discussing the wetland permitting with the USACE, BWSR, MDNR and other permitting agencies. Permits are required from WCA, USACE, MDNR protected waters, MnDOT, Kittson County, and MPCA. Plans are to obtain the necessary permitting during the winter and spring 2012, let bids in the spring of 2012 and begin construction.
- The Red Lake WD reported on the Thief River Falls Flood Damage Reduction/Improvement to Pennington County Ditch No. 1 Project. The final hearing for the improvement to Pennington County Ditch No. 1/Red Lake WD Ditch No. 14 along with the hearing to establish a Water Management District (WMD) for the Thief River Falls Flood Damage Reduction Project was conducted on September 13, 2011. The Board of Managers approved the findings and final order establishing the RLWD Ditch No. 14/Project No. 171 at their regularly scheduled meeting on September 22, 2011. The Board also continued the hearing for the Thief River Falls Flood Damage Reduction Project and the Establishment of the Water Management District to the October 13, 2011 board meeting. At the meeting, the board approved the findings and final order establishing the Thief River Falls Flood Damage Reduction Project #171A and Implementing Water Management District Charges.

The District has received the Findings of Fact, Conclusion and Order for the boundary changes proposed between the Sand Hill and Red Lake watershed districts.

- The Middle Snake Tamarac Rivers WD reported on the Brandt/Angus Impoundment Project. The District has received all permits for the project, however, a Replacement Plan Addendum has been requested. Due to the potential for Wetland Reserve Program (WRP) easements, the District has applied to reduce the acreage of the wetland mitigation site. This application is not expected to cause any delay to the project. The final hearing is scheduled for November 11, 2011 with construction anticipated in the early summer of 2012.
- The Wild Rice WD reported that BWSR presented an overview of the Performance Review and Assistance Program (PRAP) draft report. Don Buckhout – BWSR explained that the District has 30 days to review and comment on the report. A special meeting will be scheduled to discuss the report details.

Other Issues

J. Deal stated that MPCA and BWSR are pursuing ways to better coordinate local water management planning and TMDL (Total Maximum Daily Load) plans. The MPCA and BWSR are moving toward an approach that uses major watersheds as the appropriate scale for monitoring and

assessing water quality and for developing water management and TMDL implementation plans. J. Deal noted that more information regarding this initiative is available at www.bwsr.state.mn.us.

J. Deal discussed the MDNR Roundtable which is an event that focuses on fisheries, wildlife and ecological issues. The gathering provides an opportunity to share insights with MDNR staff and receive updates on the latest trends, research and natural resource issues. At this year's event, BWSR suggested introducing legislation to require one comprehensive, all-inclusive plan for each watershed throughout the state. Completing the aforementioned proposed plan would be voluntary, however, organizations that develop such a plan would be given priority consideration for state grant applications as a method to encourage implementation.

District's Funding Requests

1. Red Lake WD / Project No. 60F – Grand Marais Creek Outlet Restoration Project / Cost Share Adjustment

M. Jesme distributed a handout depicting a breakdown of Flood Damage Reduction (FDR) benefits provided through the Grand Marais Creek Outlet Restoration Project No. 60F. The total preliminary estimate of probable project costs is \$5,370,000. The FDR part of the *unfunded* project costs is \$1,172,000. The District submitted a funding request allocation of 2/3 RRWMB (\$800,000) and 1/3 RLWD (\$400,000) for the remaining local cost-share of unfunded FDR project costs. **Motion** by Manager Money to authorize the 2/3 RRWMB (\$800,000) and 1/3 RLWD (\$400,000) local cost-share for remaining unfunded FDR project costs, **Seconded** by Manager Deal, **Carried**.

2. Middle Snake Tamarac Rivers WD / Brandt-Angus Flood Control Project / Cost Share Adjustment

N. Drees explained that a Step II submittal was authorized in January of 2010 with a total estimated project cost of \$4.5 million, with a local cost-share breakdown as follows: 50% RRWMB commitment of \$1.125M, and 50% MSTRWD commitment of \$1.125M.

N. Drees stated that subsequently following the 50/50 cost-share commitment from the RRWMB, the project qualified for funding for land acquisition under the U.S. Department of Agriculture's (USDA's) special wetlands initiative in the Red River basin utilizing the Wetlands Reserve Program (WRP). A decrease in the local cost-share funding contribution will be realized due to the federal cost-share received from WRP. The District submitted a request to revise the local cost-share breakdown from 50/50 to 2/3 RRWMB and 1/3 MSTRWD.

Motion by Manager Deal to authorize a revised cost-share breakdown of 2/3 RRWMB and 1/3 MSTRWD for the Brandt-Angus Flood Control Project, **Seconded** by Manager Hille, **Carried**.

The next meeting will be on November 15, 2011, at 9:30 a.m. at the Red Lake Watershed District, Thief River Falls, MN.

There being no further business, the meeting was adjourned by acclamation at 12:15 p.m. following lunch.

Respectfully submitted,

Jerome Deal
Secretary

Naomi L. Erickson
Administrator