



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 November 15, 2011 Red Lake Watershed District, Thief River Falls, Minnesota

The RRWMB met on Tuesday, November 15, 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
- 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
- Nate Dalager, Engineer, HDR Engineering, Inc.
- Rob Sando, Administrator, Roseau River WD
- Charlie Anderson, Engineer, WSN & Assoc., Inc.
- Chuck Fritz, Director, International Water Institute
- Blake Carlson, Engineer, WSN & Assoc., Inc.
- Jeff Nyquist, Public Information Officer
- Jerry Bents, Engineer, Houston Engineering, Inc.
- Julie Goehring, South Basin Mgr/Communications Coordinator, RRBC
- Louis Smith, Attorney, Smith Partners, PLLP (via conference call)

Manager Finney requested adding an item to the agenda under *Other issues*.

Motion by Manager Deal to approve the minutes as written with minor corrections, **Seconded** by Manager Osowski, **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 Osowski, **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)

Manager Deal reported that at the previous monthly meeting, he stated that office space had been secured for the RRRA as of November 1, 2011 in Technology Park in West Fargo, ND. As NRCS indicated they would be interested in sub-leasing three of the four offices, the space proved to be inadequate. Manager Finney added that the International Water Institute (IWI) has also expressed an interest in leasing office space from the RRRA.

Manager Deal noted that in order to accommodate both the NRCS and the IWI, and also to retain space with a conference area sufficient to conduct monthly meetings, another potential office space was identified at Pioneer Crossing located on the corner of 9th Street and 13th Avenue in West Fargo, ND. Manager Deal further stated that the Cass County Highway Department has also indicated that office space is available in a newly constructed building on their property which will include offices for other water departments.

Public Information Initiative

J. Nyquist reviewed the public information monthly report. Activities for the month of November included developing a lead story on the Grand Marais Project of the Red Lake WD and finalizing the 2012 calendar. Meetings have been scheduled with Paul Wannarka and Wayne Goeken. Plans are to attend the MAWD Annual Meeting & Trade Show, December 1-3, 2011, in Alexandria, MN.

TSAC Paper No. 14

Manager Finney introduced L. Smith, participating via conference call, and requested that he review the memorandum and resolution prepared regarding TP-14.

L. Smith stated that he reviewed the most recent draft of TP-14 for consistency with the authorizing legislation and Governing Documents of the board. The purpose of TP-14 is "to develop a method that would be used by watershed project teams and the Flood Damage Reduction Work Group to help determine a projects' consistency with the [natural resource] related goals in the Mediation Agreement and to help establish project funding priorities for [natural resource] NR components of [flood damage reduction] FDR projects." TP-14 presents a definition of natural resource enhancements (NRE) and identifies the factors that determine overall NRE quality; identifies appropriate objectives for NRE planning areas; and describes a process to incorporate NRE options into flood damage reduction projects to meet natural resource goals and objectives when practical and feasible.

L. Smith stated that based on the review of the RRWMB's Governing Documents, a draft resolution for the Board's consideration was developed to emphasize and assure common understanding among all of the interested parties on the following:

1. TP-14 is generally compatible with the RRWMB's authorizing legislation and governing documents;
2. TP-14 provides technical information and guidance for meeting commitments identified in the Mediation Agreement; it does not alter any existing permitting requirements for flood damage reduction projects;
3. It is important to affirm that TP-14 and the planning and project development process it recommends are not intended to alter the funding expectations or obligations of watershed districts or the Red River Watershed Management Board for NREs as expressed in the Mediation Agreement. Rather, this paper should assist project teams to identify the most appropriate NRE opportunities, utilizing whatever funding sources may be available on a project by project basis. We recommend that this intent be explicitly stated in TP-14 to avoid any such confusion;
4. It would be helpful and appropriate for the Work Group to refine a definition of mitigation as it applies to flood damage reduction (FDR) projects and the means by which it would be calculated to compensate for damages incurred through the construction and operation of an FDR project; a definition of incidental NRE benefits and the method by which they are accounted and credited against mitigation requirements incurred by an FDR project; a definition of NRE gains and the funding and evaluation strategies associated with their development for inclusion within the overall project proposal; the specific criteria by which the state cost-share for FDR projects will incrementally increase from 50 to 75 percent; and guidelines for the project teams to implement the above definitions and criteria;
5. It would be helpful and appropriate for the RRWMB and other interested parties to continue to work together to review these issues on a regular annual basis.

Manager Finney added that the resolution was developed to clarify the board's position regarding TP-14 by stating that the board would acknowledge *conceptual* approval of TP-14 should the conditions listed in the resolution be addressed by the Work Group.

Manager Money referred to page 2 of the resolution, fourth paragraph, underlined language to amend the Introduction to TP-14. On the fourth line of the proposed language, it states "this paper should assist project teams..." Manager Money suggested replacing "*should*" with "*may*."

Manager Miller stated that he would prefer the concerns identified in the resolution be addressed by the Work Group, prior to the board approving TP-14 in concept.

Manager Deal referred to the issue of developing specific criteria for the state cost-share for FDR projects in order to incrementally increase from 50 to 75 percent. He inquired whether K. Lokkesmoe, Capital Budget Director - MDNR should be involved with that process. R. Harnack concurred with Manager Deal that K. Lokkesmoe should assist with the development of the criteria for 50 to 75 percent funding prior to his retirement.

Manager Miller stated that in November he met with MDNR Commissioner Tom Landwehr who indicated that NREs should be funded, in part, by the FDR program administered through the MDNR. He further added that both T. Landwehr and K. Lokkesmoe maintain that FDR funds should be used to partially pay for the NRE components of an FDR project. He emphasized the importance of

defining incidental NRE benefits and the method by which they are accounted for and credited against the mitigation requirements of FDR projects in order for any associated NRE gains to be funded by sources other than FDR funds.

A **motion** was made by Manager Deal and **seconded** by Manager Knott to approve the draft resolution as written with minor corrections. **Motion carried with Manager Miller opposed.**

Manager Miller reiterated his opposition to passing the resolution to adopt TP-14 in concept. He stated that the concerns addressed in the resolution should be resolved prior to the board adopting the technical paper. Manager Finney explained that the resolution states that only *if* the concerns are addressed by the Work Group, would the board officially endorse TP-14. Manager Finney further added that the board's conditional approval is contingent upon the concerns included in the resolution being resolved by the Work Group.

C. Anderson added that as the board's technical representative on TSAC, the concerns listed in the resolution are related to policy and neither technical or scientific by nature. He suggested that the Work Group assign a committee to address the concerns listed in the resolution. He further stated that once the concerns have been addressed by the Work Group, the TSAC could assist with the development of a process to implement policy guidelines. Manager Knott added that it's important to note that TP-14 was developed as only an optional, not mandatory, guideline for project teams.

Project Coordinator Report

R. Harnack reviewed the Project Coordinator Report. He reported that there are currently no legislative activities, however, he plans to schedule meetings with the new administrators for bonding committees in the near future. He added that Kelly Bengtson, Kittson County Engineer, requested his assistance with developing draft legislation for the upcoming session which he'll review in detail with Manager Finney.

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

R. Harnack reported that BWSR discussed bonding appropriations for the Reinvest in Minnesota (RIM) Reserve Program. At the October board meeting, BWSR adopted a resolution allocating up to \$5,000,000 for the Red River basin for flood easements and the Wetland Reserve Program (WRP).

Red River Basin Commission

J. 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.

Water Quality Project Monitoring Report

C. Fritz reported that a community engagement strategy was developed for the Sand Hill River TMDL process with MPCA, RMB Lab, East Polk SWCD, and the SHRWD. Displays and presentations by

River Watch schools are planned as part of the community engagement process to help draw people to meetings and discuss watershed conditions.

Technical Advisory Committee (TAC)

D. Thul stated that the Technical Advisory Committee (TAC) met prior to the board meeting and discussed the Roseau River WD (RRWD) Roseau River Wildlife Management Area (RRWMA) Project. The project does not provide for increased storage, but rather a better timing of flows.

Manager Miller stated that project benefits will be realized through the operation of the new structures. He added that the RRWD plans to request the MDNR to operate the new structures as they currently operate the existing structures.

D. Thul reported that he plans to schedule a Project Prioritization Committee meeting of the RRRRA in the near future. The board members represented on this committee are D. Wilkens and R. Osowski, with G. Holmvik substituting for R. Osowski in the interim.

Manager Money inquired whether the Area Hydrologist position in Thief River Falls, MN has been filled. D. Thul responded that the position has not yet been filled, however, Dan Lais is the current Acting Assistant Regional Manager who's been temporarily providing support to that office.

Administrator Report

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

N. Erickson reported that at the October 18, 2011 board meeting, discussion occurred relative to the USACE HMS 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). It was agreed that the funding previously authorized in the amount of \$120,000 for QA team expenses would be allocated \$20,000 per watershed district for the engineering costs incurred for the third party QA team relative to the Phase 2 HMS modeling effort. Please submit these costs for reimbursement directly to the RRWMB and designate the respective watershed district in order to accurately assign the expenses incurred.

B) Public Official Bond

N. Erickson stated that Waypoint Insurance Advisors/ICS Agency, Inc. has requested that each board member complete a Public Official Bond application as per the company's new underwriting guidelines. She requested board members to return the completed forms by the close of the meeting.

C) Farmstead Ring Dikes

N. Erickson noted that the \$500,000 grant from the MDNR for Farmstead Ring Dikes has been expended, however, \$119,161.83 remains of the \$500,000 grant received from BWSR. She requested that the remaining funding requests be submitted prior to the December 20, 2011 board meeting as these funds *must* be expended by year-end.

D) Upper Red Lower Otter Tail Watershed District

N. Erickson explained that a letter of support from the RRWMB was forwarded to BWSR for consideration in September regarding the petition submitted by Wilkin County for the establishment of the proposed Upper Red Lower Otter Tail Watershed District.

At the October 18, 2011 board meeting, it was discussed that the Wilkin County Commission, Otter Tail County Commission, and the Buffalo-Red River WD (BRRWD) are considering the expansion of the BRRWD to include the area proposed as the Upper Red Lower Otter Tail Watershed District.

Following the discussion in October, the board agreed to forward another letter to BWSR reaffirming support for the establishment of the originally proposed Upper Red Lower Otter Tail Watershed District. N. Erickson stated that she contacted Travis Germundson, Water Management Specialist - BWSR, who indicated that since a new petition has not yet been filed with BWSR, it would be inappropriate to submit another comment letter. Mr. Germundson agreed to notify the RRWMB office if a new petition is received.

E) RRBFDRWG Alternate

N. Erickson stated that at the August 16, 2011 board meeting, discussion occurred regarding R. Osowski's limited availability to attend meetings due to his wife's health issues which resulted in a board member being selected as an interim alternate on the RRRA for R. Osowski. She further noted that Manager Osowski is also a RRWMB representative on the Work Group, and she recently reviewed the Committees and Membership list to seek an alternate for an upcoming Work Group meeting, however, no alternates have been designated by the board for Work Group representatives. She requested that the Board of Managers consider appointing two alternates from the remaining board members who are *not* currently serving on the Work Group: J. Finney, T. Miller, D. Money, and G. Holmvik. **Motion** by Manager Wilkens to designate G. Holmvik and T. Miller as RRWMB representative alternates to the Work Group, **Seconded** by Manager Deal, **Carried**.

F) Upcoming Meetings/Conferences

1. **MAWD Annual Meeting & Trade Show**, December 1-3, 2011, Arrowwood Conference Center, Alexandria, MN. Register online at www.mnwatershed.org by **November 18, 2011**.
2. **Red River Retention Authority (RRRA)**, December 13, 2011.
3. **Red River Basin Flood Damage Reduction Work Group**, December 14, 2011, MnDOT, Detroit Lakes, MN.
4. **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. Seeding of the dikes on the Norland Impoundment will take place this fall. Inlet and outlet structures on the impoundment are nearing completion. In addition, the District met with representatives from the USACE at the Bemidji regulatory office to discuss the current permit for the project as well as possible amendments to it.

The Board of Managers met with representatives from the Minnesota Department of Natural Resources to discuss the Roseau River Wildlife Management Area project and status at their November board meeting. Also, the District met with the Flood Damage Reduction Work Group (FDRWG) at their October 19 meeting. The District received a \$10,000 acceleration grant from the FDRWG.

- The Red Lake WD reported on the Flood Damage Reduction/Improvement to Pennington County Ditch #1. Bids and Specification are anticipated to be completed December 2011 for both projects. In January of 2012 advertisements for bids will be placed.

The District has retained Houston Engineering for a district-wide hydrologic modeling system review. Ron Adrian will be the contact person for the project.

- The Wild Rice WD reported that the board met with All Seasons Contracting to explore the reasons behind their withdrawal from the Project 30- 2006 FEMA Repair project. After new bids are opened in early 2012 a decision will be made on the All Seasons bid bond.

The District has purchased all the properties targeted for acquisition that had clear titles and easements. When properties have been vacated, demolition and related work bids will be announced.

Other Issues

Manager Finney reported that the agenda item he requested to be addressed under *Other Issues* was previously addressed in the Administrator's Report. The item to be discussed was to designate alternates for the Work Group representatives.

District's Funding Requests

1. Roseau River WD / Step 1 Submittal / Roseau River Wildlife Management Area Project

R. Sando distributed the information required for a Step I submittal. N. Dalager conducted a presentation of the project. Previously, a 75/25 Flood Damage Reduction (FDR) grant had been approved for the project but expired prior to the funds being expended. A joint letter of support dated October 13, 2011, was developed and signed by the District and the MDNR – Wildlife to substantiate Project Team consensus in order to pursue the original 75/25 grant request.

The estimated total project cost is currently \$2 million. N. Dalager explained that although the District is pursuing the original 75/25 grant request, the local cost-share breakdown of a 50/50 grant request would be as follows: 50% RRWMB commitment of \$500,000, and 50% RRWD commitment of \$500,000.

N. Erickson stated that she previously discussed with N. Dalager whether a tour of the project area could be conducted in December due to snowfall issues. N. Erickson further noted that she discussed the tour complications with L. Smith who indicated that the board could deviate

from regular procedure and make an exception by viewing a videotape of the project area. Manager Miller added that the project area would be accessible to conduct a tour in December. Following discussion, the board agreed to conduct their December board meeting in Badger, in order to tour the project area. Manager Finney requested that R. Sando have a back-up videotape available if necessary.

The next meeting will be on December 20, 2011, at 9:30 a.m. at the Badger Community Center, 111 North Main Street, Badger, MN.

There being no further business, the meeting was adjourned at 1:45 p.m..

Respectfully submitted,

Jerome Deal
Secretary

Naomi L. Erickson
Administrator