



Red River Watershed Management Board

Board of Managers

John Finney, President-Humboldt LeRoy Carriere-Roseau Dan Money-Hallock Ben Kleinwachter, Vice President-Strandquist
LeRoy Ose-Thief River Falls Daniel Wilkens, Treasurer-Fertile Greg Holmvik-Ada Jerome Deal, Secretary-Wheaton
Naomi Goral, Administrator-Detroit Lakes

RED RIVER WATERSHED MANAGEMENT BOARD MEETING
March 21, 2017
Courtyard by Marriott, Moorhead, Minnesota

The RRWMB met on Tuesday, March 21, 2017 at the Courtyard by Marriott, Moorhead, Minnesota.

President John Finney called the meeting to order.

Members present were: LeRoy Carriere Dan Money
 Ben Kleinwachter LeRoy Ose
 Daniel Wilkens Greg Holmvik
 Jerome Deal

Others present were: Naomi Goral, Administrator
Henry Van Offelen, Red River Coordinator
Chuck Fritz, Director – International Water Institute
Dr. Jay Leitch
Nate Dalager, Engineer – HDR Engineering, Inc.
Myron Jesme, Administrator – Red Lake WD
Kevin Ruud, Administrator – Wild Rice WD
Blake Carlson, Engineer – WSN Engineering, Inc.
Jerry Bents, Engineer – Houston Engineering, Inc.
Chad Engels, Engineer – Moore Engineering, Inc.
Jeff Lewis, Executive Director – RRBC
Keith Weston, Consultant – RRRA
Dave Jones, Area Engineer – USDA-NRCS
Heidi Hughes
Tony Nordby, Engineer – Houston Engineering, Inc.
Tracy Halstensgard, Administrator – Roseau River WD
Jason Braaten, Manager – Roseau River WD
Aaron Ostlund, Water Quality Specialist - RRBC
Morrie Lanning, Barr Engineering, Inc.
Roger Hanson, Manager – Sand Hill River WD
April Swenby, Administrative Assistant – Sand Hill River WD
Rita Albrecht, Northwest Regional Director - MNDNR
Allen Wold, Manager – Bois de Sioux WD

Manager Finney referred to the February minutes and requested a revision on Page 4, Paragraph 1. He requested it be noted for the record that he did not recall the conversation referenced with N. Goral.

Manager Money requested that in the *Public Information Committee Report* section on Page 3, the month that the PIC met be included in the minutes. **Motion** by Manager Kleinwachter to dispense with the reading of the minutes and approve as written with minor corrections, **Seconded** by Manager Deal, **Carried**.

Manager Kleinwachter requested adding to the agenda under *Other Issues* project team funding and a meeting that occurred between the Middle Snake Tamarac Rivers WD and the Marshall County Commission.

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 Kleinwachter, **Carried**.

The bills to be approved as of March 21, 2017, were as follows:

Date	Num	Name	Memo	Amount
03/21/2017	8292	ACS	Phone line, Fax/Internet	\$132.12
03/21/2017	8293	Brandner Printing	Invoice No. 11775 - 1,000 Envelopes	\$205.20
03/21/2017	8294	Christopher Ingraham	19th Joint Annual Conf. - Honorarium & mileage	\$603.79
03/21/2017	8295	Dot.Com Connection	Website maintenance	\$60.00
03/21/2017	8296	HDR Engineering, Inc.	Invoice No. 1200038527	\$1,185.97
03/21/2017	8297	Heidi Hughes	Public Information Consulting Services	\$1,102.46
03/21/2017	8298	International Water Institute	Distributed Detention Study - BCA (Final)	\$16,875.25
03/21/2017	8299	Lisa A. Frenette	Financial/Lobbying Consultant - March 2017	\$236.67
03/21/2017	8300	Marco Technologies LLC	Photocopier Maintenance - Invoice No. INV4094626	\$369.74
03/21/2017	8301	MCI	Long distance service	\$36.77
03/21/2017	8302	Naomi Goral	Reimbursed Expenses	\$576.25
03/21/2017	8303	Red Lake Watershed District	Farmstead Ring Dike Program - Pay Req. No. 1 FY2017	\$28,335.80
03/21/2017	8304	Red River Basin Commission	Local Government Share	\$75,000.00
03/21/2017	8305	Ronald D. Harnack	Project Coordinator Exp. - March 2017	\$1,187.61
03/21/2017	8306	Smith Partners PLLP	Invoice No. 38617, February 2017	\$234.57
03/21/2017	8307	Widseth Smith Nolting & Assoc., Inc.	Invoice No. 115204	\$814.00
				<u>\$126,956.20</u>

Motion to approve and pay bills by Manager Ose, **Seconded** by Manager Deal, **Carried**. For further reference, copies of the bills approved are attached hereto in the Treasurer's Report.

N. Goral reported that on Thursday, March 16, 2017 she met with representatives from Bremer Bank in Detroit Lakes, the institution authorized as the depository for public funds. The board currently has a sweep account which links a commercial checking account with an investment account classified as a money market account.

N. Goral noted the benefits of a sweep account include allowing smaller dollar amounts to be invested on a regular basis; offering liquidity since it allows same-day access to invested funds, providing options as far as a variety of investment vehicles, and the yield, although the rate for sweep accounts varies with each bank and depends on the yield of the particular investment account selected.

N. Goral stated that the bank representatives reviewed a *Statement of Position for Deposits of Public Funds* issued by the State of Minnesota Office of the State Auditor. The State Auditor recommends

that as part of their stewardship of public funds, government entities periodically re-examine and re-evaluate the banks and credit unions into which they place public funds.

Collateral represents protection for public funds in the event of a bank failure. All public funds on deposit in a bank or credit union must be protected by deposit insurance, a corporate surety bond or pledged collateral.

State law defines the types of collateral that a financial institution may pledge for public deposits. These types of collateral include:

- U.S. Government Treasury issues;
- Issues of the U.S. Government Agencies and Instrumentalities;
- Obligations of state and local governments;
- Time Deposits fully insured by the Federal Deposit Insurance Company (FDIC) or any federal agency; and
- Irrevocable standby letters of credit issued by federal home loan banks.

N. Goral explained that the bank representatives recommended replacing the investment sweep account with a Federal Home Loan Bank Letter of Credit (LOC) for collateral. The rationale for the recommendation was due to following a review of the investment sweep account, it was determined that issuing a LOC would not only yield a higher rate of return on the investment but allow for lower monthly service charges. Following discussion, Manager Finney suggested reconvening the Finance Committee to further address this matter.

Red River Retention Authority

Manager Finney announced that Keith Weston accepted the position of RRRRA Executive Director and began his official duties the beginning of March. As Co-Chair of the RRRRA, Manager Finney congratulated Mr. Weston on his new position and welcomed him to the board.

Water Quality Project Monitoring

C. Fritz distributed the IWI Monitoring and Education Activity Report. Plans for the 2017 River of Dreams (ROD) are underway at six schools in the basin including: Hawley, Fertile, Newfolden, Fisher, Climax, and Red Lake County Central. RODs activities provide an opportunity for student engagement in a hands-on education program focused on the valuable river resources of the Red River Basin. Project activities provide integrated classroom and outdoor experiences that build awareness of river ecosystems and watershed connections, increase student capacity to make informed decisions about their environment, and instill a sense of place about the uniqueness of their local watershed – historic, economic, and ecological.

Project Coordinator Report

In the absence of Ron Harnack, the Project Coordinator Report was distributed. The Senate has moved last year's bonding bill to the floor. The Senate bonding bill has \$11.5 million for flood hazard mitigation projects for various statewide flood projects. The Halstad and Redpath projects will likely receive funding should this amount not be reduced. The House bonding bill has not made any progress to date. There has been some discussion that only a minimal bonding bill would be

appropriate for this year. Should this occur, several member district projects would be at risk of not being funded. The bonding bill is expected to be one of the last bills passed as part of the end of the legislative session.

The efforts of the Drainage Work Group (DWG) have been limited during the legislative session due to competing schedules. A continuing effort involves addressing key policy relationships relative to 103G permitting and 103E drainage. Manager Finney noted that due to R. Harnack's upcoming retirement, a replacement is needed for board representation on the DWG. Currently, the two delegates representing the board include R. Harnack and D. Wilkens. Manager Deal added that he attends the DWG meetings on behalf of the Minnesota Association of Watershed Districts (MAWD).

Manager Finney inquired whether any board manager would be interested in volunteering as a delegate to the DWG. He stated that the delegate wouldn't have to be a RRWMB member, a watershed district board member or administrator could also volunteer.

Manager Money suggested that each RRWMB member should discuss this issue with their respective watershed district and provide a recommendation at the next monthly meeting.

Administrator Report

A) 19th Joint Annual Conference

N. Goral reported that the 19th Joint Annual Conference begins Wednesday, March 22nd at 8:00 a.m. with a full day of workshops. Joel Heitkamp will broadcast his show, "News & Views," live from the Courtyard by Marriott. Many thanks to H. Hughes who's identified conference participants to interview with Mr. Heitkamp as well as developed talking points for issues to be addressed during the interviews.

On Thursday, March 23rd, the conference resumes with highlights of project team accomplishments and concludes with the 2017 spring flood forecast from the National Weather Service.

N. Goral reported that the Planning Committee retained Christopher Ingraham, a reporter for the Washington Post, as guest speaker during lunch on Thursday, March 23rd.

On August 17, 2015, Chris wrote a story about the U.S. Department of Agriculture's "Natural Amenities" index, which rates and ranks counties based on scenery and climate data.

This data concluded that the best place to live is Ventura County, California. "The absolute worst place to live in America" Chris wrote, "is ... Red Lake County, Minnesota."

Residents of Red Lake Falls didn't take kindly to that - and invited Chris to take a first-hand look at what the data didn't catch. Chris visited Red Lake Falls in September 2015 and will discuss with conference attendees what life is really like in 'America's worst place to live.'

B) Meet & Greet with Sen. Mark Johnson

N. Goral stated on Friday, March 3, 2017, she attended a meeting with Sen. Mark Johnson hosted at the Bremer Bank in Warren, MN. Other attendees included: Dave Bakke, John Nelson, Roger

Mischel, Ben Kleinwachter, Brent Silvis, Tracy Halstensgard, LeRoy Ose, Dan Money, Kevin Ruud, and Dan Wilkens.

The current bonding bill was discussed and the board's concern that it only provides \$11.5 million for flood damage reduction projects which is what was included in last year's bonding bill that failed. Attendees explained that these funds are insufficient to address member district priority projects and that plans should include combining all flood hazard mitigation bills together and increase the total bonding bill to ~ \$20 million.

C) RRB Flood Damage Reduction Work Group

N. Goral reported that an amendment to the Flood Hazard Mitigation Grant agreement between the Minnesota Department of Natural Resources and the RRWMB for fiscal year 2016 Flood Damage Reduction Work Group expenses was received.

The amendment is for \$264,000 which increases the original contract amount of \$264,000 to \$528,000 and includes fiscal years 2016 and 2017. The original contract expiration date remains unchanged at June 30, 2017.

Motion by Manager Money to authorize the amendment of \$264,000 to the grant agreement which increases the original contract amount of \$264,000 to \$528,000, **Seconded** by Manager Deal, **Carried**.

D) Upcoming Meetings/Conferences

1. **Strategic Planning Meeting**, Tuesday, March 21, 2017, Courtyard by Marriott, Moorhead, MN, 1:00 p.m. to 4:00 p.m.
2. **19th Joint Annual Conference (March Conference)**, Wednesday, March 22, 2017 - Thursday, March 23, 2017, Courtyard by Marriott, Moorhead, MN.
3. **2017 Legislative Breakfast and Day at the Capitol**, Wednesday, March 29, 2017 – Thursday, March 30, 2017, Embassy Suites, 175 10th St. E, St. Paul, MN 55101.
4. **Red Lake Watershed District Board Meeting**, Thursday, April 13, 2017, Thief River Falls, MN. Attend the RLWD board meeting to discuss RRWMB activities.

Red River Coordinator/TAC Report

H. Van Offelen distributed the TAC report. A meeting was held on March 6, 2017 to discuss the Roseau Lake Rehabilitation Project. Several conference calls also occurred, however, the TAC recommendation is pending following receipt of updated Step II documentation.

H. Van Offelen added that the TAC also discussed the Benefit Cost Analysis (BCA) initiative during the March 6, 2017 meeting. Potential options to expand the benefit analysis work to incorporate additional regional gains that are not accounted for utilizing the prescribed practices for BCA under the PL-566 rules. Although these options would likely be unacceptable for determining a federal interest (NRCS), regional gains could be beneficial to show that RRWMB funded projects are prudent expenditures for regional, state and local funds.

H. Van Offelen reported on the status on the 2016 Annual Report. Project maps have been updated to include in the report and post on the board's website. Plans are to distribute a draft report at the April board meeting.

H. Van Offelen reported that the comment letter on the Tiered Aquatic Life Uses (TALU) classification system developed by the TAC was forwarded to MPCA. Manager Finney extended his thanks to those that assisted with the letter.

District Reports

- The Two Rivers WD distributed a news release titled *Two Rivers Watershed District: Local Government Providing Drainage, Flood Control, and Water Quality Solutions*. The information stated that plans for 2017 include working on new projects and watershed management strategies.

Current events and issues will involve the major planning process of One Watershed, One Plan; local decisions regarding the new Buffer Law; project planning for the new Klondike Clean Water Retention Project; construction of the Polonia/Quick Clean Water Retention Project; improvement of the Kittson County Ditch No. 21; continuing to monitor and report environmental conditions, maintenance of existing ditches and projects, and working with landowners to provide water management solutions.

- The Wild Rice WD reported on the Lower Wild Rice Project. The District has submitted proposed language to the Board of Water & Soil Resources (BWSR) to retain rights to allow moving levees and maintenance on RIM-type easements. A meeting is scheduled toward month-end to discuss the language revisions.

District's Funding Requests

1. Red Lake WD / Step I Submittal / Black River Impoundment Project

T. Nordby distributed the information required for a Step I submittal. A brief presentation was conducted of the project. The project will involve the construction of a flood control reservoir providing storage of floodwaters from the contributing area, and ultimately augmenting floodwater flows in the Black River, improving conveyance abilities of the downstream channel. The estimated total project cost is currently ~ \$5,500,000, with a RRWMB commitment of \$1,718,750.00.

T. Nordby explained that as noted in the Funding Procedures in the board's Governing Documents publication, Step I applications are to be accepted at regular monthly meetings of the RRWMB and the proposed project site must be inspected (toured) by the Board before a decision on approval is acted upon. He inquired about the possibility of the board inspecting the site via an aerial view provided by a drone rather than physically touring the site by motor-vehicle. Following discussion, the board agreed to an aerial project site tour via drone.

The Board of Managers directed the TAC to review the information distributed and provide a recommendation at the April 18, 2017 board meeting.

Other Issues

- Manager Kleinwachter reported that their project team has been meeting to discuss recurring flooding in the Newfolden area. Potential funding sources were discussed in addition to the annual \$15,000 allocation from the Flood Damage Reduction Work Group (FDRWG). Following discussion, the District was encouraged to seek a Project Acceleration Grant from the FDRWG.
- Manager Kleinwachter stated that the District met with the Marshall County Commission on March 2, 2017. The meeting was scheduled in response to a petition that had been presented to the Board of Commissioners regarding the dissatisfaction of the petitioners with the Middle Snake Tamarac Rivers WD Board of Managers.
- Manager Finney requested N. Goral to inquire about retaining identification for board managers as representatives of local government units.
- J. Leitch referred to the Strategic Planning Session scheduled following today's board meeting and requested only board managers, along with M. Lanning, attend to facilitate a successful outcome.
- Manager Deal reported that he was invited to discuss the North Ottawa Impoundment Project by the Izaak Walton League on Saturday, March 11, 2017 at the Normandale Community College in Bloomington, MN. Others in attendance included M. Jesme – Red Lake WD, and B. Albright – Buffalo-Red River WD.

The next meeting will be on April 18, 2017, at 9:30 a.m. at the Wild Rice Watershed District, Ada, Minnesota.

There being no further business, the meeting was adjourned by acclamation at 11:30 a.m. following lunch.

Respectfully submitted,

Jerome Deal
Secretary

Naomi L. Goral
Administrator