In accordance with Minnesota Statutes Annotated (M. S. A.) 103D.725, and any other applicable statutes, the Board of Managers, Buffalo-Red River Watershed District (BRRWD), continued the Final Hearing for Project No. 68, Lake Jacobs Outlet, on Wednesday, April 18, 2012, at 8:30 PM in the Veterans of Foreign Wars (VFW) Club, Barnesville MN. BRRWD Managers present were: Gerald L. Van Amburg, Roger G. Ellefson, Curtis M. Nelson, Breanna Paradeis Kobiela, and John E. Hanson. Others attending included: Bruce E. Albright, BRRWD Administrator and Houston Engineering, Inc. (H.E.); Erik S. Jones, H.E.; Mona Barker, BRRWD Administrative Assistant; Arvid Thompson, Lauren Peterson, and Eddie Bernhardson Appraisers; Lyle Hovland, Commissioner, Wilkin County; Robert Hovland, Supervisor, Prairie View Township, and landowners: Todd Johnson, Diane Johnson, Mary Marty, Larry Hovland, and Craig Ripley.

BRRWD Chairman Gerald L. Van Amburg called the hearing back to order at 8:35 PM. He introduced the BRRWD Board, Staff, and Appraisers. He indicated that tonight's hearing was for Project No. 68, Lake Jacobs Outlet. This is a continuation of the final hearing held on September 8, 2011 in Hildebrand Hall, Assumption Catholic Church, Barnesville, MN. Albright distributed a sign-up sheet and advised the audience that the meeting is being recorded to assist in the preparation of the minutes, which will be on file in the BRRWD office. He noted that members of the audience having questions should state their name for the record.

Albright gave a brief history of the project and stated this was an actual hearing and a continuation from September 8, 2011. At that hearing, there were questions about the project benefits which had been determined by the Appraisers. The area was re-visited by the Appraisers and some changes were made. Albright stated the project was in operation and the water brought down to an elevation of 1310 to 1308. There are no longer icing concerns which had caused a stop in the project earlier this year. Funding is secure: 50% DNR Grant, 25% from the BRRWD, and 25% from landowners

Appraiser, Bernhardson, presented the revised Appraisers report and changes made for Project No. 68, Lake Jacobs Outlet:

In accordance with Minnesota Statutes Annotated (M.S.A.) 103D.725, and any other applicable statutes, we herewith submit the following amended Appraisers' Report:
Benefits Statement

Following the 9/08/11 hearing that was recessed; we were asked to look at several concerns expressed at the hearing.

In review of these concerns, we’ve made the following changes to our report:

Map change on a parcel in Section 27, owned by Kim Claypool and Carol Schmidt. Earlier, this was incorrectly shown on the map at the 100% benefit level (red) and should have been blue at 25%. The Appraisers’ report was always correct.

Research regarding Wildlife Lane shows that this is not a designated township road. Therefore, we assigned those benefits ($10,000) to the landowners whose lots were inaccessible when the road was under water. We assigned these benefits to Lot 7, Craig Ripley, $1,000; Lot 8, Phyllis Treinen, $2,000; Lot 9, Daniel Thompson, $2,000; Lot 10, Daniel Thompson, $2,000; Lot 11, Gene Zsedeny, $2,000; and Lot 12, Phyllis Treinen $1,000.

The rest of our proposed benefits remain the same, and some have questioned our methodology for calculating these benefits. We’ve used this same philosophy successfully on several other lake outlet projects. Using LIDAR, we’ve asked the engineer to calculate the area between the natural runout elevation, or approximately 1316.0, and the ordinary high water elevation (OHW) set by the Minnesota Department of Natural Resources (DNR) at approximately elevation 1306.0. This 10’ area can be measured for each parcel around the lake. The basis for our benefits starts with the County’s assessed market values, adjusted for the affected benefit acreage. We then use a series of percentages for this area based on the highwater impacts. The most severely flooded properties, shown as red on our map, received benefits at 100% of their market value. We have one several properties on the north and south sides of the lake at 50% (green), and the remainder of the property at 25%, or shown as blue on our maps.

We understand that costs for the project will be assessed against benefited properties (25%), Minnesota Department of Natural Resources (DNR) (50%), and the BRRWD and their M.S.A. 103D.905, Subd. 3, account (25%). Historically, local assessments have been financed either by the BRRWD or through a bond sale that could run over a 7-10 year period. We were told that the total estimated project costs are $186,000. In our amended report, we found total benefits of $223,470 for private lands. The estimated local share of the project costs is $46,500 (25%). The project multiplier (locals costs divided by total benefits) is 0.199. This multiplier can be used to estimate an individual’s costs.

We would be happy to answer any questions you may have regarding our work or findings, and we are pleased to be of service to the Board in this regard.

Chairman Van Amburg asked for questions. Craig Ripley questioned the benefit to his Lot 7. This is before the area of road was under water, and was not an issue for the township. Albright explained the research from Wade Opsahl, H.E. on the road; the Township does not recognize it as a dedicated road.
Mary Marty questioned the benefit to her. Albright explained the calculations resulting in $1,254 being assessed to her. Craig Ripley asked about the bid. Jones, H.E., stated the project cost was $106,425 versus the estimate of $111,500.

Larry Hovland asked about the current level. Albright explained that something has stopped the flow and this will be evaluated and resolved. He also addressed the problems from this winter with culverts freezing. With appropriate operation, there should not be winter issues. Hovland stated he thought the level was adequate now. Jones explained the control (approximately 1 foot in 10 days) and that drawdowns were taken from December to February.

Todd Johnson had concerns about the water over the banks onto his land. Albright and Jones will conduct a site visit. Johnson also asked about notification when running the outlet; Albright will investigate our responsibility and communicate the information to him.

Ellefson returned to the question by Craig Ripley on Lot 7 and Bernhardson explained the evaluation by the Appraisers. Johnson and Ripley asked about a culvert to benefit Phyllis Treinen. Jones noted the concern, and will evaluate.

Van Amburg called for a motion to move the Findings of Fact and Order for the project. Motion by Ellefson and second by Nelson. Approved. Van Amburg asked if there were any further questions or comments, being none, he adjourned the hearing at 9:25 PM.

Respectfully prepared and submitted by

Bruce E. Albright, BRRWD Administrator