NEWS RELEASE

FOR IMMEDIATE RELEASE: January 18, 2018
FOR MORE INFORMATION CONTACT: Bruce E. Albright, 218-354-7710

"BRRWD Holds Annual Meeting"

On January 8, 2018, the Board of Managers, Buffalo-Red River Watershed District (BRRWD), held their annual meeting. The meeting included election of the 2018 officers: Jay A. Leitch, Chair, Clay County; Peter V. Fjestad, Vice Chair, Otter Tail County; Mark T. Anderson, Treasurer, Clay County; John E. Hanson, Secretary, Becker County; Gerald L. Van Amburg, Manager, Clay County; Troy E. Larson, Manager, Wilkin County; and Catherine L. Affield, Manager, Wilkin County. The Board reappointed Houston Engineering, Inc. (HEI) as their 2018 consulting engineer. The office staff will remain the same, including Bruce E. Albright (Administrator), Julie Jerger (senior full-time administrative assistant), Kathy Fenger (full-time administrative assistant), and Danielle Scheffler (part-time administrative assistant). Vogel Law Firm was hired to represent the BRRWD regarding legal services. Harold J. Rotunda, Certified Public Accountant, was hired to do the 2017 audit. Midwest Bank was designated as the BRRWD's prime fiduciary. Wells Fargo Bank in Barnesville will also be used, as well as any other banks within the District, as the need arises. The Board appointed Managers Leitch, Affield, and Van Amburg to serve on a committee to research options for the hiring of an Assistant BRRWD Administrator.

Following a catered supper at 5:30 PM, the Board met with Dr. Steven J. Taff, Associate Professor Emeritus, Department of Applied Economics, University of Minnesota, to review the results of his easement value study. Dr. Taff was hired as a consultant to developed a method for the BRRWD to determine the value of easements on flood damage reduction and natural resource enhancement projects, primarily for cropland. Dr. Taff presented a synopsis of his study, which proposes a procedure for the BRRWD to determine a base value that can be used to initiate landowner easement negotiations using a spreadsheet calculation tool.

Other business included:

- Approved the 12/31/17 annual financial reports, including the project account balance sheet, administrative disbursements, summary of income, and the accounts receivable report. Total 2017 income was $3,499,955.07 and administrative expenses totaled $494,357.89. The 2017 Accounts Receivable totals $2,891,144, including delinquent taxes and ongoing grant agreements. Cash on hand at the end of the year was $2,183,743.51. The office also prepared a worksheet showing the individual account financial activities for 2017 and then allocated an administrative fee (1%) based on the amount of the expenses for each account. After average account balances for the year are calculated, accounts with a negative average are charged interest at the rate of 3.375% (Midwest Bank loan rate), and accounts with positive balances were allocated interest, including the 2017 bank account interest income ($7,974.50). The 2017 year-end transfers from the Minnesota Statutes Annotated 103D.905, Subd. 3, account ($603,661.50) were completed for several programs/projects that do not have assessment areas. A final 12/31/17 balance sheet was prepared, reflecting the interest allocation/account transfers. Albright noted that the BRRWD office building construction loan was paid off in 2017. The Board also approved the current 1/08/18 financial reports. Income since 1/01/18 was $226.01 from HEI for office rent ($225) and Otter Tail County for delinquent 2017 property taxes ($1.01). Cash on hand is $2,183,969.52, and 2018 Accounts Receivable totals $5,933,672. The Board approved the payment of bills totaling $164,865.82.

- Approved permits to the Moorhead Park Department for a bike bridge across the Clay County Ditch (C.D.) No. 41 outlet to provide access to M. B. Johnson Park in the SE¼, Section 29, Oakport Township, and the Clay County Highway Department for the reconstruction of County State Aid
Highway No. 19 from Trunk Highway No. 10 to 12th ST S, crossing Clay C.D. No. 68, through the City of Glyndon with curb and gutter installation, subject to the reestablishment of the grass buffer along the ditch system.

- Noted that a meeting is scheduled on 1/10/18 with the Wilkin Soil and Water Conservation District in Breckenridge to review the Conservation Reserve Enhancement Program January 8, 2018 to determine potential BRRWD easement allotments for Project No. 79, Wolverton Creek Restoration. The Board approved a rate of $250/acre/construction year for the Phase 1 temporary cropland construction easement acquisitions. A Memorandum of Agreement for project maintenance will be developed with the Minnesota Board of Water and Soil Resources (BWSR) and the Wilkin Farm Service Agency.

- Noted that a meeting has been scheduled for 1/11/18 at 8:00 AM in the BRRWD office to consider a possible improvement for the Clay/Wilkin Judicial Ditch No. 1 outlet in Clay County instead of the diversion option to take upstream flows west to Wolverton Creek, which might yield a more cost-effective project. Jones has several alternatives for the petitioners to consider.

- Approved the renewal of the 2018 temporary storage lease ($3,000) with Carl Pierce for the spoil disposal site on his property, associated with Project No. 49, Oakport Flood Mitigation.

- Noted that the BRRWD was awarded a BWSR 2018 Drainage Records Modernization grant ($50,000) to be used to upload our ditch systems records to an online system to make the information more accessible. HEI has developed a procedure to streamline the process. Albright expects BWSR will forward the grant contract for the Board's review and signature in the next few weeks.

- Completed the annual BWSR Level 1 Performance Review and Assistance Program check list.

- Noted that a conference call with BWSR is scheduled on 1/11/18 at 10:00 AM to formalize a funding plan for the Upper South Branch of the Buffalo River channel restoration project.

- Discussed questions from a landowner about his assessments for Wilkin C.D. Nos. 42 and 43. Their land is enrolled in Reinvest In Minnesota and is not in crop production. Albright explained that when the benefits were redetermined in 1988, their land was in the benefit area for both ditch systems at a combined assessment of $10/acre for both systems ($5 each). At this point, it wouldn't be feasible to hold a redetermination for just their property. The Board could consider a redetermination of benefits for these ditch systems in the future as area drainage patterns have changed after the BRRWD constructed Project No. 31, Deerhorn Creek Levees, in 1999. A redetermination proceeding could also establish a benefit area for Project No. 31, which doesn't currently have one.

- Approved upgrading the office postage meter with the latest technology for a 63-month lease at $43/month. Metered postage costs less than regular postage stamps.

- Noted that the Red River Basin Commission is holding their 35th Annual Land & Water International Summit Conference on January 23-25, 2018, at the Fort Garry Hotel, Winnipeg, Manitoba. Albright and Managers Hanson and Fjestad plan to attend.

- Received notification that Minnesota Pollution Control Agency has approved the Watershed Restoration and Protection Strategies (WRAPS) for the Upper Red River Study and the Total Maximum Daily Load (TMDL) has been forwarded to the Environmental Protection Agency for
review and approval. The BRRWD should be eligible district-wide for 319 BWSR Grant funds this year now that the WRAPS and TMDL have finally been completed.

- Discussed the 2015 Buffer Law process the BRRWD will need to follow to have our ditch systems compliant by the 11/01/18 deadline. The BRRWD will hold hearings for approximately 90 ditch systems, which will include the preparation of Viewers’ Reports, hearing notices to all affected landowners, and easement payments.

- Discussed the status of the Stony Creek Restoration project, including the possible redetermination of benefits for Clay C.D. No. 31, which hasn't changed since the ditch was built in 1907.

- Discussed the status of the Otter Tail River Restoration project. The Army Corps of Engineers expects to complete their work on the feasibility report and environmental assessment by the end of 2018, which would position the project to be eligible to apply for Lessard-Sams Outdoor Heritage Council Program funding in 2019.

- Noted that the next Mediation Project Team meeting will be held on 2/22/17 at 1:30 PM in the BRRWD office.

The Board of Managers, BRRWD, will hold their next regular meeting on Monday, January 22, 2018, at 7:00 PM in the BRRWD office, located at 1303 4th AVE NE, Barnesville, MN. All meetings are open to the public. For more information about the BRRWD, please visit our website at www.brrwd.org.