

BUFFALO-RED RIVER WATERSHED DISTRICT

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MINUTES FOR MANAGERS' MEETING

January 14, 2019

The Board of Managers, Buffalo-Red River Watershed District (BRRWD), held their annual meeting on Monday, January 14, 2019, at 7:00 PM in the Barnesville office. BRRWD Managers present were Jay A. Leitch, Mark T. Anderson, John E. Hanson, Gerald L. Van Amburg, Catherine L. Affield, Peter V. Fjestad, and Troy E. Larson. Others attending included: Bruce E. Albright, BRRWD Administrator, Kathleen K. Fenger, Assistant Administrator, and Erik S. Jones, Engineer, Houston Engineering, Inc. (HEI), BRRWD Attorney Tami Norgard, Vogel Law Firm; Lyle Hovland, Wilkin County Commissioner on behalf of the Richland Wilkin Joint Power Authority (JPA); JPA Attorney Tim Fox; Sam Martin, Minnesota Department of Natural Resources (DNR); Kevin Campbell, Clay County Commissioner; Grant Weyland, Clay County Commissioner; Bob Zimmerman, Engineer, City of Moorhead; and landowners: Shelley Lewis, Pat Otto, David Morken, Nils Hanson, Brett Saumer, Ken Grugel, Bradley Nelson, Jay Nord, Bob Askegaard, Darin Brandt, Michael Brandt, Michael Nelson, Margaret Nelson, Jeremy Spanier, Keith Kragerud, Scott Smith, Judy Willen, Richard Willen, Matt Ness, Tom Askegaard, Hugh J. Trowbridge, Todd Lewis, Richard Lewis, Blayne Tonsfeldt, Curt Bjerckness, Jerry Tenderholt, Ed Askegaard, Bryan Kritzberger, James Haugen, Judy Ness, Larry Ness, John Ready, Brian Holt, Craig Hertsgaard, Don Nelson, Kristi Houska, Marcus Larson, Arden Bredmeier, Charles Anderson, Mark Askegaard, and Joel Paulson.

BRRWD President Leitch called the meeting to order at 7:01 PM and announced that the proceedings were being video recorded to aid in the preparation of the minutes.

Agenda. President Leitch asked for comments or additions to the meeting agenda. Manager Van Amburg suggested that the Board take the review of the Bylaws off the agenda and move it to the next meeting, he hasn't had time to work on them, and it appears that there is not going to be time, given the large crowd in attendance for the Fargo-Moorhead (F-M) Diversion agenda item. Jones proposed to add discussion on the Wolverton Creek and Whiskey Creek Restoration projects. With those additions, the agenda was adopted.

Secretary's Report. The Board reviewed draft minutes for the 12/10/18 regular Board meeting and the 8/30/18 Project No. 78, Judicial Ditch (J.D.) No. 1-Improvement Preliminary Hearing. **Motion** by Manager Affield to approve the 12/10/18 Board meeting minutes. **Seconded** by Manager Fjestad. **Approved.** **Motion** by Manager Anderson to approve the 8/30/18 hearing minutes. **Seconded** by Manager Hanson. **Approved.**

Treasurer's Report. The Board reviewed the 12/31/18 annual financial reports, including the project account balance sheet, administrative disbursements, summary of income, and the accounts receivable report. Total 2018 income was \$4,375,346.85; administrative expenses totaled \$361,988.21. The 2018 Accounts Receivable totaled \$2,303,889, including delinquent taxes and ongoing grant agreements. Cash on hand at the end of the year was \$2,643,764.51. The office also prepared a worksheet showing the individual account financial activities for 2018 and allocated a 1% administrative fee (\$33,953.38) based on the amount of the expenses for each account over the year. After average account balances for the year are calculated, accounts with a negative average are charged interest at the rate of 4% (Midwest Bank loan rate), and accounts with positive balances were allocated interest, including the 2018 bank account interest income (\$22,426.57). The 2018 year-end account transfers from the Minnesota Statutes Annotated (M.S.A.) 103D.905, Subd. 3, accounts (\$553,439.47) were completed for several programs/projects, some of which do not have assessment areas. A final 12/31/18 balance sheet was prepared, showing the project/ditch system account balances reflecting the interest allocation/account transfers.

The Board then reviewed the current 1/14/19 financial reports. Albright noted that income since 1/1/19 was \$225 from HEI for office rent. Cash on hand is \$2,643,989.51 and 2019 Accounts Receivable totals \$4,838,369. Albright noted that the office sent the final billing to the DNR for Project No. 49, Oakport Flood Mitigation, for \$131,770.86 before the 12/31/18 grant expiration date. Larson asked about Clay County's practice of delaying payment of their 2nd half taxes. Albright noted that the County plans to send their 2nd half 2018 projects/ditch system tax proceeds later this week. **Motion** by Hanson to approve the Treasurer's Report, subject to the annual audit and the referenced interest and administrative allocations and account transfers. **Seconded** by Van Amburg. **Approved**.

Citizens to be Heard.

President Leitch noted that the City of Moorhead and Clay County representatives are on the agenda for 8:00 PM to discuss the F-M Diversion. The Board will hear comments from the audience but won't consider any Board action until those entities have had a chance to address the Board.

Wilkin County Commissioner Lyle Hovland, representing the Richland Wilkin JPA, spoke to the Board regarding the DNR's recent decision to grant a provisional permit to the F-M Diversion Authority (DA) for the Diversion project, and the JPA's decision to file a request for a contested case hearing regarding the DNR permit. The Cities of Comstock and Wolverton made resolutions to join the JPA in their action, which means the JPA's attorney will also represent them. By filing the request, it opens the DNR's decision to a legal challenge. In response, the DNR will have to provide a full record of how they arrived at the permit decision, which will provide the JPA with a better understanding of the DNR's decision and allow them to make an informed decision regarding the DNR's findings. Hovland pointed out that as a permitting authority, the BRRWD also has the right to request a contested case hearing. He explained that the reason the group was in attendance tonight was to urge the BRRWD to join them in contesting the DNR permit. Through this action, the BRRWD will have the opportunity to be better informed about how the proposed project will affect landowners within the BRRWD and our projects, particularly the Wolverton Creek/Comstock Coulee and Whiskey Creek restorations. Hovland discussed the JPA's concerns about the DA's Plan A and Plan B for the Diversion project. The JPA doesn't see much difference between the two plans, and they question what changes prompted the DNR to issue the permit. Hovland explained that the JPA feels that scrutinizing the full record should provide keener insight into the process and urged the BRRWD to also consider filing a request.

Keith Kragerud explained that there are five households along the Red River near the Clay/Wilkin county line. With Plan A or B, this area will be flooded. He stressed that he and his neighbors have invested time and effort in building their community into a place where they love to live. He explained that they would like the DA to understand that this area represents more than just houses to them. Kragerud noted that no DA representatives have ever visited their property. The homeowners feel that if the DA plans to take their land so that South Fargo can be developed in the floodplain, they should at least visit the area they want to flood. Kragerud took issue with the terminology of calling the Diversion project a "regional" project. He felt that if the project was truly regional, they could acknowledge the region's impacts of the project and consider development in South Moorhead where there is plenty of land located out of the floodplain. He didn't think that the City of Fargo is a "team player" in regional flood protection planning. If they were, Kragerud felt the DA would look at developing Moorhead's higher land.

Larry Ness commented that he has lived on his farmstead for 77 years and there has never been water problems in the farmstead or on his land. He added that the neighbor's farmstead has never had water problems either. He didn't feel it was right for the City of Fargo to develop in the floodplain and flood out land that has never been flooded. Ness thought the DA should consider other options.

Nils Hanson lives a mile north of the City of Wolverton on a 140-year old family farmstead that has never been flooded. He asked why his land must be fixed at "fair market value" when a few developers in South Fargo can reap large profits from building in the floodplain. Hanson felt that the South Fargo developers

shouldn't be able to blame the upstream agricultural areas for the City's flooding problems when they're developing in the floodplain. He didn't think the State agencies should support a project with no benefit to the State. Minnesota would receive more benefits if the Diversion wasn't built, and the higher land in South Moorhead was developed instead.

Jeremy Spanier commented that he bought the farmstead between Nils Hanson and Larry Ness one year ago specifically because the land didn't flood. He has invested everything into a home in the country, out of the floodplain, so they wouldn't have to worry about flooding. He doesn't know what they're supposed to do now if the Diversion Plan B is built. He doesn't want to be forced to sell and move away from his home.

Shelley Lewis lives outside of Comstock. She commented on claims by the DA that they have met with people to discuss the project with them, but the DA didn't follow through with their contacts.

Matt Ness commented about the mandatory buyout for their farmstead and most of their agricultural land. He explained that he is Larry Ness's son, and he expected to be able to take over the family farm. He has investigated the elevations on his farm, and under existing conditions with no Diversion, his land would not flood. Under Plan B, their property would flood and is listed as a mandatory buyout. This is unacceptable to him, and he feels that the Diversion project is strictly for the benefit of the City of Fargo.

Don Nelson commented that most of the land west of Trunk Highway (T.H.) No. 75 is above the 100-year floodplain and will not flood unless the Diversion dam is constructed. His family's property is west of Comstock on the river. Their house, built in 1895, has never flooded. None of the neighbors' properties have ever been touched by flooding. The City of Fargo is the only one to benefit from the proposed Diversion project. He feels it is completely unacceptable for anyone in Minnesota to think it would be alright to shift floodplain water from North Dakota to flood Minnesota land. He encouraged the BRRWD to file the contested case. He also recommended that the BRRWD consider seeking different legal counsel, as he feels that BRRWD Attorney Tami Norgard, Vogel Law Firm, has a conflict of interest.

Jerry Tenderholt commented that the Diversion project is unacceptable for the whole community. He feels that farmers need to make a living, and the Diversion should be stopped. Fargo shouldn't have built on low land that floods, and even after the Diversion is built, there is still going to be a problem. He was concerned about Diversion maintenance costs that everyone in the F-M area will eventually pay one way or another.

Brad Nelson commented that his farm is located about 5 miles south of the county line near Wolverton Creek/Comstock Coulee. He is concerned about how Plan B will affect the Wolverton Creek Restoration project and his land. He encouraged the Board to file the contested case to get more information about the DNR permit and Plan B.

Keith Kragerud commented that Fargo wants the upstream landowners to sacrifice their property, but they haven't sacrificed anything for flood protection. The properties that were bought out and moved in Fargo should never have been built in the floodplain, so that those buyouts really don't represent a sacrifice.

Nils Hanson asked how the DA plans to determine a "fair market value" for property when there's no property to replace it with. He has 56 acres of prime hunting land along the Red River that is under a mandatory buyout that will be hard to replace within 20 miles of Fargo. Hanson maintained that if there isn't comparable replacement property available, a fair market value can't be determined for a piece of land. He said that the DA has yet to explain how they are going to compensate landowners for their property and felt that the Diversion project should be stopped until all the questions raised by the upstream affected landowners are answered.

Hugh Trowbridge, who lives and farms near Comstock, discussed his concerns about crop insurance coverage for land flooded by the Diversion. The DA has assured landowners that they will work on changing the insurance coverage issues. He noted that to date, he hasn't heard about any changes or anything the DA is

doing about this issue. Trowbridge said that this is an example of the DA's dealings with the landowners. He related his experience with sandbagging in Fargo during the historic flood events. He noted that most of the homes that needed protection were built in the floodplain right next to the river.

President Leitch thanked the audience for their comments. The Board plans to take up the issue of the contested case filing tonight when the City of Moorhead and Clay County officials have had a chance to comment at 8:00 PM.

Other Business brought before the Board included:

Permit No. 18-108, Brian Holt. Holt filed an after-the-fact permit application to install a 30" dia. culvert in a new waterway crossing in the SE¼, Section 19, Tansem Township, Clay County, to provide access from one side of his property to the north without driving his equipment on T.H. No. 34. The culvert was installed during a ditch cleaning project. Albright conducted a field review and stated that the culvert/approach will only affect Holt's property and recommended permit approval. **Motion** by Larson to approve Permit No. 18-108. **Seconded** by Affield. **Approved.**

Parke Township Drainage Complaint. The United States Fish and Wildlife Service (USFWS) is working on a wetland restoration on Pheasants Forever (PF) property in Section 7, Parke Township, Clay County. A neighboring landowner is concerned that one of the wetlands will back water onto his property in Section 18. Albright noted that it appears that neither the USFWS or PF obtained a BRRWD permit for their project. He contacted Shawn May, Detroit Lakes Wetland Management District (WMD), USFWS, regarding this issue. To date, May has not responded, but the Detroit Lakes WMD office is currently closed due to the government shut down.

Wolverton Township Drainage Violation. This fall, the office received a complaint from a neighboring landowner regarding a blocked culvert in 120th ST on the line between Sections 12 and 13, Wolverton Township, Wilkin County. Fill was packed into the north end of the culvert to match the road slope. The Board reviewed photographs taken during a field review conducted by Manager Anderson, Erik Jones, and Kathy Fenger on 10/25/18. Albright worked with the party who plugged the culvert to reopen it. HEI conducted a survey to determine why water wasn't flowing east in the south road ditch. More survey work is needed, which won't take place now until this spring. Albright suggested that the BRRWD work with all the affected parties and the Wilkin County Highway Department to address the drainage issue. The water drains to Clay/Wilkin J.D. No. 1.

Audubon Township Drainage Concern. Todd Boit has a 15-acre building site in Section 13, Audubon Township, Becker County, where he is mining black dirt from a low area next to the road. The Becker Soil and Water Conservation District (SWCD) has determined that according to the Wetlands Conservation Act (WCA), this area is a wetland and that there could be limitations as to how much material he can remove from this site. In an attempt to keep water out of the excavation site, Boit has asked his neighbor to extend his field tile from the trees on the west side of the farmstead and to run the line to the road ditch, which would restrict water from entering the wetland. This plan could be considered a wetland violation. Boit has contacted the office regarding this issue. Manager Hanson and Albright will contact Boit this spring to work with him regarding the area drainage.

Project No. 79, Wolverton Creek Restoration. Albright reported that Todd Blilie has furnished his abstract for the farmstead in Section 10, Wolverton Township, Wilkin County, to Corey Elmer, Vogel Law Firm. Elmer has forwarded the draft purchase agreement to the BRRWD for the acquisition of his two parcels. Albright expects that the transaction could close next week for the agreed upon price of \$150,000. As soon as the BRRWD acquires the property, we will work with the Minnesota Board of Water and Soil Resources (BWSR) and the Wilkin SWCD to enroll 3 small fields into Conservation Reserve Enhancement Program (CREP). Subsequently, the BRRWD will enter into a purchase agreement for the 2.2-acre parcel and a contract for deed for the 17-acre parcel with Kristi Bixby.

BWSR sent amendments for the Targeted Watershed Grant (TWG) contract in association with the Blilie/Bixby land purchase/sale. Jones explained that language was added to the Workplan to be sure the work in Section 10 for the Blilie parcels was included. The Grant agreement had also listed the wrong expiration date, so the grant was amended to reflect the correct date of 6/30/20. **Motion** by Anderson to authorize Albright to sign the amended BWSR TWG contract. **Seconded** by Fjestad. **Approved.** Jones noted that the amendment allows for the grant funds to be used for the future project phases.

Albright recapped the project progress. Phase 1 is still under construction with the contract extension the Board approved for Sellin Brothers, Inc. until 6/30/19. At least one temporary easement option still needs to be signed for Phase 1. Phase 2 easements have been mailed to the landowners. Some have been signed and returned to the office. The staff will follow up with the remaining landowners. A meeting will be scheduled with the Wilkin SWCD regarding the CREP signups, which will be used to fund part of the permanent easement acquisitions. The BRRWD can use state and federal dollars to acquire most of the land right-of-way (R/W), totaling nearly \$3 million. Albright suggested that staff start working on the Phase 3 easements (Clay County portion) to process them in the next couple of months so the Clay SWCD can start working with landowners on their CREP signup. He thought the Phase 2 bid opening could be scheduled sometime in March/April and that this project could be completed in 2019. Jones noted that the Area Fisheries office granted our request for a variance next spring to work in the protected waters during the spawning season from 3/15 through 6/15, so the contractor can start as soon as they are ready this spring when conditions permit.

Whiskey Creek Restoration. The Board discussed the 12/13/18 landowner informational meeting. Albright noted that the landowners appeared to be in favor of the proposed restoration project. Through the various grants already secured, the project funding is progressing well. Albright suggested that if the Board determines to be the project sponsor by resolution hearing, staff will get the hearing scheduled and send the newspaper notices. **Motion** by Fjestad to schedule a resolution hearing to officially begin project development in accordance with Minnesota Watershed Law. **Seconded** by Van Amburg. **Approved.**

Jones informed the Board that he will be submitting paperwork for the National Water Quality Initiative (NWQI) grant before the final grant agreement is forwarded to them for signature.

Project No. 78, Clay/Wilkin J.D. No. 1-Improvement. The Final Hearing was held on 1/7/19 for the partial improvement of J.D. No. 1 in Holy Cross and Alliance Townships, outletting to Wolverton Creek. Albright recapped the items covered at the hearing. He documented the issues/concerns raised at the 1/3/19 Viewers/landowner meeting and included them for review at the final hearing. Given the testimony received at the hearing, the next step for project development would be for the Board to approve the Order to move forward with the project. Albright drafted a Final Findings and Order for the Board's review and approval. He noted that three items were incorporated into the Order that were discussed at the hearing:

- Based on the hearing testimony, the majority of landowners want both sides of the ditch excavated to current standards, keeping the north side bank higher than the south for protection benefits. The project costs could increase by approximately \$100,000-\$200,000, rather than just working off one side.
- Based on the hearing testimony, the project will be financed by a 15-year term bond sale through either Wilkin or Clay Counties.
- The Viewers recommended only some minor changes to their Report. The protection rate on the north end of the ditch will be lowered from \$100/acre to \$80/acre because all of that property is already assessed to Clay County Ditch (C.D.) No. 53 for drainage at the rate of \$100/acre. The Viewers removed the benefits for the W $\frac{1}{2}$ E $\frac{1}{2}$ SE $\frac{1}{4}$, Section 19, Alliance Township, Clay County, which is actually ditched to drain to C.D. No. 53, and in the future, this land will be added to C.D. No. 53 at the rate of \$100/acre. The Viewers also removed 200 acres from protection benefits in the middle of Section 19, Alliance Township, based on elevations.

The total new benefits with the above referenced changes to the Viewers' Report is \$3,426,024.80. Due to the changes, the multiplier will be slightly increased to the other benefited lands.

Albright offered to meet with any landowner who has questions about the Viewers' Report or their changes. Leitch questioned if the Board could wait to approve the Order until all the blanks in the document were filled. Albright pointed out the changes that the office made to the earlier version of the Order that was distributed to the Board for their review. He observed it would be better to get the Order approved as soon as possible to facilitate scheduling an early bid letting and so that staking could take place as soon as possible this spring prior to planting. Manager Anderson abstained from voting, as he owns land within the project area. **Motion** by Fjestad to approve the Final Order for Project No. 78, Clay/Wilkin J.D. No. 1-Partial Improvement, which starts the 30-day appeal period. **Seconded** by Larson. **Approved.** Albright will contact a couple of landowners who submitted written comments and were not able to attend the Final Hearing to review the changes made to the Order.

F-M Diversion. President Leitch pointed out that according to Robert's Rules of Order, the discussion regarding the filing of a request for a contested hearing on the DNR's decision to approve the DA's Plan B Diversion needs to take place after a motion and second. **Motion** by Hanson to request a contested hearing regarding the DNR's permit approval. **Seconded** by Larson. Manager Anderson asked Albright to clarify the issue before the Board. Albright explained that on 12/27/18, the BRRWD received notice that the DNR had approved the Diversion Plan B permit with 54 detailed conditions, stating that if any of the conditions are not met, the permit will be revoked. The DNR also stipulated that permits from all other permitting agencies, including the BRRWD, must be obtained. Albright and Anderson had a meeting with the members of the Upstream Coalition to discuss the DNR permit and a plan for moving forward. Some of the Board members also met with Attorney Norgard regarding what it would mean if the BRRWD contested the DNR permit. By contesting the DNR's decision, it would give the Board a chance to see the entire record of the DNR's process. On 1/11/19, Board members met with representatives from the Diversion engineering department (AE2S, HEI, and Bob Zimmerman, Moorhead Engineer) to talk about the BRRWD's permitting process. The outcome of that meeting was that the DA planned to submit a permit application to the BRRWD in the next two to four weeks, which would consist of the same application that they submitted to the DNR. The Board is required to act on permit applications within 60 days. If the Board asks for more information, the 60 day deadline is reset only after the information is submitted. Albright explained that the Board will need to decide if they wish to deal with the DNR permit via our permitting system or by contesting the DNR permit. If the Board contests, the BRRWD permit application doesn't have to be delayed until after the hearing, which would be held by an Administrative Law Judge, the DNR would have to provide their information, and the issues would be reviewed.

Clay County Commissioner Kevin Campbell addressed the Board about the permitting process. In an DA Executive Board meeting this morning, the Board decided to recommend that the DA vote to submit a permit application to the BRRWD on 1/28/19. Campbell also reported that the DA will establish a Joint Powers Board made of representatives from the County and the City of Moorhead to deal with the Minnesota property acquisition process and the mitigation of land values. Campbell invited the BRRWD to appoint a Manager to serve on that Committee. The DA also held an Ag Committee meeting where the Phase 1 acquisitions were reviewed. Campbell stated that the Clay County Board of Commissioners doesn't support the BRRWD contesting the DNR permit. A decision to contest could potentially delay the Diversion project up to one year, which will increase project costs.

Manager Van Amburg made a **motion** to go to Executive Session for 15 minutes to discuss the question with Attorney Norgard before voting, **seconded** by Anderson. **Approved.** At 8:18 PM, the Board left the meeting room to conduct their Executive Session. At 8:43 PM, the Board reconvened the regular meeting.

President Leitch asked if there was any further discussion from the Managers regarding the issue. Van Amburg voiced his concern about contesting the DNR permit. He thought that the 54 conditions the DNR placed on the permit were very strong, and we should have valid reasons and a strong case to contest the

permit. He also thought that we would be better off dealing with the Diversion's BRRWD permit application based on our Rules and the DA's compliance with the conditions on the DNR permit. Leitch pointed out that the BRRWD's Rules are online and consist of two pages. Albright added that the BRRWD's Rules reference that projects must be in compliance with our extensive Revised Watershed Management Plan (RWMP).

Manager Anderson stated that he would be abstaining under protest from the vote in accordance with Attorney Norgard's advice that he has a conflict of interest because he lives, farms, and has family in the upstream area. He thought that he has no more conflict than those Managers living in Moorhead.

President Leitch asked if any of the Managers wanted to speak in favor the motion. There being no more discussion, he called for a voice vote. Voting in favor of the motion to file a request for a contested case hearing regarding the DNR's permit for the Diversion project: Managers Larson, Affield, and Hanson. Those opposed: Managers Fjestad and Van Amburg. Motion **approved**. The audience gave the Board a round of applause.

Advisory Committee Appointments. The Managers briefly discussed their 2019 candidates for the Advisory Committee and the current list of 16 members. Albright advised that the Managers could send him their suggestions, and he will take care of contacting the candidates. Leitch suggested adding Sally Casey, and Mark Anderson suggested adding Randy McEvers. Albright noted that Committee Member Edwin Johnson, Jr., recently passed away. The office sent a sympathy card.

The following bills were presented for approval:

Accounts Payable	Description	Account	Amount
AmeriPride	#160496320, Dec. billing, Office Rugs	Admin.	\$ 75.84
Barnesville Record-Review	Final Hearing Notice (2)	Pj. 78, J. D. No. 1-Imp.	\$ 1,040.00
Bruce E. Albright	Viewer's Meals	Pj. 78, J. D. No. 1-Imp.	\$ 51.63
Bruce E. Albright	MAWD Room Reservation (3)	Admin.	\$ 622.50
Carmen Pattengale	Nov. & Dec. Cleaning (3)	Admin.	\$ 195.00
City of Barnesville	#10025861, 12/25/18 Phone & Utilities	Admin.	\$ 952.53
Dakota Mailing	#AR28071, Postage Meter Ink	Admin.	\$ 64.95
Fergus Falls Daily Journal	#1218, 1W1P Open House Notice	1W1P	\$ 358.80
Fuchs Sanitation	#26025, 12/31/18 Garbage Service	Admin.	\$ 51.48
Gerald L. Van Amburg	Voucher #18-43, 11/01/18-12/31/18	Varies	\$ 781.41
HEI	January billing	Varies-See attached	\$ 102,311.49
Jay A. Leitch	Voucher #18-42, 11/01/18-12/31/18	Varies	\$ 1,249.05
JB Construction Services	#200, December Snow Removal	Admin.	\$ 340.00
Joel Carlson	January 2019 Lobbyist Fees	Admin.	\$ 850.00
John E. Hanson	Voucher #18-40, 11/01/18-12/31/18	Varies	\$ 902.36
Liberty Business Systems	#358434, Contract overage	Admin.	\$ 351.77
Mark T. Anderson	Voucher #18-38, 11/01/18-12/31/18	Varies	\$ 891.27
MAWD	2019 MAWD Membership Dues	Admin.	\$ 7,500.00
MN DNR	#229665, Stream Gauge Contract-10th	M.S.A. 103D.905, Sub.3	\$ 10,150.00
Moorhead Public Service	11/02/18-01/03/19 Service (4)	Pj. 49, Oakport	\$ 308.27
Moorhead Public Service	11/16/18-12/17/18 Service	Pj. 49, Oakport	\$ 31.97
National Audubon Society	#030, Red River Riparian Rest	M.S.A. 103D.905, Sub.3	\$ 8,375.42
New Century Press	#300265242, Public Meeting Notice	1W1P	\$ 144.00
Northern States Excavating	#0205, Repairs	Clay C.D. Nos. 33 & 40	\$ 1,962.50
Peter V. Fjestad	Voucher #18-39, 11/01/18-12/31/18	Varies	\$ 944.41
Petty Cash	Office supplies, postage, etc.	Admin.	\$ 150.00
Premium Waters, Inc.	#366590-12-18, December Billing	Admin.	\$ 42.69
Purchase Power	December Postage	Admin.	\$ 150.00
River Keepers	2019 Contribution	M.S.A. 103D.905, Sub.3	\$ 55,000.00
RRBC	2019 Contribution	M.S.A. 103D.905, Sub.3	\$ 25,000.00
RRVCPA	12/01/18-01/01/19 Service	Pj. 49, Oakport	\$ 78.83
Troy E. Larson	Voucher #18-27, 07/01/18-08/31/18	Varies	\$ 978.80

United States Treasury	Form 941 QTR 4	Admin.	\$ 501.08
Vogel Law Firm	#226670, December billing	Pj. 79, Wolverton Creek	\$ 8,019.00
Vogel Law Firm	#227913, January Billing	Pj. 49, Oakport	\$ 3,118.00
Vogel Law Firm	#227912, January Billing	Admin.	\$ 781.50
Vogel Law Firm	#228266, January Billing	Pj. 79, Wolverton Creek	\$ 2,409.00
Wahpeton Daily News	#116922, 1W1P Public Mtg Notice	1W1P	\$ 324.00
Wahpeton Daily News	#115856, Final Hearing Notice	Pj. 78, J. D. No. 1-Imp.	\$ 740.88
WREC	11/18/18-12/18/18 Service (2)	Pj. 46, Turtle Lake	\$ 70.50
Xcel Energy	11/25/18-12/26/18 Service	Admin.	\$ 63.69
			\$ 237,934.62

Motion by Fjestad to approve payment of the bills. **Seconded** by Affield. **Approved.**

MAWD Day at the Capitol. The Minnesota Association of Watershed Districts (MAWD) Legislative Reception and Day at the Capitol will be held February 20-21, 2019, at the Double Tree Hotel, St. Paul. Managers can contact the office if they wish to attend.

Next Meeting Agenda. Albright thought the proposed Stony Creek Restoration project could be added to the next agenda. At their 5/14/18 meeting, the Board approved moving forward with the Alternative 1 plan for the project and authorized HEI to prepare the easement option details. Albright noted that a resolution hearing will need to be scheduled. He added that MAWD is considering a bonding bill this Legislative Session for flood damage reduction (fdr) projects, so the Board could consider authorizing a grant application when those funds become available. The Board briefly discussed MAWD's tentative plans to hold their Summer Tour in Moorhead this year.

2019 BRRWD Annual Meeting.

Election of 2019 Officers. **Motion** by Anderson to cast a unanimous ballot to reelect the current officers. **Seconded** by Larson. **Approved.** The BRRWD officers for 2019 will be as follows: President-Jay Leitch, Vice President-Peter Fjestad, Treasurer-Mark Anderson, and Secretary-John Hanson.

Appointment of 2019 Consultants. The Board discussed HEI's 2019 proposal for engineering services. The BRRWD receives a 10% discount from HEI's standard rates. The Barnesville office staff includes Bruce Albright (Administrator), Kathy Fenger (Assistant Administrator), Julie Jerger (senior full-time administrative assistant), and a possible part-time administrative assistant position. Billable hours for the Barnesville staff would be capped for each employee at 1,750 hours, locking in the maximum HEI would charge for the referenced staff. Time in excess of that number would be absorbed by HEI. Cody Zarak (resident technician) would work primarily on BRRWD projects at a reduced rate from 2018. The agreement includes a monthly office rental payment of \$225. President Leitch has been working with HEI on this issue and noted that he would like to defer a vote on HEI's proposal until the next meeting. Leitch assigned Anderson and Fjestad to meet with him to review/discuss the proposal further.

Vogel Law Firm submitted a proposal for 2019 legal services with a \$5.00/hour rate increase. **Motion** by Hanson to hire Vogel Law Firm as the BRRWD's legal consultant for 2019. **Seconded** by Fjestad. **Approved.**

BRRWD Lobbyist Joel Carlson's 2-year contract with the BRRWD expired at the end of 2018. He proposed another 2-year contract at the same rate, \$850/month (\$10,200 per year). **Motion** by Hanson to approve Carlson's proposed 2-year contract as referenced. **Seconded** by Larson. Van Amburg thought Carlson does a good job for the BRRWD when we need help at the Capitol. Fjestad asked Albright if he thought we were getting our money's worth from Carlson. Albright thought that Carlson's fee is fair compared with other Lobbyists' charges. He's available to work on our behalf whenever we

need a presence at the Capitol, or to alert us to relevant legislation and funding opportunities. The group discussed MAWD's lobbyist service for their member districts. President Leitch thought that we have local Legislators who can speak for the BRRWD and that we could hire a lobbyist for specific projects for about \$200/hour. **Approved.** Albright reminded the Managers that they need to file their annual statements of economic interest recertification in accordance with the Campaign Finance and Public Disclosure Board requirements.

Harold Rotunda, Certified Public Accountant (CPA), submitted a letter of agreement regarding his services to conduct the 2018 audit. He indicated that the fee for his services would be the same as last year at \$2,100. **Motion** by Anderson to hire Rotunda to complete the 2018 audit and Salber and Associates, Inc., to prepare the 2018 W-2s and 1099s. **Seconded** by Van Amburg. **Approved.**

2019 Financial Designation. Motion by Anderson to designate Barnesville Midwest Bank as the official 2019 BRRWD depository, subject to the use of any other depositories within the District as needed throughout the year, provided they are FDIC insured. **Seconded** by Hanson. **Approved.** Albright noted that the Detroit Lakes Bremer Bank called to discuss their interest rates. Their interest rate was 2.5% and at Midwest Bank we are currently getting 0.25%. Albright suggested that he and Treasurer Anderson could meet with Bremer. Anderson noted that Midwest Bank contacted him about the BRRWD's need for a bank card. The Board briefly discussed the proposal. Albright suggested that he and Anderson could discuss it and bring back a recommendation to the next meeting.

319 Clean Water Act (CWA) Funding. Jones noted that there are some funding opportunities available for 2020. These funds could potentially be used for the channel restoration work on Stony Creek. The application deadline is 2/25/19.

Adjournment. Motion by Anderson to adjourn the meeting. **Seconded** by Affield. **Approved.** President Leitch adjourned the meeting at 9:30 PM.

Respectfully submitted,

John E. Hanson, Secretary