

BUFFALO-RED RIVER WATERSHED DISTRICT

BARNESVILLE, MINNESOTA 56514

123 FRONT STREET SOUTH – PO BOX 341

PHONE 218-354-7710

MEDIATION PROJECT TEAM MINUTES

April 28, 2011

The Buffalo-Red River Watershed District (BRRWD) Mediation Project Team (PT) held a meeting on Thursday, April 28, 2011, at 7:30 PM at the Minnesota State University Moorhead (MSUM) Science Center, Glyndon, MN.

Attending were: Bruce E. Albright, BRRWD Administrator, and Houston Engineering, Inc. (H.E.), Erik S. Jones and Zachary Herrmann, Engineers, H.E.; Roger G. Ellefson, John E. Hanson, and Curtis M. Nelson, Gerald L. VanAmburg, and Breanna L. Paradeis Kobiela, BRRWD Managers; Lynn Foss, Clay Soil and Water Conservation District (SWCD); Doug Wells, United States Fish and Wildlife Service (USFWS) and Fergus Falls Wetland Management District (WMD); Paul Wannarka, Red River Basin Coordinator, Minnesota Department of Natural Resources (DNR), Jim Woulters, DNR, Jack Frederick, Minnesota Pollution Control Agency (MPCA), Pete Waller, Board Conservationist, Minnesota Board of Water and Soil Resources (BWSR); Robert A. Zimmerman, Engineer, City of Moorhead; and Keith Weston, Natural Resources Conservation Service (NRCS) Basin Coordinator.

Members absent were: Audubon Dakota; Don Schultz, Area Wildlife Manager, DNR; Henry VanOffelen, Natural Resource Scientist, Minnesota Center for Environmental Advocacy (MCEA); Robert Honeman, Area Resource Conservationist, NRCS; Dave Barsness, Fisheries Specialist, DNR; Brian Dwight, Board Conservationist, BWSR; Craig O. Evans, PM-D, Army Corps of Engineers (COE); Leo Grabowski, Project Manager, COE; Scott Kahan, Detroit Lakes WMD and USFWS; Wally Sparby, Staff Assistant, Congressman Collin Peterson's Office; Brad Grant, Becker SWCD; Shawn May, Detroit Lakes WMD and USFWS; Josh Kavanaugh, Ducks Unlimited (DU); and Brian Winter, Program Director, The Nature Conservancy (TNC).

Albright called the meeting to order at 7:37 PM. He thanked the group for their attendance. Jim Woulters, Fisheries Specialist, DNR, was filling in for Dave Barsness, DNR, who could not attend tonight's meeting.

Business brought before the group included:

Meeting Minutes. The 2/17/11 meeting minutes were distributed via e-mail with today's meeting notice.

Motion by Frederick to approve the minutes. **Seconded** by Zimmerman. **Approved.**

BRRWD Highwater Problems. Albright discussed district-wide high water complaints. He noted in particular that homeowners south of Sabin along County Road (C.R.) No. 11 have contacted the BRRWD with concerns about problems they are having with the high ground water in their area. He discussed the 2011 spring flood fight and observed that North Dakota has suffered significant flooding again this spring.

Project No. 54, Whiskey Creek Tributaries. Albright briefly discussed how the project functioned this spring during the flood. He noted that there were some breakouts along the channel. One individual along County State Aid Highway (CSAH) No. 52 contacted the office with concerns about flooding, but once the Clay County Highway Department cleaned the snow from their ditch, the water went down. Albright discussed the Wetlands Reserve Program (WRP) site along Trunk Highway (T.H.) No. 34 near the Galaxie Supper Club east of Barnesville that seeps west along T.H. No. 34 and freezes in the ditches/culverts,

causing water to back up into a nearby residence. The BRRWD is working with the NRCS, landowner, and Humboldt Township to address this situation. The Fergus Falls NRCS office conducted a survey to determine what could be done to alleviate the seepage. The Board will review the information. There is a possibility that an overflow culvert could be installed to take water north from the county road ditch along C.R. No. 25, which may need some minor cleaning.

Pete Waller, BWSR, asked if water overtopped CSAH No. 52 this spring. Ellefson thought that this was the first time since the project was constructed that water did go over the road. Albright noted that when Luther Aadland, DNR, conducted a stream restoration class on Whisky Creek, he thought the restored meander channel on east tributary looked good.

Project No. 56, Manston Slough Restoration. Don Schultz, DNR, is working with the Wilkin SWCD to seed the Holubok tract. They are waiting for conditions to dry up.

Using TSAC Paper #14, which clarifies the process to identify natural resource enhancement (nre) benefits on projects, Erik S. Jones and Rick St. Germain, H.E., have completed and forwarded their breakdown of the project's nre and flood damage reduction (fdr) features/costs in response to the DNR's request for further documentation regarding our request for 75% state funding. We need about \$657,000 to meet the 75% requirement. Albright distributed copies of H.E.'s report to the PT for their review.

A Red River Basin Commission (RRBC) tour group recently visited the Manston Slough project site. Albright reported that we have about 8 or 9 easement options left to acquire, and the Appraisers' Report is finished. Once we get approval for the Conditional Use Permit (CUP) from Wilkin County and obtain the remaining easement options, the BRRWD could hold the final hearing and make the Order to construct the project. The Order is subject to a 30-day appeal period. Once the appeal period is over, the Board can move forward with the bidding process. The Board would like to get the project started this fall. The DNR agreed to extend our current \$2 million grant until 6/30/12.

Albright also briefly discussed the acquisition of the easement from the Kent Rod and Gun Club. Since there were originally 29 owners of the property, it is going to be very difficult to acquire this easement. Vogel Law Firm has begun a friendly condemnation process, which will hopefully make it possible for the BRRWD to acquire the rights we need for the project.

Project No. 58, Riverton Township Retention. The RRBC tour also stopped at this project. We are releasing water now that the downstream runoff is over. Jones noted that according to the Operation and Maintenance (O&M) plan, we are supposed to have the outlet control structure opened to its full capacity (equal to a 36" dia. pipe) by 5/01/11. Landowner Bud Beckett reported that the project worked very well again this spring. No water escaped north to the Bouton Addition, which was a major concern for the BRRWD for many years, and there were no breakouts on Clay County Ditch No. 12. TNC still has some seeding and clean up items to complete.

Project No. 49, Oakport Flood Mitigation. Albright reported that the contractors started work this week. He discussed work needed for the 2011 spring flood fight. He noted that the project provided some regional benefits this spring, even though it is not completed. We still need \$1.7 million from the State to finish the current construction work under contract and an additional \$1.5 million to complete the east Wall Street road raise. Albright explained that we would like to complete the Wall ST road raises in 2011, and only have to close the road for one construction season. We also need \$4.5 million to finish the final Phase 4 work on Broadway ST NW. Albright plans to contact Kent Lokkesmoe, DNR, regarding the funding. We are waiting to see what the State Legislature does regarding the 2011 bonding bill. Robert Zimmerman, City of Moorhead, noted that they have about 30 voluntary buyout requests. Albright mentioned that Clay County would like the BRRWD to participate with these buyouts. The group

discussed the possibility that the County may have to do a percentage of the appraised value with a local match from the homeowner.

The BRRWD is essentially finished with easement/land acquisitions. We had to go to condemnation on a \$72 easement.

Highwater Outlet Projects. Albright reported that the BRRWD has decided not to open the lake outlets until the Red River reaches the 30' stage in Fargo-Moorhead. We did start the Turtle Lake project because of high water concerns.

Project No. 60, Swede Grove Lake. Albright said that there has been some renewed interest in this project. Albright noted that Adam Phillips, DU, was interested in the project, but has taken a new position in Iowa. He was very interested in working with the BRRWD to investigate possible programs/funding that might be available through DU and the DNR and their Shallow Lakes Initiative proposal and the Lessard-Sams Outdoor Heritage Council (LOHC) Conservation Partners Legacy Grants (CPLG).

Project No. 50, Cromwell Township Highwater Investigation. Albright gave a brief history of this project. The Board met with Scott Kahan, USFWS, and agreed to revise the O&M Plan. The BRRWD will need to apply for USFWS temporary permits to operate the project when human health and safety issues develop.

Albright discussed the easement acquisition process. One landowner has hired an attorney to respond to the BRRWD's decision to go to condemnation to acquire his easement. Albright distributed a letter from the attorney for the PT's review. The Board will consult with our Attorney, Tami Norgard, Vogel Law Firm, regarding this issue. Area landowners have expressed their desire for the BRRWD to complete the project this year as quickly as possible. The group had an extended discussion regarding the condemnation proceedings/process.

Project No. 63, Grove Lake Outlet. Albright noted that Grove Lake has risen this spring because the project was stopped in response to downstream spring flooding. No property is in jeopardy.

Project No. 67, HRBP Lakes Outlet. Albright noted that the lake outlets were operated last winter, but they were stopped in preparation for the spring flood, and we plan to open them again next week when the Red River reaches the 30' stage in Fargo-Moorhead. The contractor still has some cleanup work left. The Board plans to hold the final hearing sometime this summer, and they also need to receive/approve the Appraisers' Report.

Project No. 68, Lake Jacobs Outlet. Landowners on Lake Jacob plan to attend the 5/09/11 BRRWD meeting to discuss a possible outlet project for their lake. Albright noted that landowners are having problems accessing their property. The group discussed this proposed project.

Lake Annie landowners, located east of Lake Jacobs, have also contacted the BRRWD regarding their high water concerns. Lake Annie is not located in the current BRRWD boundaries. The Board has agreed to authorize H.E. to do some very preliminary work to determine their options for an outlet. Albright, Ellefson, and Jones met with the landowners and Township in February to discuss their options. One of the ideas discussed was a petition to add land to the BRRWD. To date, Waller noted that the landowners have not contacted BWSR. The Minnesota Department of Transportation (MNDOT) has already raised T.H. No. 108 several feet. The water is currently about 8" from overtopping the highway again. Ellefson mentioned that this area petitioned out of the BRRWD when the Watershed District was expanded in the 1970s. There are now landowners in the BRRWD who are opposed to doing anything for this area. The group discussed outlet routes for Lake Jacobs. The least expensive route passes through some USFWS

wetland easements. The USFWS prefers the alternate route that bypasses the wetlands, which is more expensive to build. Jones will work with USFWS on the project routing. Jones noted that H.E. will be in this area tomorrow to conduct surveys for both Lake Jacobs and Lake Alfred, so next week he will focus on putting together the preliminary project plans.

Project No. 69, Lake Alfred Outlet. Albright discussed this lake north of Lake Jacobs where several landowners are experiencing high water problems. Homes and septic systems are in jeopardy. The landowners attended a BRRWD meeting last December to ask for help. Jones said that because of poor ice conditions this winter, a full survey could not be completed. As noted, H.E. will survey this area tomorrow.

Project No. 64, LaBelle/Boyer Lakes Outlet. Albright discussed the project development, and noted that since the project operation began in July 2010, Boyer Lake was down approximately 4', and LaBelle Lake was lowered about 2'. The outlets were closed recently due to the downstream spring flooding. Albright suggested that the BRRWD, DNR, and other agencies could meet with lake landowners who are interested in information regarding shoreline restoration. Jim Wouters discussed agency concerns about potential winter fish kills. It appears that the problem wasn't as bad as anticipated this spring.

Project No. 66, Ranum/Tansem Lakes Outlet. Albright discussed the project history regarding an outlet for these lakes that lie east of Barnesville along T.H. No. 34. One farmstead is almost completely surrounded by water. The BRRWD is working on finding funding for a buyout of this property. The appraisal has been completed and will be forwarded to Wynn Consulting next week for their review. We hope to be able to complete the buyout this spring, which will be funded by the DNR, BRRWD, and the Department of Employment and Economic Development (DEED).

Project No. 65, County Line Outlet. Albright noted there is another area with high water problems southeast of Barnesville on the Clay/Wilkin County line. The wetlands have reached their natural runout elevation and are already running out to the west towards Interstate-94 (I-94). The wetland basins are approximately 11' deep. Currently, the water is threatening area farmsteads and has inundated a township road on the county line. Area residents have significant access problems to their property because of water overtopping the township roads. The USFWS has a Waterfowl Production Area (WPA) on the south side of the township road in Wilkin County and a wetland easement area in Clay County north of the road. A meeting was held with USFWS and DU on 3/07/11 to discuss project options. The BRRWD had plans to lower the wetlands about 4.5', but the USFWS would like to lower the basins almost completely. Jones will prepare a report for the Board's review regarding the two alternatives. The DNR will conduct an Ordinary High Water (OHW) determination for another protected wetland to the east. The group discussed the water levels on these wetlands.

Project No. 46, Turtle Lake Outlet. Albright noted that the Turtle Lake project has been in operation for nearly 12 years. We recently were having trouble with the Long Lake siphon, and we decided to remove the gate valve, which appears to have nearly doubled the flow volume. Landowners have had to do some emergency sandbagging this spring on Turtle Lake.

Wolverton Creek/Comstock Coulee. The BRRWD held a Sub-Project Team meeting this week in Comstock to discuss the current Clean Water Fund (CWF) grants. The initial grant still has about \$60,000 left. Work has been delayed because the outlet to the Red River of the North is still underwater. There is still some cleanup/repair work to complete. We have received a second \$250,000 CWF grant to complete the Phase 2 work. H.E. will prepare a model of the channel to be used to determine areas for bufferstrip installation, retention/detention sites, water quality, and side inlet controls. We also received a \$25,000 grant from the DNR to look at the design for a channel restoration section at the upstream end of the coulee in Wilkin County. These funds need to be spent by 6/30/11.

Waller asked about the timeline for H.E. to complete the modeling. Jones thought that they could have it completed in the next 4-6 weeks.

The group also discussed the current COE Fargo-Moorhead Flood Diversion project. The new proposal is for an upstream staging area that would include diking over the Wolverton Creek/Comstock Coulee outlet. The COE has scheduled a public meeting on 5/03/11 in Comstock to discuss this proposal. The Energy & Environmental Research Center (EERC) has proposed that the BRRWD consider adding Distributive Storage into our plans for Wolverton Creek/Comstock Coulee area for flood retention. Albright noted that the Board has agreed to table any more discussion on this issue until some of our ongoing projects have been completed.

Lawndale Trout Stream Restoration. Waller reported that the Lawndale Channel Restoration project looks good. The channel was constructed last winter on frost conditions. There is still some cleanup work left to be completed this spring. Albright explained that the DNR plans to install the actual diversion structure this summer, which will reroute all of the flows from the trout stream into the newly dug channel, and Wilkin County Ditch No. 40 downstream of the new channel would only act as an overflow outlet for high water. Ellefson asked if the new channel was ready to take more flows. Waller thought that until the vegetation is established, the DNR would need to be careful not to put too much water in the project area.

Project No. 39, Georgetown Levee. Albright noted that Georgetown had a very difficult flood fight this spring. Governor Dayton has promised the City \$3 million to complete their permanent levee improvements. Dayton has recently amended the bonding bill to reflect his commitment. The total improvement project cost is estimated at approximately \$3.8 million. Due to bank stability/geotechnical issues, the levee will have to be moved further away from the river. The BRRWD expects to buyout about 15 properties/houses that won't be protected by the new levee. We received an additional \$500,000 from the DNR in 2010 for appraisals, design, easements, and buyouts.

Hay Creek/Stinking Lake CWF Project. Albright reported that work funded by the Phase I CWF grant is nearing completion. Phase II funding (\$100,000) has been approved by BWSR, and the Becker SWCD and the Becker County NRCS will be able to complete the current bufferstrip and sediment control basin contracts. Albright noted that no new applications will be accepted.

South Branch of the Buffalo River. The BRRWD and PT have been using the Mediation process to look at potential projects to address fdr and nre concerns along the South Branch of the Buffalo River in Wilkin and Otter Tail Counties. The BRRWD held a meeting with agency representatives and affected landowners on 1/27/11 in Barnesville. Approximately 40 landowners attended. Three years ago, we met with this same group. H.E. has submitted several retention and setback levee options. The main concern with any project for this area is not to add stage increases downstream at the County line. Project options include setback levees, channel restoration, and downstream/upstream retention. The problem with building the levees first without providing retention is that it will increase downstream flows.

Albright discussed the BWSR Reinvest In Minnesota (RIM) program funding that was used to enroll 21 of the 22 landowners along the South Branch into the Conservation Reserve Program (CRP)/bufferstrip program. Breakout problems along the South Branch happened again this spring with some water going cross country to Wilkin County Ditch No. 13. Albright distributed copies of the USDA press release regarding the \$10 million WRP funding that's available with a signup deadline by June 2011. Weston noted that they are trying to set up criteria to prioritize areas where the funding could be best invested for retention and restoration. He added that units of government will not be eligible for the funding. Only landowners can apply.

Albright asked if there is information available for landowners to determine their possible WRP payment rates. Weston explained that there is Geographical Area Rate Caps (GARC). In Minnesota, the GARCs are established on a Township basis, which will be set at the 2011 rates. Albright asked if BWSR plans to provide any match money for the new WRP funding. Waller said at this time, no match funding is available. This new WRP funding is in addition to the regular WRP funding. The group discussed the practices that will be promoted under this new program. John Ensel, DU, met with a group of landowners last year regarding possible retention in Otter Tail County. The contracts would be either 30 year or perpetual. Weston noted that there should be an established operator and a management plan for the any retention site including the landowner and an agency, such as the BRRWD. Ellefson discussed current wetland and retention issues. He feels that the wetlands are no longer serving their purpose because they are full and overflowing. Albright suggested that Ellefson and Weston could meet with the Otter Tail County landowners regarding this program. Waller discussed the permanent wetland reserve program where the State would help pay the property taxes on enrolled acreage in lieu of payments to the landowners.

Jones discussed an area adjacent to Becker County Ditch No. 9 along C.R. No. 9 where there is a potential restoration site that could provide approximately 100 acre-feet of retention. He provided a map of the area. Weston discussed the best type of vegetation for WRP sites. Zach Herrmann, H.E., presented a report on a potential upstream retention site on the South Branch of the Buffalo River in Sections 10, 11, 14, and 15, Manston Township, Wilkin County. The report included preliminary structure sizing and cost estimates. The site would potentially hold up to 8,500 acre-feet of water before the spillway with a 25.5 square miles (sq. mi.) drainage area. The spillway would consist of a 600' long depression in the north ditch embankment that would allow water to spill over into Wilkin County Ditch No. 44. The levee configuration could be a 12' top width with 4:1 sideslopes and an 8' deep core trench with a 6' wide bottom. The total project cost estimate is approximately \$9.2 million, which works out to be about \$1,100 per acre-foot. The estimate includes easement acquisition costs. The purpose of this site, or any other retention site, is to mediate the impact of the setback levees, which are set at the existing 25-year flood elevation. He discussed possible holding areas outside the setback levees to provide zero impact at the County line. Total project costs for the setback levees would be \$6.5-\$7.5 million. There would be approximately 1,600 acres within the setback levees with approximately 430 RIM enrolled acres.

Ellefson asked if anyone knew how much silt was in the South Branch of the Buffalo River at T.H. No. 9. Jones said that there was about 6' of silt in the river when they did the cleanout on the Haick property a few years ago. Ellefson discussed historic drainage patterns and land use in the area east of T.H. No. 9 in the Lawndale area, and the potential for improved fisheries with a channel restoration project. He noted that there is extensive erosion in this area that fills up the downstream river channel. Herrmann commented that a retention site in this upstream area would help reduce channel sedimentation. Wouters thought that this project could tie in with improved fisheries issues. Frederick commented that this system was one of the most impaired stretches of waterway in the BRRWD. He felt it was just not functioning correctly and reestablishing meanders could be beneficial. Albright noted that there is a lot of land in this area that is already enrolled in WRP. He added that the Lawndale Trout Stream project could make it possible to reduce the erosion problem on the Yaggie property that flows directly into the South Branch. Albright suggested that we could start contacting landowners to discuss the retention site proposal and possible WRP payments. He added that the BRRWD could also take a look at the new WRP signup options.

BRRWD Total Maximum Daily Load (TMDL)-Phase II. Jack Frederick, MPCA, reported that after the current water quality monitoring work, it appears that most of the waterways in the BRRWD are impaired for turbidity, bacteria, and E. coli. Albright said the Phase II contracts are nearly ready to be signed. A meeting will be held to finalize the MPCA contract, which will provide \$250,000 with a deadline of June 30, 2013. The River Watch Teams, the International Water Institute (IWI) team, and the BRRWD met to go over the water quality data. A meeting was held on 4/14/11 to review the 2011 BRRWD sampling

needs. We are also working with Wells Fargo Bank in Barnesville on a possible \$1,500 grant to help fund River Watch.

Barnesville Township FDR Study. The BRRWD has been working with landowners in the area southwest of Barnesville in Sections 32, 33, 34, 35, and 36, Barnesville Township, Clay County, which has a drainage area of approximately 21 sq. mi., and has had significant water problems along a DNR protected watercourse. Landowners in this area attended the 11/08/10 BRRWD meeting in response to an area ditch repair request, which they felt will have an effect on downstream drainage. Hopefully, after the Oakport Flood Mitigation and Manston Slough Restoration projects are completed, the BRRWD will have the time to devote to this project area to discuss a comprehensive approach.

Fargo-Moorhead Metropolitan Feasibility Study. Albright noted that the COE has been working on various proposals for the Diversion. With last year's proposal, downstream impacts were significant. Now the COE is looking at upstream retention to minimize downstream bounce, which has sparked concerns from local landowners within the BRRWD. The draft feasibility study and the draft Environmental Impact Study (EIS) are out for comment. Public meetings will be held at the end of May and an official public hearing will be held June 1, 2011.

Hawley Buffalo River Stabilization. The City of Hawley's long term plan to restore the natural channel alignment for a reach of the Buffalo River did not receive funding from the LOHC CPLG Program for this funding cycle. Albright discussed the possible ways to breakdown the project into different phases to make the project more likely to be funded.

Red River Basin Commission (RRBC) Impoundment Study/Long Term Flood Study (LTFS). The RRBC is working on a modeling project for the Red River of the North to determine if it would be possible to meet a 20% long term flow reduction goal from the White Rock Dam in South Dakota to the Canadian border. Rick St. Germain, H.E., did the BRRWD's study, and determined that it would be possible to reduce impacts by 20% at Georgetown from the BRRWD. Albright suggested that the PT should review the results of this project at a future meeting.

Red River Retention Authority. The group discussed a draft study produced by the IWI, entitled "The Impacts of Agricultural Drainage on Watershed Peak Flows".

Activities Update. Albright distributed the BRRWD's recent press release. He briefly discussed the BRRWD's concerns about tiling system operation during downstream flooding and a possible revision of the BRRWD Rules regarding this issue.

Membership Changes. Albright noted that we don't have a DNR area hydrologist or a Citizen Advisory Committee member on the PT. Albright suggested that we could invite Julie Aadland, Area Hydrologist, Fergus Falls, to attend our next meeting. The group agreed.

Next Meeting. Albright said the next PT meeting is tentatively scheduled for Thursday, June 23, 2011, at 7:30 PM in the MSUM Science Center, Glyndon.

Adjournment. There being no further business to come before the group, Albright adjourned the meeting at 9:50 PM.

Respectfully Prepared and Submitted by

Bruce E. Albright, BRRWD Administrator