

BUFFALO-RED RIVER WATERSHED DISTRICT

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MEDIATION PROJECT TEAM MINUTES March 19, 2015

The Buffalo-Red River Watershed District (BRRWD) Mediation Project Team (PT) held a meeting on Thursday, March 19, 2015, at 1:30 PM at the BRRWD office, Barnesville, MN.

Attending were: Gerald L. Van Amburg, John E. Hanson, and Peter V. Fjestad, BRRWD Managers; Bruce E. Albright, BRRWD Administrator, Ted Rud, Engineer, and Thomas Eskro, Engineer, Houston Engineering, Inc. (HEI); Julie Aadland, Area Hydrologist, Minnesota Department of Natural Resources (DNR); Pete Waller, Board Conservationist, Minnesota Board of Water and Soil Resources (BWSR); Larry Martin, United States Fish and Wildlife Service (USFWS) and Fergus Falls Wetland Management District (WMD); Mandy Erickson, Fisheries, DNR; Alice Klink, State Wetland Restoration Biologist, Natural Resources Conservation Service (NRCS); Lynn Foss, Clay Soil and Water Conservation District (SWCD); Anthony Nelson, Pheasants Forever (PF) and Clay Soil and Water Conservation District (SWCD); Ross Aigner, Landowner/Wilkin SWCD; Rodger T. Hemphill, Area Hydrologist, DNR; Mike Oehler, DNR Wildlife, Fergus Falls; Robert A. Zimmerman, Engineer, City of Moorhead; and Edward J. Musielewicz, District Conservationist, Becker NRCS.

Members absent were: Mark T. Anderson, Troy E. Larson, Breanna L. Paradeis Kobiela, and Cathy L. Affield, BRRWD Managers; Don Schultz, Area Wildlife Manager, DNR; Tara Mercil, Minnesota Pollution Control Agency (MPCA); Shawn May, Detroit Lakes WMD and USFWS; Keith Weston, Red River Retention Authority (RRRA)/NRCS; Henry Van Offelen, Red River Basin Coordinator, DNR; Ryan Frohling, Detroit Lakes WMD and USFWS; Audubon Dakota; Brian Dwight, Board Conservationist, BWSR; Craig O. Evans, PM-D, Army Corps of Engineers (COE); Kevin Kassenborg, District Manager, Clay SWCD; Keith Mykleseth, Assistant Regional Manager, Division of Ecological and Water Resources, DNR; Larry Puchalski, Project Manager, COE; Emily Siira, Area Hydrologist, DNR; Josh Kavanagh, Biologist, Ducks Unlimited (DU); Brian Winter, Program Director, The Nature Conservancy (TNC); and Don Bajumpaa, District Manager, Wilkin County SWCD.

Bruce Albright, BRRWD Administrator, called the meeting to order at 1:30 PM. Introductions were made. A signup sheet was passed to record attendance. Albright gave a brief explanation of the Mediation Process. Van Amburg noted that the Project No. 56, Manston Slough Restoration, has been recognized as one of the finalist for the Minnesota Environmental Initiatives 2015 Project of the Year in the Natural Resources category. He stressed that this project is an example of what can be accomplished when the agency partners work together through the Mediation Agreement process and the need to continue to develop additional significant natural resource enhancement (nre) and flood damage reduction (fdr) projects in the future. The group discussed Freedom of Information Act (FOIA) issues related to sharing potential project information between agencies. Van Amburg stressed the need for local coordination and working together to complete nre and fdr projects.

Business brought before the group included:

Meeting Minutes. Draft minutes for the 01/08/15 Mediation PT meeting were distributed with today's meeting materials. **Motion** by Waller to approve the minutes. **Seconded** by Foss. **Approved.**

Barnesville Township Area Drainage Study. Albright reported that HEI recently completed the field survey work, including Whisky Creek from its juncture with the South Branch of the Buffalo River in Section 9, Alliance Township, upstream through Section 21, Barnesville Township, and a DNR protected water course that joins Whisky Creek (South Tributary) near the line of Sections 10 and 15, Alliance Township, and proceeds upstream for approximately seven miles ending in Section 33, Barnesville Township. An acceleration grant application was submitted to the Red River Basin Flood Damage Reduction Work Group (RRBFDRWG), which was approved in September 2014 for \$10,000 to help finance the survey and accelerate the project development.

Thomas Eskro, HEI, presented an update of the preliminary survey results, which Erik Jones, Engineer, HEI, shared with the PT at their last meeting in January. The original embankment storage design (11,000 acre feet) has been scaled back to find alternative alternatives that could be more feasible and efficient to address storage for the 30 square miles (sq. mi.) within the Whisky Creek drainage area. Using the overhead monitors and handouts, Eskro explained to the group how the four alternative alignments were evaluated using the COE's Hydrologic Engineering Center's Hydrologic Modeling System (HEC-HMS) model to produce a variety of hydrographs. Alternatives 1-3 are different alignments of the original large storage site in Barnesville Township between Whisky Creek and the South Tributary. Alternative 1 has an east-west alignment in Sections 27, 28, and 29; Alternative 2 has a north-south alignment in Section 27, 28, 33, and 34; and Alternative 3 has a split alignment in Sections 21 and 22 (north site) and Sections 27, 32, 33, and 34 (south site). These alternatives could potentially provide between 20-30% flow reduction. The fourth Alternative on the south side of the South Tributary in Atherton Township, Wilkin County, only yielded about a 3% flow reduction. Eskro noted that the next steps will be to refine the hydrologic model and apply the hydrographs to the Hydrologic Engineering Center's River Analysis System (HEC-RAS) model, which allows the Engineers to form one-dimensional steady flow, unsteady flow, sediment transport/mobile bed computations, and water temperature modeling for the downstream areas for the larger rainfall events. In addition, using the HEC-HMS, HEI plans to investigate a possible channel restoration, with and without the retention sites, for the south tributary of Whisky Creek, which has approximately 3' of sediment. Another informational meeting could also be scheduled to present the current study results to get landowner input. Alice Klink, NRCS, asked which site yielded the most flow reduction. Eskro said that Alternative 1 would provide approximately 7,300 acre-feet of storage, or storage of about 4.5" of runoff over the watershed. Alternatives 2 and 3 were also comparable with about 4" of runoff storage across the watershed.

Albright commented that a site situated between Whisky Creek and the South Tributary might be the best option so that flow could be reduced on both waterways. In Barnesville Township, there might be the opportunity to implement some channel restoration work and bufferstrips. There also could be a few farmsteads that might need ringdikes. In the beach ridge area near Trunk Highway (T.H.) No. 9, there are still areas of native grass that could possibly be preserved via easements. He felt that a comprehensive approach could address most of the problems in this watershed. Albright added that landowner cooperation is vital to implementing a successful project.

The group reviewed an inventory of the various proposed structures on Whisky Creek and the South Tributary. Albright pointed out that this is the type of information that landowners will also want to review.

Klink asked if Whisky Creek was causing problems primarily on farmland or are there also problems within the City of Barnesville. Albright said that there is small part of Barnesville that is in the floodplain because of the Creek, but primarily, the impacts are seen on agricultural lands lying west of town. He added that the current wet cycle has had a significant impact on our waterways, and referenced serious erosion problems occurring on the Rod-N-Gun Club property in the SE¹/₄, Section 23, Barnesville Township.

Ross Aigner asked if HEI had any data on crop productivity index for the acreage involved with the four alternative options. He asked if it made sense to impound water on the less productive land to the east. Eskro thought that would be useful data to obtain. Albright noted that parts of Section 29, Barnesville Township, have been tiled in the last few years, which is going to inflate easement values. Klink asked if there had been an investigation for a project that could allow for both an impoundment and agricultural production inside the same embankment. Albright referenced the Bois de Sioux Watershed District's North Ottawa project where this feature was implemented. He thought that potentially, the Barnesville Township site could provide the same type of utilization. Albright observed that the greatest risk of flooding is in the spring. The group discussed different ways crops could be insured within an impoundment site to protect landowners after crops have been planted from potential summer flood losses. Van Amburg thought that the easement values would have to set high enough to offset the occasional crop impacts. He noted that North Dakota State University (NDSU) is conducting a study to identify storage easement values for the Fargo-Moorhead (F-M) Diversion project. The group discussed current easement values and how to derive a fair payment value. Klink commented that drainage improvement practices, like tiling in conjunction with retention structure construction, could be incorporated into a project design to maximize agriculture benefits. Tiling and retention don't have to be mutually exclusive.

Larry Martin, USFWS, commented that he was not interested in a project that would encourage draining smaller wetland areas. The group discussed agricultural drainage vs. wetland protection. Klink observed that realistically, a good way to stimulate landowner participation is to develop a project that will provide improved drainage for their fields, as well as other benefits in selected areas. Albright noted that this is the reason the BRRWD is interested in developing a "comprehensive" project for this area, so that all participants will hopefully get something of value. Aigner said he wasn't opposed to the proposed embankment alignments, but wanted to point out that subsurface drainage can filter the minerals and other particulates that stay in the soil after the holding pond water evaporates or drains off. He thought that tiling installations should be equipped with outlet control structures to manage field drainage. Albright briefly discussed the BRRWD's permitting system as a means of protecting wetlands.

Albright said that the BRRWD would like to schedule another landowner informational meeting before the next PT meeting in May. He will notice the agency personnel when a meeting date is finalized.

In regards to funding, it has been suggested that the BRRWD submit a NRCS Regional Conservation Partnership Program (RCPP) funding application for this project. Albright explained that the Red River Retention Authority (RRRA) asked the BRRWD to submit a letter of support for an RCPP application for the Red River Valley, which was successful, and the RRRA received \$12 million to fund retention projects in our region. The RRRA is made up of Red River Watershed Management Board (RRWMB) and the Red River Joint Water Resources District (RRJWRD) in North Dakota. It now appears that the BRRWD is not eligible for RCPP funding because we are not members of the RRWMB. This is the reason the BRRWD is considering submitting our own 2015 RCPP application, separate from the RRRA. Klink felt that the Barnesville Area Retention project is a perfect fit for Public Law (PL) 566 funding, which is under a separate "authority" from the current Farm Bill. In the past, the PL 566 program did not have funding, but with the newly organized RCPP, there is now funding for PL 566 projects. Klink explained that there are two parts to the RCPP funding: planning and construction. Since planning is the most difficult and expensive phase, most of the current \$12 million allocated to the RCPP is earmarked for planning. She went on to warn that if we want to use the PL 566 program, it will require a rigorous and expensive planning effort, which will include identifying a funding source with a 50% cost share. Klink will provide the BRRWD with information about the PL 566 program. Van Amburg commented that the BRRWD already has partnerships with various agencies that we can call upon to help develop this type of program.

Julie Aadland, DNR, suggested that for any impoundment site in Section 33, Barnesville Township, the outlet should utilize the public watercourse.

New Farm Bill. Albright noted that the RRCP funding in the New Farm Bill has already been discussed. The NRCS has also received \$50 million in the New Farm Bill. Klink commented that some money has already been released for Environmental Quality Incentives Program (EQIP), and the signup deadline has been extended until 4/17/15. She explained the types of projects that are eligible for EQIP funding. Ed Musielewicz, Becker NRCS, noted that Becker County has about \$300,000 in applications. Waller asked if Musielewicz's office and the BRRWD collaborate on projects using the funding. Musielewicz said that through the use of "incentives" the NRCS can provide additional funding for certain practices to achieve flood storage goals, i.e., sediment control basins in conjunction with BRRWD contributions.

Albright mentioned that we are working with landowners along the Wolverton Creek/Comstock Coulee to assist them to submit a funding application to install channel restorations, etc. In order to receive EQIP funding, the landowners will have to complete a conservation plan for their farming operation. The group discussed the details of this requirement. Albright questioned if the requirement was meant to include the entire farm's acreage, or just the area covered in the application. Musielewicz commented that while the ultimate goal is whole farm planning, NRCS can apply the requirement to just a "treatment unit" where the actual work is proposed. Klink agreed that the program doesn't mandate a whole farm plan to do work in just one quarter of land. Aigner suggested that each parcel of land can have a different farm identification number, or Common Land Unit (CLU). Klink explained that the RRA set the criteria for the practices that the NRCS could fund from their pool of money. There are two sources of EQIP funding currently available: from the RRA allocation to fund only specific projects (\$50 million) and the regular EQIP program, which can be used to develop the more traditional EQIP projects. Klink noted that the current ranking cutoff is 4/17/15, but landowners can submit applications at any time. The group spent some time discussing the EQIP application process and the implementation of the Federal funding programs. NRCS will also take Wetland Reserve Easement (WRE) applications at any time. She thought the next ranking period would begin in May 2015.

South Branch of the Buffalo River. Albright gave a brief overview of the problems/issues involving the upstream area of the South Branch of the Buffalo River. At the last PT meeting, a presentation was made about a proposal for a four mile reach, beginning at T.H. No. 9 and continuing downstream to Wilkin County Road (C.R.) No. 30. Klink noted that there is also a BWSR/NRCS Reinvest In Minnesota (RIM)/Wetlands Reserve Program (WRP) site, which is not performing up to expectations with breakouts, etc. in the SE¹/₄, Section 11, Manston Township. The group discussed possible solutions to the erosion problems in the NE¹/₄, Section 6, Manston Township, where the water is breaking out of the channel on Carolyn Swenson's property. HEI developed some plans for a levee that would contain the breakout flows and prevent further damage downstream. The worst area on the property was subsequently enrolled in Conservation Reserve Program (CRP) before Swenson applied for EQIP funding. We found out after the fact that EQIP funding can't be used for projects on CRP acreage. So now that landowner doesn't have a source of funding to construct the levee. Musielewicz noted that there are "filter strip" provisions in the CRP contract for shaping and grading. Aigner commented that work in Section 6 is just a "band-aid" on a much larger problem on the South Branch of the Buffalo River. He thought it would be better if the levee on the Swenson property would be designed to be part of the larger future comprehensive project. Klink noted that NRCS has only two funding options for a project in Section 11, Manston Township: WRE/WRP and agricultural land easements (50%). Klink explained the program requirements/restrictions. She will also provide information regarding these two options for Albright's review.

Stony Creek Comprehensive Project. Albright gave an update of current project development for a possible off-channel retention site that would be located in Sections 3, 4, and 5, Barnesville Township, Clay County. The project study area is Stoney Creek upstream from its confluence with Hay Creek, in Section 32, Elkton Township, to T.H. No. 9. The BRRWD recently received a RRBFDW acceleration grant (\$12,000) to complete some preliminary soils investigation work, which will be conducted next week. We have a willing landowner, who is anxious for the project to be implemented. Erik Jones will ask the

BRRWD to authorize a detailed elevation survey of the Stony Creek channel. On March 12, 2015, the proposed project was presented to the F-M Diversion Authority with a request for funding (\$89,000) from the City of Fargo. The City has funding for upstream flood damage reduction projects related the F-M Diversion project. The Diversion Authority referred our request to the RRRRA's technical committee.

Manston Slough Restoration. Albright reported that the BRRWD will open bids on 3/23/15 for the native grass seeding on the USFWS/DNR lands. He noted that the structure is currently holding back a small amount of water. Cleanup items need to be identified, and Albright suggested that DNR/USFWS representatives and he conduct a field review to put together a final punch list for the contractor. The contractor will also need to reinstall a number of boundary signs around the USFWS and DNR properties, which were removed for construction. Keys will be provided to both the USFWS and DNR for the gates on the structures.

As noted earlier, Albright reiterated that the Manston project is one of the finalists for the Minnesota Environmental Initiatives Award in the Natural Resources category. The winners will be announced at a ceremony on May 21, 2015, in Minneapolis.

Oakport Flood Mitigation. The BRRWD will be working with the 2015 Legislature to hopefully secure \$5.66 million dollars in bond funding to complete Phase 4. Albright testified at a House Subcommittee hearing earlier this month. The project is on the DNR's funding list this year with a proposed \$17 million bonding bill. If the bond is approved, the Oakport project could be finished this year.

Wolverton Creek/Comstock Coulee. The group continued the discussion about the EQIP landowner sign-up requirements. The landowners must have a conservation plan completed and eligibility confirmed. The sign-up deadline for the first round of funding is 04/17/15. Klink noted that there will be another sign-up period this year so if the landowners miss this first round, there will be another chance to apply.

Georgetown Levee. The BRRWD continues to work with one remaining buy-out property. We are having some issues with the lending institutions regarding one house that needs to be demolished for placement of the levee. The BRRWD is considering condemnation on the property in order to get the project finished this year. The contractor intends to come back in the spring to finish the work and complete the project.

F-M Diversion Authority. Albright explained some of the issues involved with the BRRWD's approval of the Diversion Authority's (DA) Fiscal Year (FY) 15 budget of approximately \$210 million dollars. As the only member of the Joint Powers Agreement (JPA) who has not approved the Budget, the BRRWD is getting pressure from both the DA and the upstream opposition regarding our vote. In the meantime, the Minnesota Governor and the DNR have made statements that there should be no construction work on the Diversion until the Minnesota Environmental Impact Statement (EIS) is completed, which is expected in August 2015. There is no official Minnesota opposition to levee work within the City of Fargo, or hardship case buyouts. The DA might submit a revised partial budget removing everything but these items and EIS funding for the BRRWD's review. There was a brief discussion about DNR's concerns regarding "high hazard dams". Van Amburg commented that the budget issues are complex and have been contentious for the BRRWD.

Total Maximum Daily Load (TMDL)/Watershed Restoration and Protection Strategy (WRAPS). Albright noted that the MPCA's contract for the Buffalo River TMDL/WRAPS Studies with BRRWD ended on 12/31/14. The next steps are for MPCA to publish the Study in the State Register for comments.

The Upper Red River TMDL project is scheduled to be completed by 12/31/15.

Project No. 9, Buffalo River Detention-Donnelly Site No. 1. The Donnelly family is interested in selling some of the former site to the USFWS, and the USFWS is interested in working with the BRRWD on a restoration project for the Buffalo River. Musielewicz discussed the erosion concerns on the river channel in this area along the old railroad track.

Revised Water Management Plan (RWMP). The BRRWD has a current deadline of 5/31/15 to complete our RWMP, which includes an additional 400 square miles from the Otter Tail River downstream of Orwell Dam to Breckenridge, added to the BRRWD in 2012. Two landowner informational meetings have been held in Rothsay and Breckenridge. The Board will form a Technical Advisory Committee (TAC) and Citizen Advisory Committee (CAC) to assist with the process. BWSR needs a 60-day review period for the draft document. Albright commented that it was unlikely that the RWMP would be finished by the 5/31/15 deadline, and we will need an extension. Waller noted that the next BWSR Northern Committee meetings are scheduled for June and September this year and January 2016.

Activities Update. Copies of the 03/09/15 meeting press release were distributed.

RRBFDRWG Conference. The Joint Water Resources Conference sponsored by the RRBFDRWG and the RRWMB will be held on March 25 and 26, 2015, at the Marriott Conference Center, Moorhead, MN. Albright encouraged PT members to attend. The Conference provides a good format to see what's happening in the Red River Basin of the North on the Minnesota side of the river in accordance with the Mediation Agreement.

Next Meeting. The next BRRWD Meditation PT meeting is tentatively scheduled for Thursday, May 7, 2015, 7:00 PM, in the Barnesville office.

Adjournment. There being no further business to come before the group, Albright adjourned the meeting at 4:00 PM.

Respectfully Prepared and Submitted by

Bruce E. Albright, BRRWD Administrator