

MIDDLE FORK CROW RIVER WATERSHED DISTRICT
BOARD OF MANAGERS MEETING
July 10th, 2007
Dethlef's Center
Spicer, MN 56288

Present: Joe Flanders, Gordy Behm, Robert Hodapp, Robert Zenner and Ruth Schaefer of the Board; Julie Klocker-Administrator; Tom Bonde-Technical Advisor, Kurt Deter-Attorney, Peter Ebnet-Intern; Greg Erickson, Marlene Buboltz & Brian Hedtke, Kristi & Jerome Bengtson-Green Lake Township; Ralph Janson & Terry Frazee-GLPOA; Bernie Schwaegerl-New London Township; Wally Strand-Meeker County Commissioner; Rick Moore-MMDC; Dwaine Buer & Bernard Gratz-Atwater and Marlys Larson & Elizabeth Christenson-Spicer.

1. The meeting was called to order at 7:00 pm by Chairman R. Hodapp.
2. The agenda was reviewed and a motion was made by G. Behm and seconded by R. Zenner to approve the agenda as stated. The motion passed.
3. Minutes from the June 5th meeting were reviewed. A motion was made by R. Zenner and seconded by R. Schaefer to approve the minutes. The motion passed.
4. Treasurers Report was provided by J. Klocker. See YTD general ledger fund form, which notes that \$97,139 has been spent from the general fund. Meeker (\$6319.75) and Kandiyohi (\$108,161.63) counties have sent their first half tax payments. The WD has also received and spent \$6,500 from the Clean Water Partnership grant. A motion was made by J. Flanders and seconded by R. Zenner to approve the Treasurers Report subject to audit. The motion passed.
5. The July bills to pay were reviewed. A motion was made by G. Behm and seconded by R. Zenner to approve the July bills to pay. See attached list. The motion passed.
6. Request for professional service update was provided by J. Klocker.
Engineering proposals were received from: Barr, EOR, HDR, Houston, SEH, Skonard and Wenck. The goal is to approve engineering firms for future projects. T. Bonde asked if SEH (St. Cloud) has conflict of interest with the WD. SEH is currently involved with the City of Spicer on the CR #10 project. The issue was discussed by the Board and it was decided that conflicts of interest will be addressed by legal counsel as project decisions are made. R. Zenner asked who decides on which engineering firm to choose. J. Klocker stated that on small projects, she would decide as time is often an issue. She stated that on larger projects (\$2500+) she would bring the matter to the Board. A motion was made by G. Behm and seconded by R. Schaefer to allow the Administrator engineering discretion on projects which cost \$2,500 or less for general funds and \$5,000 or less for grant funds; all other engineering decisions to go before the Board. The motion passed.

Rinke Noonan Law Firm submitted a proposal for legal counsel. The agreement would be the same, \$550/month if an attorney attends the meeting or \$250/month for office consultations when not attending a monthly meeting.

Westberg Eischens submitted an accounting response to our request. Audit fee is anticipated to be less than \$4,500 or \$5,250 if the WD elects to include the GASB 34 Management and Discussion Analysis disclosure. The accounting audit is for 2007 and

2008. The Board discussed the benefit of included the General Accounting Services information. This is the only portion of the audit that summaries all of the work done by the WD for the calendar year. A motion was made by R. Zenner and seconded by J. Flanders to approve the submitted proposals for professional services from Rinke Noonan and Westberg Eischens. The motion passed.

The engineer involved in the Scott family gulley erosion project has moved out of state. A replacement will need to be hired either by the WD or the family. It was felt that the WD should hire and supervise the engineering firm. The original estimate was \$10,000, with the family paying approximately 25%. J. Klocker stated that the WD could assign the engineering cost to the grant fund. It was decided that J. Klocker will contact Skonard Engineering of Willmar to assist in this project.

The meeting was closed at 7:30 pm for a Public Hearing on a watershed district project.

7. **A public meeting was opened by Chairman R. Hodapp for the purpose of discussing the MFCRW Restoration and Enhancement Project Clean Water Partnership Project Initiation.** In accordance with MN Statute 103D.605, this requires a public hearing for projects using public funds. The Clean Water Partnership grant would allow up to \$200,000 for approved projects, such as a septic upgrade/replacement. The WD loans the money to the district resident with a payback period of 7 years at 3.5% and any other project would be paid back over a 10 year period at 3.5%. The property owner would be assessing through their county property taxes. Approximately \$14,000 has already been requested awaiting approval. The state charges the WD 2% for the loaned amount and the WD charges 1.5% for administrative fees for a total interest of 3.5%. Special assessments are placed on the property and the county collecting the assessment submits the funds to the WD, who then pays the money to MPCA.

Discussion: K. Deter stated that the project cost is charged to those property owners who receive benefit from the project. J. Flanders asked about the handling of defaults on loans. J. Klocker stated that the loan amount stays on the property owners' tax statement, either to be paid by the owner or a future owner. B. Hedke asked if the Green Lake Township Board should be directing people to the WD for questions. J. Klocker requested that individuals be directed to the WD. If the project is approved, a loan policy will be developed and property owners could apply. In some cases grant money and loan money may be available. B. Schwaegerl asked if money is available for the Green Lake Sanitary Sewer and Water District. J. Klocker stated grant money is not available for large wastewater treatment facilities. Grant money may be available for cluster type systems, where each of the property owners in the cluster and receive benefit would be assessed for the cost. As no other discussion was offered, a motion was made by J. Flanders and seconded by G. Behm to approve the MFCRW Restoration and Enhancement Project Clean Water Partnership Project Initiation. The motion passed. The public meeting was closed at 7:38.

Chairman R. Hodapp reopened the Board of Managers meeting at 7:39 pm.

7. b. Resolution 2007-10 authorizing the WD to enter into bond approval to borrow money from the MPCA and lend money to eligible lenders for water quality improvement projects. The Board reviewed the resolution and process. A motion was made by G. Behm and seconded by R. Zenner to approve Resolution 2007-10 as stated above. The motion passed.

A motion was made by J. Flanders and seconded by R. Schaefer to approve the General Obligation note allowing the WD to borrow funds as needed for the loan program. The motion passed.

The WD first Projects will be: Pickle family near Diamond Lake, Scott family near Nest Lake, Shoreline Restoration projects throughout the District and various SWCD projects.

8. Green Lake Eurasian Water milfoil Plant Management-Information was presented by T. Frazee and R. Janson updated the Board on Eurasian milfoil problem in Green Lake. Summary provided: August 2000-2 sites identified covering approximately 15 acres. August & September 2001-all sites treated. DNR down graded the priority status of the lake. June 2002-no evidence of plants were found except for one site which was not treated by the DNR pier. Summer of 2006- 17 sites were identified. Summer of 2007-47 sites were identified.

The GLPOA would like to introduce a two prong approach of 1.) Chemical treatment provided by a group from Rogers, MN. The DNR did allow this authorized contractor a permit to spread a granulated powder around each plant grouping on a calm day. The chemical is similar 2-4-D. Treatment could be completed within a couple of days if the weather is calm. Swimming in treated areas would be prohibited for several days after treatment.

2.) GLPOA contracted with Steve McComas to perform a point intercept plant study; the study will cost approximately \$4,500. The study will provide a statistical analysis of the number of water milfoil plants within the lake. Kandiyohi County has offered funds for treatment this summer.

The long range plan is for an ongoing treatment and management program, which the GLPOA request assistance from the Watershed District. GLPOA will return next month with an update.

9. Pickle Feedlot Project-J. Klocker reported that the Pickle family did not realize that the engineering costs could be added to the grant request for their feedlot project. Engineering costs paid by the family was \$1447.00. A motion was made by G. Behm and seconded by R. Schaefer to approve the inclusion of engineering fees, not to exceed \$1447.00 in the funding request. The motion passed. J. Klocker stated that this project reduces the FLEVAL rating from a high of 48 to 0, which should create a significant positive impact on water quality.

10. Office furniture-J. Klocker has been reviewing options and will compare the quality of the furniture bids received thus far. Most bids are in the range of \$14,000-\$17,058; this includes the furniture needed for the office and meetings. Pricing includes installation. A motion was made by R. Schaefer and seconded by R. Zenner to approve up to \$17,058 for office furniture form either Ed Davis or Marco. The motion passed.

11. Administrator's Report-J. Klocker provided the following information:

- a. Calendar-see attached. K. Deter stated that he will send information to J. Klocker on the MN Association of Drainage Inspectors meeting.

- b. Monitoring Equipment purchase-Flow monitoring equipment will need to be purchased, options discussed. More precise equipment is now available which has an optic head instead of a magnetic head. Cost of the equipment is listed as \$7,500 and some grant money could be used for the purchase. A motion was made by R. Schaefer and seconded by

R. Zenner to purchase the flow monitoring equipment, total cost not to exceed \$7,500. The motion passed.

b. Monitoring Report- J. Klocker reported that overall the monitoring is going well. Volunteers are turning in samples on time and accuracy in paperwork is improving each week. Some areas of the WD are providing extremely high TSS (total suspended solids) readings, such as: Park Lane Resort area on Green Lake- 540-800, whereas Lisa & Lee Broderus are reporting 60 (average). B. Gossman is providing chemistry and T-Tube readings for the Neer Park area before and after the Little Crow Ski Team practices. T. Bonde stated that the USGS contract for the flow station gauge on CR #2 is paid through September, 2007. The Board discussed the value of the data received and J. Klocker will contact USGS for renewal information.

c. Petty cash is requested for day to day expenses. The Board agreed to allow J. Klocker to monitor its use and track expenses on a monthly basis. A motion was made by R. Zenner and seconded by J. Flanders for \$200.00 to be placed in a petty cash fund for WD expenses. The motion passed.

d. MAWD conference- 164 people attended the conference which included a tour of N. St. Paul Ramsey Washington Watershed District. The WD recently completed their "green building". The 2008 conference is in Wheaton, MN hosted by the Bois de Sioux WD.

e. Plan Budget Review/Hearing- J. Klocker will meet with G. Behm and J. Flanders for the initial meetings in August. The Public Hearing needs to be scheduled in September.

f. One year review process-J. Klocker will send out information for the Board to review.

g. Lake association memberships- The invitation was extended to the WD to join a lake association. The Board discussed this invitation and declined.

h. Original Statement of Economic Interest for Appointed Public Officials form was handed out to each Board member for completion. Forms need to be returned to the WD office.

12. Conflict of Interest information was provided by K. Deter, which was reviewed and discussed. At the current time no specific issue is of concern and it was decided to forward any specifics to our legal counsel.

13. Public comments-none.

14. A motion was made by J. Flanders and seconded by R. Zenner to adjourn the meeting. The motion passed and the meeting adjourned at 9:07 pm.

Submitted by,
Ruth Schaefer

Secretary

7-30-07