

OFFICIAL MINUTES
Clearwater River Watershed District
Board of Managers Meeting
June 27, 2017 - 6:00PM
City Hall, Kimball, MN

Chair Schiefelbein called the meeting to order at 6:08pm. Managers Paul DeGree, Kathy Jonsrud, Robert Rocheleau, Robert Schiefelbein and Chris Uecker were present. Manager Chris Uecker entered the meeting at 6:36pm. Manager Paul DeGree was excused absence. Also in attendance were: Jeff Burkhardt (left at 6:29pm), Orv Jonsrud, Commissioner Darek Vetsch (left at 9:12pm), Engineer Rebecca Carlson, Advisor Merle Anderson, Assistant Administrator Dennis Loewen and Administrator Cole Loewen. The following were in attendance for Clearwater Harbor & Hidden River update: Jeff Hagg, Jeff & Lori Westrum, Brandon Larkin, Sheryl Martino, Thomas & Barbara Hilson and Jerry & Pam Risberg (all left at 8:16pm).

Motion #17-06-1: Jonsrud/Rocheleau moved to adopt the agenda. **All Managers voted aye.**

PRESENTATION

Jeff Burkhardt, Burkhardt & Burkhardt Ltd. – 2016 Audit Results and 2016 Audited Financial Statements

Auditor Jeff Burkhardt presented the CRWD's 2016 Annual Audited Financial Statements and reviewed the 2016 audit process.

Motion #17-06-2: Rocheleau/Jonsrud moved to accept the CRWD's 2016 Audited Financial Statements, acknowledge an understanding of its contents and authorize the CRWD administrator to transmit the statements to entities required by state statute as well as other interested entities, and to post to the CRWD website. **All Managers voted aye.**

Jeff Burkhardt left at the end of this item.

Orv Jonsrud, Cedar Lake Conservation Club (CLCC) – Request to amend Cedar Lake AIS Project to allow additional AIS –related activities

Mr. Jonsrud presented a request from the CLCC for the CRWD to consider amending the existing Cedar Lake AIS Project to allow for additional AIS-related activities under this project, specifically launch inspections and decontamination activities. The Board directed staff to solicit an opinion from its attorney on whether an amendment was necessary given the intent of the project, and if so, whether an amendment would be possible under state statute, or whether a new project would be needed.

School Section Lake Modified Outlet Control Project #17-1: Engineer's Report

Engineer Carlson filed the noted engineer's report with the Board of Managers.

Motion #17-06-3: Jonsrud/Uecker moved the following resolution:

ACCEPTING ENGINEER'S REPORT AND DIRECTING DETERMINATION OF BENEFITS AND DAMAGES FOR
SCHOOL SECTION LAKE MODIFIED OUTLET CONTROL PROJECT #17-1

WHEREAS the Clearwater River Watershed District (CRWD) constructed and maintains the School Section Lake Outlet Control Project (Project #84-1), a structural outlet on School Section Lake, Stearns County, to manage lake level and flood risk for properties riparian to the lake;

WHEREAS in accordance with Minnesota Statutes §103D.401, the CRWD has adopted and implements a watershed management plan (WMP) that provides for the operation and maintenance of an outlet structure on School Section Lake to manage water levels in the lake and for related purposes;

WHEREAS in 2015, the outlet structure intake was significantly damaged by ice so that Project #84-1 became inoperable, requiring that as an element of repairing the intake and restoring operability, the CRWD installed an ice barrier to protect the intake from immediate ice damage; the barrier was functional but not designed as a long-term element of the outlet or to incorporate safety or visual considerations;

WHEREAS the Board directed the CRWD engineer to review design alternatives for an ice barrier to provide for the function and longevity of the outlet structure while also avoiding safety risks caused by the modification of the outlet structure to accommodate the barrier;

WHEREAS on considering the CRWD engineer's review, the CRWD Board of Managers ("Board") concluded that a modified outlet control incorporating Project #84-1 can include an ice barrier that is durable, well-designed for operation and maintenance and satisfactory in appearance and can align assessments for construction, operation and maintenance with present benefits;

WHEREAS by Resolution #17-05-4, adopted on May 17, 2017, the Board:

- Found that such a modification project would promote the public interest and welfare, is practicable and conforms to the WMP;
- Initiated the project and designated it as the School Section Lake Modified Outlet Control Project, Project #17-1; and
- Directed that the CRWD engineer prepare a report for Project #17-1 in accordance with Minnesota Statutes §103D.711;

WHEREAS the CRWD engineer has submitted its report dated June 27, 2017, which:

- Includes a plan of, and findings and recommendations about, Project #17-1;
- Finds that Project #17-1 is feasible; and
- Otherwise conforms to the requirements of Minnesota Statutes §103D.711; and

WHEREAS the Board, in its discretion, finds that it is appropriate and efficient that the CRWD use the procedure in Minnesota Statutes §103D.721 to determine benefits and damages associated with Project #17-1;

THEREFORE BE IT RESOLVED as follows:

- The CRWD engineer's report dated June 27, 2017, is accepted;
- The CRWD Administrator will transmit the engineer's report to the Director, Minnesota Department of Resources, Division of Ecological and Water Resources, and to the Board of Water and Soil Resources, and request advisory reports in accordance with Minnesota Statutes §103D.711;
- The CRWD Administrator will direct the CRWD engineer to make a soil survey and soil survey report on recommendation of either advisory report, and may direct the engineer to make such other modifications to the engineer's report as warranted in response to either advisory report;
- Benefits and damages of Project #17-1 will be determined by the Board in accordance with Minnesota Statutes §103D.721; and
- The CRWD Administrator will assist the Board in its determination of benefits and damages, and may expend reasonable and budgeted sums on engineering and other professional assistance as deemed reasonable and necessary to do so.

All Managers voted aye.

CRWD's 2016 Annual Report

Administrator Loewen presented the finalized CRWD 2016 Annual Report.

Motion #17-06-4: Jonsrud/Rocheleau moved to accept the CRWD's 2016 Annual Report and authorize the CRWD administrator to transmit the report to entities required by state statute as well as other interested entities, and to post to the CRWD website. **All Managers voted aye.**

CONSENT AGENDA

Action items included in the consent agenda were as follows:

- Approved May 17, 2017 CRWD Board of Managers' regular meeting minutes.
- Authorized Board and staff attendance at upcoming events.

Motion #17-06-5: Rocheleau/Jonsrud, moved to adopt the consent agenda. **All Managers voted aye.**

JUNE 21, 2017 FINANCIAL REPORT

Administrator Loewen reviewed the financial report.

Motion #17-06-6: Jonsrud/Rocheleau, moved to authorize payment of bills, subject to audit and to allow the CRWD administrator to transfer up to \$100K from investment to checking accounts in order to provide liquidity, subject to expiration at the Board's August meeting. **All Managers voted aye.**

OLD BUSINESS

Decommissioning aerator buildings/ equipment: Lakes Augusta and Marie

Motion #17-06-7: Jonsrud/Rocheleau moved the following resolution:

AUTHORIZING ADMINISTRATOR TO SOLICIT QUOTES FOR AERATION EQUIPMENT DECOMMISSIONING FOR THE CLEARWATER RIVER CHAIN OF LAKES RESTORATION PROJECT

WHEREAS the Clearwater River Watershed District (CRWD) constructed and maintains the Clearwater River Chain of Lakes Restoration Project (the "Project"), for purposes including water quality improvements for the noted chain of lakes;

WHEREAS the Project is composed of several components, including equipment for hypolimnetic aeration on Augusta, Louisa and Marie Lakes for water quality and habitat improvements, sited on private lands on which the CRWD holds perpetual easements;

WHEREAS in its adaptive implementation of the Project, the CRWD has not operated the aeration components for several years, and the equipment and the sheds in which the equipment is housed need refurbishment;

WHEREAS it is not prudent for the CRWD to incur asset maintenance or new equipment costs, or necessary for the CRWD to burden landowners with the visual presence of equipment housing, until such time as it determines aeration again is warranted;

WHEREAS the CRWD has removed the aeration equipment and housing from Lake Louisa, and it is appropriate to consider the same for Lakes Marie and Augusta;

NOW, THEREFORE, BE IT RESOLVED by the Board of Managers for the Clearwater River Watershed District as follows:

1. The Administrator, with the assistance of the CRWD engineer, is directed to develop a scope to decommission and remove the aeration equipment and housing from the Lake Marie and Lake Augusta sites, solicit quotes for the work, and present a recommendation for award of contract to the Board along with a proposal to fund the work from the Project operation and maintenance fund;

2. Hypolimnetic lake aeration remains an established component of the Project and a means the CRWD may reinstitute from time to time to fulfill its water resource management mandate;

3. By removing infrastructure related to lake aeration, the CRWD is not in any way expressing intent to abandon its acquired easements and it intends to retain all easement rights for use at such times as it should determine lake aeration to be warranted.

All Managers voted aye.

Update: NMAP implementation for Clearwater Harbor & Hidden River

Administrator Loewen and Engineer Carlson discussed the need for a new application to the Point Sources Implementation Grant program for 2018.

Motion #17-06-8: Uecker/Jonsrud moved the following resolution:

AUTHORIZING THE CLEARWATER RIVER WATERSHED DISTRICT (CRWD) TO SUBMIT A POINT SOURCE IMPLEMENTATION GRANT APPLICATION TO THE MINNESOTA PUBLIC FACILITIES AUTHORITY (PFA) AND TO AUTHORIZE ITS ADMINISTRATOR TO EXECUTE A GRANT AGREEMENT ON BEHALF OF THE CRWD FOR THE CLEARWATER HARBOR & HIDDEN RIVER SANITARY SEWER FACILITIES

WHEREAS the Point Source Implementation Program, established in Minnesota Statutes 446A.073, as amended provides funds for construction projects; and

WHEREAS the CRWD is hereby applying to the PFA for funds to be used for eligible costs for the implementation of a nitrogen mitigation and removal system for the Clearwater Harbor & Hidden River Sanitary Sewer Facilities.

THEREFORE BE IT RESOLVED that the CRWD has the legal authority to apply for the grant, and the financial, technical and managerial capacity to ensure proper construction, operation and maintenance of the project for its design life.

BE IT FURTHER RESOLVED that upon approval of its application by the PFA, the CRWD may enter into an agreement with the PFA for the above referenced project, and that CRWD certifies that it will comply will all applicable laws and regulations as stated in all contract agreements described in the Compliance listing of the grant application.

BE IT FINALLY RESOLVED that the Board of Managers for the Clearwater River Watershed District hereby authorizes its Administrator and President, or their successors in office, to execute such agreements, and amendments thereto, as are necessary to implement the above project on behalf of the CRWD.

All Managers voted aye.

Administrator Loewen and Engineer Carlson reviewed the next steps for the implementation of this plan. The Board indicated it plans to wait on moving forward with work to move designs to 95% until its August regular meeting, and instructed its engineer and staff to draft a task order to that effect.

Administrator Loewen presented revised recommendations from service provider Septic Check regarding the alarm issues at the lift station control panels. The Board directed its engineer and service provider to meet together to discuss potential short-term, low-cost fixes to the noted alarm issues. Residents in attendance indicated they will continue to check the panel alarm lights on a daily basis and let the CRWD know their status.

Updating lake response models for six CRWD lakes, lake alum dosing

Engineer Carlson reviewed this recently completed work. The Board directed this matter to be an agenda item at its July regular meeting.

Update on Watkins Area Stormwater Treatment Project

Administrator gave an update on project construction and reviewed the proposed agreement with US Fish & Wildlife Service for additional seeding. Due to concerns with timing of planting under the construction contract, future uses of the CRWD's property and costs to administer the agreement, the Board directed staff to inform USFWS that the CRWD has decided to not enter into the agreement.

CRWD Policy Book

Motion #17-07-9: Jonsrud/Uecker, moved to authorize its administrator to solicit up to two hours of CRWD attorney review of key policies in the draft policy book, and to forward copies of the policies that deal with best management practices' cost-share programming to local partners for comments.

All Managers voted aye.

NEW BUSINESS

Approve cost-share contract for agricultural BMP installation

Motion #17-06-10: Jonsrud/Uecker, moved to approve a cost-share contract with Ron Kuechle to construct Water and Sediment Control Basins on property located in S31-T122-R39 for the amount not to exceed of \$30,000 from the CRWD's Clearwater River Restoration & Protection Phase II Project, subject to submission of both invoices from the construction contractor and final certification from an approved technical representative. **All Managers voted aye.**

Approve task orders #17-002 and #17-004 with Wenck Associates, Inc.

Motion #17-06-11: Uecker/Rocheleau, moved to approve task orders #17-002 (Nistler-Geislinger Basin Survey) and #17-004 (Augusta Erosion Control Repairs Observation) in the amounts of \$1,825 and \$13,992, respectively, subject to performance dates noted in orders. **All Managers voted aye.**

In-field data collection solutions: summary on firms' demonstrations

Administrator Loewen presented three proposals received to provide in-field data collection solutions. After review, the Board directed staff to work with the third proposer, Wenck Associates, Inc., to implement recommended solution.

Plans for 2017-18 school-age education program

The Board directed its vendor, Sauk River Watershed District, to develop a proposed plan for 2017-18 (or 2017-19, if warranted) school-age educational programming for the Board's July regular meeting.

Commissioner Vetsch left during this item.

Administrator Loewen- Other Business

Advisory committee appointments

The Board directed staff to ask the committee member that has missed several meetings if he wishes to continue serving on the committee, and to continue to follow up with the current open seat prospect. Staff may also contact local SWCDs to see if there is interest on serving on the committee.

Need for Special Meeting in September

The scheduled September meeting falls after Sept. 15th (the date the CRWD's 2018 Budget is due to the counties). As such, the Board called for a special meeting for September 6th, 2017 at 6:00pm at City Hall in Annandale, MN for the annual budget hearing, contingent on securing the meeting space, and instructed staff to notice said meeting closer to its actual date. In addition, the public hearing on the School Section Lake Project #17-1 may also be incorporated into this special meeting.

Past due issues with CRWD utility invoices

Administrator Loewen reviewed recent changes in past due policies at one of the CRWD's electricity service providers.

Motion #17-06-12: Jonsrud/Uecker, moved to allow payment ahead of time on all utility bills the CRWD receives for its operations. **All Managers voted aye.**

Other

Administrator Loewen noted the following: the status of claim with insurance for repairs at lift station #19 at Clearwater Harbor Sewer, a resolved issue with the MNDNR regarding a special assessment for School Section Lake Outlet Project, the status of the operation & maintenance assessment roll creation for the Pleasant Lake Outlet Control Project and the discovery of one zebra mussel in Cedar Lake.

Advisor Anderson- Other Business

None.

Advisory Committee assignments are:

1. No-wake "flag" notices
2. Aquatic Invasive Species
3. Assist with planning January 2018 AIS event

Items noted for the July 19, 2017 special (regular) meeting are:

- Discussion on current & future Watershed Management Plan
- School Section Lake Outlet Control Project proceedings
- Project/ program updates
- Draft CRWD 2018 budget
- Decommission aerator buildings/ equipment
- Watkins Area Stormwater Treatment Project Update
- Draft CRWD policy book
- Updating lake response models for six CRWD lakes, lake alum dosing
- Plans for 2017-18 school-age education
- Contract btw CRWD and Loewen Administrative Services, LLC
- Contract btw CRWD and PACMA
- Pleasant Lake Outlet Project O&M Assessment Roll

MANAGERS' REPORTS

Manager Jonsrud gave a brief overview of the recently discovered zebra mussel in Cedar Lake

Motion #17-06-13: Jonsrud/Rocheleau, moved to adjourn at 9:31pm. **All Managers voted aye.**

THESE MINUTES ARE AVAILABLE AT: www.crawd.org.

CRWD AUDIT REPORTS ARE AVAILABLE AT THE ANNANDALE PUBLIC LIBRARY

Chair, Robert Schiefelbein

Secretary, Paul DeGree