

**MINUTES OF THE ROSEAU RIVER WATERSHED DISTRICT BOARD OF
MANAGERS MEETING HELD October 3, 2012**

ORDER: Chairman Todd Miller called the meeting to order at 8:00 a.m.

MANAGERS PRESENT: Cody Schmalz, Floyd Haugen, LeRoy Carriere, LaVerne Voll and Todd Miller.

STAFF PRESENT: Administrator, Rob Sando; Administrative Assistant Halstensgard

OTHERS PRESENT: Refer to attendance sheet.

CONSULTING STAFF PRESENT: Engineer Nate Dalager; Attorney Anderson arrived at the meeting at approximately 10:00 a.m.

DELEGATIONS PRESENT: Jack Swanson and Roger Falk, Roseau County Commissioners; Al Heim, Roseau County Assessor.

AGENDA: A **motion** was made by Manager Voll and seconded by Manager Carriere to approve the agenda with changes. Carried - unanimous.

MINUTES: A **motion** was made by Manager Carriere and seconded by Manager Haugen to approve the September 2nd, 2012 regular meeting minutes. Motion carried unanimously.

RECEIPTS:

Receipts -- Memo	Balance
Citizens State Bank -- Interest on checking	\$ 31.29
State of Minnesota -- Hay Creek reimbursement	\$ 32,332.58
RRWMB -- Hay Creek reimbursement	\$ 6,404.69
rob Sando -- cell phone reimbursement	\$ 8.34
TOTAL	\$ 38,776.90

Bills -- Memo	Amount
City of Roseau -- utilities	\$ 202.37
Verison -- cell phone charge	\$ 60.18
CenturyLink -- phone bill	\$ 112.30
Sjoberg's Cable TV -- cable internet	\$ 45.53
Marco -- copier maintenance	\$ 45.00
Roseau Times-Region -- notice	\$ 10.50
Minnesota Energy -- natural gas bill	\$ 14.26
Steve Anderson -- legal fees	\$ 812.50
HDR Engineering -- Project Engineering for Hay Creek/Norland	\$ 12,857.38
Floyd Haugen -- meetings, mileage and expenses	\$ 404.49
LeRoy Carriere -- meetings, mileage and expenses	\$ 123.94
Cody Schmalz -- meetings, mileage and expenses	\$ 359.13
Todd Miller -- meetings, mileage and expenses	\$ 665.14
LaVerne Voll -- meetings, mileage and expenses	\$ 371.75
Rob Sando -- expenses and mileage	\$ 337.02
Rob Sando -- salary	\$ 3,117.86
Tracy Halstensgard -- wages	\$ 1,890.59
Ace Hardware -- pait & supplies for back door	\$ 29.67
PERA -- employee and employer share	\$ 883.62
Internal Revenue Service -- 941 tax	\$ 1,614.70
Doug's Supermarket -- food for meetings and supplies	\$ 23.88
Scott's True Value -- supplies	\$ 67.64
Halverson Sand & Gravel, Inc -- Hay Creek/Norland construction	\$ 11,489.85
Pete Grafstrom -- building maintenance	\$ 843.78
Reliable Office Supply -- office supplies	\$ 222.12
SandPieper Design -- webpage maintenance	\$ 235.00
Multi Office Products -- office supplies	\$ 40.56
Santl Farms -- Mowing Hay Creek	\$ 8,062.50
Quality Printing -- envelopes	\$ 142.15
HDR Engineering -- Project Engineering (inv. 23489B & 23628B)	\$ 23,837.55
Internal Revenue Service -- 941 tax	\$ 11.96
Postmaster -- mailing permit to HDR	\$ 5.30
Roseau County Treasurer -- Sect. 21 taxes	\$ 4,108.00
TOTAL	\$ 73,048.22

BILLS: A **motion** was made by Manager Voll to pay the normal monthly bills, seconded by Manager Carriere. Motion carried unanimous.

DELEGATIONS:

Chairman Miller spoke to Commissioner Falk concerning the building lease agreement and cost of resurfacing the parking lot. A **motion** was made by Manager Carriere and seconded by Manager Haugen to approve the lease agreement with the county for office space. Motion carried unanimously.

Chairman Miller asked about the Con-Con land valuation. Commissioner Falk informed the board of the DNR's findings. There was discussion of challenging the DNR's evaluation.

County Assessor Al Heim, met with the board to discuss the proposed PILT payment and exempting parcels #14.0162200, 14.0164000 and 14.0163100 of the West Interceptor. The exemption cannot take place until the tax lien against the parcel is taken care of. The total of the lien of all Watershed property is \$78,022.18. There was discussion on the lien and PILT. Mr. Heim suggested the Watershed pay the lien and tie that amount into the PILT funds. Chairman Miller asked about the two being from separate projects; PILT for Hay Creek /Norland and the exemption is for the West Interceptor lands. There was discussion on whether or not the District is statutorily responsible for interest and penalties. That issue will be reviewed before the board pays the taxes owed. Chairman Miller asked about the classification of land the District owns. Mr. Heim discussed the land use and how that effects classifications and exemptions. The Board is requesting that Section 21 of Norland be classified as waste. Manager Voll asked Mr. Heim if land that is exempt would ever be eligible to pay taxes. Mr. Heim stated that the land use would have to change. There was discussion on the 2011 and 2012 taxes being applied to PILT. Manager Voll made a **motion** to pay the taxes on the previously discussed West Interceptor acres, with or without penalty and interest, seconded by Manager Schmalz. The responsibility for penalty and interest will be researched in Minnesota Statute for a definitive answer. Motion carried unanimously. Hay sold off these acres will be attributed to the Watershed portion of the fund.

PROJECT REPORT:

Hay Creek/Norland: The board reviewed the Halverson Sand and Gravel bill. There was discussion on the damage (ruts) to the east access. It is unclear how the damage occurred. There was extensive discussion on the repair of the access. Manager Voll suggested withholding invoice #1536 in the amount of \$384.75. There was discussion on the retainage owed to Spruce Valley Corp. A **motion** was made by Manager Voll, seconded by Manager Haugen to approve the Halverson Sand and Gravel Bill in the amount of \$11,105.10. Chairman Miller discussed the mowing done by Santls and suggested a five year contract with them. There was discussion on rocks in the area to be mowed. A **motion** was made by Manager Haugen, seconded by Manager Carriere to approve the Santl Farms, Inc. bill for mowing in the amount of \$8,062.50. Motion carried unanimously. Manager Voll made a **motion**, seconded by Manager Haugen to move forward with a five year contract with Santls, to be drafted by Attorney Anderson with specific parameters. Motion carried unanimously. The Board reviewed Spruce Valley's Bill. A **motion** was made by Manager Carriere to approve the Spruce Valley Corp. in the amount of \$5,190.32. Motion died for lack of second. Chairman Miller asked what the concern is with the bill. Manager Voll spoke to his concern with paying for something twice. Engineer Dalager stated that the work has not been previously billed. There was extensive discussion on the work in question.

Attorney Kurt Deter joined the meeting via phone conference. The Board asked Attorney Deter's opinion on utilizing SD 51 funds for the local portion of the Hay Creek / Norland project cost. Attorney Deter spoke about utilizing funds for repair and maintenance. The statute states that if the project maintains the efficiency of the system you have grounds to argue utilizing funds from that system. A public hearing would have to be held. Statute cited was 103E.701 Subd.1. Attorney Deter would draft the hearing notice.

Notice would be published in the newspaper, County and Watershed websites and sent to township boards.

Engineer Dalager discussed the Certificate of Substantial Completion. A **motion** was made by Manager Haugen to accept the Certificate of Substantial Completion, seconded by Manager Carriere. Motion carried unanimously. Engineer Dalager discussed the connection channel plug removal. Halverson Sand and Gravel was the low quote for the work. Engineer Dalager stated that he would offer his services for the next two months pro bono. There was extensive discussion on removal of the connection channel plug. The consensus of the board was to move forward with the removal this fall.

Engineer Dalager presented the Hay Creek / Norland O & M plan to the Board. As the project is utilized, the operation of the project will be reevaluated.

A **motion** was made by Manager Carriere, seconded by Manager Haugen to approve the HDR Engineering in the amount of \$6,521.33. Motion carried unanimously

Palmville Project: Joel Huener is the new manager at the Thief Lake WMA. Stop logs have been put in place in the structures. The signed JPA has been returned to the office. There was discussion on mowing the access road.

RRWMA: Engineer Dalager discussed the COE geotechnical work and the preliminary engineering work done by HDR. Randy Prachar met with Engineer Dalager to discuss wetland determination. Engineer Dalager informed the board of the permitting plan for the project. Manager Schmalz commented on the concerns of Canadian officials. A **motion** was made by Manager Haugen, seconded by Manager Carriere to approve the HDR Engineering bill in the amount of \$17,316.22. Motion carried unanimously.

Arpin Impoundment: Administrator Sando discussed the landowner questionnaire that was sent out. There were two questionnaires returned.

Beltrami: Administrator Sando discussed the meeting he had with DNR personnel at the proposed Beaver Twp site. Chairman Miller discussed the meeting on public comments for the LUP Plan. At the LUP meeting, there was extensive discussion on the formation of the advisory committee.

Engineer Bents has reviewed the Thompson Road project. Chairman Miller relayed that information to the Board as well as the delineation between the Roseau River and Warroad River Watershed District in the Hanson Creek area.

Chairman's Report:

- RRWMB: Agencies expediting project permitting

PERMITS:

A **motion** was made by Manager Carriere, seconded by Manager Haugen to approve Permit #12-14 (Roseau County). Motion carried unanimously.

There was discussion on the 310 road raise. Engineer Dalager discussed his review of the plans. Manager Haugen asked about the bottom elevation of the culverts. Engineer Dalager stated that it would only affect the low flows. The board took no action on the application.

A **motion** was made by Manager Voll seconded by Manager Carriere to close the public meeting for the purpose of evaluation of Administrator Sando as stated in Statue 13D.05 Subd. 3(a). Motion carried unanimously. After discussion, a **motion** was made to reopen the public meeting by Manager Voll, seconded by Manager Carriere. Motion carried unanimously. A **motion** was made by Manager Voll, seconded by Manager Haugen to terminate the employment of Administrator Sando. Motion carried unanimously.

A **motion** was made by Manager Haugen seconded by Manager Carriere to approve payment of Attorney Anderson's Bill in the amount of \$812.50. Motion carried unanimously.

The board reviewed items in the Administrator's report. Administrator Sando was not present.

Manager Haugen stated the safety rails for the catwalks are made, but not installed due to dry conditions.

OLD BUSINESS:

The office space lease agreement and parking lot bill were discussed upon earlier in the meeting. Manager Haugen made a **motion**, seconded by Manager Carriere to authorize Chairman Miller to sign the lease agreement. Motion carried unanimously. Manager Haugen made a **motion**, seconded by Manager Carriere to authorize payment of \$1,500.00 to the County for parking lot repayment, based on the lower than anticipated cost. Motion carried unanimously.

NEW BUSINESS:

The November meeting was changed to October 31st at 3:00 p.m.

OTHER ITEMS:

After reviewing the managers' vouchers, a **motion** was made by Manager Carriere seconded by Manager Haugen to approve the managers' vouchers. Motion carried unanimously.

The Board presented Manager Haugen with a gift and cake for his last meeting

After a motion by Manager Haugen and second by Manager Schmalz, the meeting was adjourned at 12:30 p.m.

Respectfully submitted,

LaVerne Voll, Secretary

Tracy Halstensgard, Administrative Assistant