

**MINUTES OF THE ROSEAU RIVER WATERSHED DISTRICT BOARD OF
MANAGERS MEETING HELD January 7, 2014**

ORDER: Chairman LeRoy Carriere called the meeting to order at 3:00 p.m.

MANAGERS PRESENT: Aaron Magnusson, LeRoy Carriere, Tony Wensloff, Cody Schmalz and Floyd Haugen.

STAFF PRESENT: Administrator Halstensgard and Technician McCormack

OTHERS PRESENT: Refer to attendance sheet.

CONSULTING STAFF PRESENT: Nate Dalager, HDR Engineering;

DELEGATIONS PRESENT: There were no delegates for the meeting.

AGENDA: A **motion** was made by Manager Wensloff, seconded by Manager Magnusson to approve the agenda with changes. Motion carried unanimously.

ELECTION OF OFFICERS: Administrator Halstensgard called for nominations for Chairman. Manager Haugen nominated Manager Schmalz, Manager Schmalz declined the nomination. Manager Wensloff nominated Manager Carriere for Chairman, seconded by Manager Magnusson. A **motion** to cease nominations and cast a unanimous ballot for Manager Carriere for Chairman was made by Manager Magnusson, seconded by Manager Wensloff. Motion carried unanimously.

Chairman Carriere called for nominations for Vice-Chairman. Manager Magnusson nominated Manager Wensloff for Vice – Chairman, seconded by Manager Schmalz. Manager Schmalz nominated Manager Magnusson, seconded by Manager Wensloff. A **motion** to cease nominations was made by Manager Haugen seconded by Manager Wensloff. Carried unanimously. Chairman Carriere called for all those voting in favor of Manager Wensloff for Vice-Chairman. Managers Magnusson, Haugen and Carriere voted in favor of Manager Wensloff. Managers Schmalz and Wensloff voted in favor of Manager Magnusson. Manager Wensloff was elected Vice-Chairman by majority vote.

Chairman Carriere called for nominations for Secretary. Manager Wensloff nominated Manager Schmalz for Secretary, seconded by Manager Magnusson. Manager Schmalz nominated Manager Haugen, nomination died for lack of second. The **motion** to cease nominations and cast a unanimous ballot for Manager Schmalz was made by Manager Magnusson, seconded by Manager Wensloff. Motion carried unanimously.

Chairman Carriere called for nominations for Treasurer. Manager Schmalz nominated Manager Magnusson for Treasurer, seconded by Manager Wensloff. The **motion** to cease nomination and cast a unanimous ballot for Manager Magnusson was made by Manager Wensloff and seconded by Manager Schmalz. Motion carried unanimously.

A **motion** was made by Manager Wensloff and seconded by Manager Schmalz to name Citizens State Bank and Border State Bank as official depositories. Motion carried unanimously.

A **motion** was made by Manager Wensloff and seconded by Manager Magnusson to name Roseau Times-Region as official newspaper. Motion carried unanimously.

A **motion** was made by Manager Wensloff, seconded by Manager Magnusson to name Attorney Michelle Moren as primary Legal council on fee basis and contract with other firms on fee basis as deemed necessary by the board. Motion carried unanimously.

A **motion** was made by Manager Wensloff, seconded by Manager Schmalz to appoint Managers Haugen and Carriere to the Personnel Committee. Motion carried unanimously.

A **motion** was made by Manager Magnusson and seconded by Manager Wensloff to appoint Manager Haugen as the representative to the FSA office. Motion carried unanimously.

A **motion** was made by Manager Wensloff, seconded by Manager Schmalz to appoint managers as delegates on the Project Teams as needed. Motion carried unanimously.

A **motion** was made by Manager Magnusson, seconded by Manager Wensloff to appoint Manager Haugen and Manager Schmalz as delegates on the Roseau River International Watershed Board. Motion carried unanimously.

A **motion** to appoint Manager Carriere as the delegate to the RRWMB and Administrator Halstensgard and Technician McCormack as alternates was made by Manager Magnusson, seconded by Manager Wensloff. Motion carried unanimously.

The Board will continue to contract with engineering firms on an as needed basis.

MINUTES: Manager Haugen questioned a portion of the minutes concerning the side water inlets. He was unaware of the discussion that the cost of reimbursement could be up to 150% of actual costs. Administrator Halstensgard will review and make corrections if necessary. A **motion** was made by Manager Magnusson and seconded by Manager Schmalz to approve the December 2, 2013 regular meeting minutes amended if needed. Motion carried unanimously.

RECEIPTS:

Receipts -- Memo	Balance
Citizens State Bank -- Interest on checking	\$ 33.78
Kittson County -- share of taxes	\$ 2,690.35
Marshall County -- share of taxes	\$ 1,531.50
Lake of the Woods County -- share of taxes	\$ 280.74
Beltrami County -- share of taxes	\$ 74.58
Roseau County -- share of taxes	\$ 98,978.82
Northwest Minnesota Foundation -- first grant installment	\$ 6,250.00
State of Minnesota -- MV & Ag credit	\$ 5,564.83
TOTAL	\$ 115,404.60

Bills -- Memo	Amount
City of Roseau -- utilities	\$ 265.20
Postmaster -- mailing board packets	\$ 19.96
CenturyLink -- phone bill	\$ 103.56
Sjoberg's Cable TV -- cable internet	\$ 46.60
Marco -- copier maintenance	\$ 44.89
Roseau County -- rent (remainder of lease)	\$ 6.00
Minnesota Energy -- natural gas bill	\$ 144.52
Red River Watershed Mgt. Board -- share of taxes	\$ 16,245.77
Red River Watershed Mgt. Board -- stream gage cost share	\$ 14,411.50
HDR Engineering -- Project Engineering	\$ 1,622.14
Floyd Haugen -- meetings, mileage and expenses	\$ 160.24
LeRoy Carriere -- meetings, mileage and expenses	\$ 1,883.95
Aaron Magnusson -- meetings, mileage and expenses	\$ 408.24
Cody Schmalz-- meetings, mileage and expenses	\$ 122.46
Tony Wensloff -- meetings, mileage and expenses	\$ 78.78
Torin McCormack -- wages	\$ 2,753.88
Tracy Halstensgard -- wages	\$ 2,894.05
Tracy Halstensgard -- mileage	\$ 304.03
Torin McCormack -- mileage	\$ 263.04
PERA -- employee and employer share	\$ 898.86
Internal Revenue Service -- 941 tax	\$ 1,772.65
Doug's Supermarket -- food for meetings and supplies	\$ 44.85
Scott's True Value -- supplies	\$ 45.99
Multi Office Products -- office supplies	\$ 87.17
Claire Kjersten -- mowing Duxby Levee	\$ 630.00
Reliable Office Supply -- office supplies	\$ 147.91
Red River Basin Commission -- conference	\$ 225.00
TrueNorth Steel -- trap for Duxby Levee	\$ 213.75
TOTAL	\$ 45,844.99

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

DELEGATIONS: There were no delegates for this meeting.

PROJECT REPORT:

Hay Creek/Norland: Technician McCormack discussed the gate opening on the impoundment. He also discussed the local operating plan with adjacent landowners.

Beltrami: We are still waiting for the natural resource plan. Tech McCormack and Administrator Halstensgard will be giving a presentation to the Citizens Advisory Panel.

RRWMA: Technician McCormack updated the board on the status of the EAW. There was discussion on the next meeting date of the Project Team meeting.

WD 3: Engineer Bentz will present the report at the next board meeting.

Side Water Inlets: Technician McCormack discussed the landowners who are interested in installing inlets. There are currently 15 sites and four landowners. Technician McCormack will be working with Engineer Dalager on the plans and designs.

PERMITS:

The board discussed the application for permit #13-40 (MN DNR). Engineer Dalager commented on the application. A **motion** was made by Manager Haugen to approve the permit as submitted, seconded by Manager Wensloff. Motion carried unanimously.

The Board discussed permit # 13-26 (Rick Solberg). Manager Haugen showed photos of the work that was completed last fall and stated the height of the berm is higher than the road. There was discussion on the options available since the work was permitted by the Board. Engineer Dalager stated that once the one year stated in the permit is up, if work is not completed in accordance with the Permit, the landowner would be in violation of the permit. The Board directed Administrator Halstensgard to ask Mr. Solberg to attend the February board meeting.

RRWMB:

- River Watch Forum
- RRBC and RRRRA upcoming meetings
- March meeting will coincide with March Conference
- Suggested rules adopted

ADMINISTRATIVE REPORT:

- Quickbooks file being sent to Jon Schauer for yearend updating as well as w-2's and 1099's
- NWMF grant letter.
- The board authorized purchase of a shelving unit for storage room.
- **Motion** made by Manger Magnusson to obtain a Citizens State Bank credit card, seconded by Manger Wensloff. Manager Magnusson and Administrator Halstensgard will check into it and bring details back to the next meeting. Motion carried unanimously.

- The Managers now have email addresses set up specifically for Watershed District work.
- Ditch viewer training
- IRS mileage rate change
- Year end budget update

TECHNICAL REPORT:

- Cables on WD 3 Lat 2 traps was adjusted
- Grant applications
- Rosanne Lee ring dike
- Watershed Specialist Training
- Culvert inventory grant
- SD 51 cleaning -- A **motion** was made by Manager Magnusson to direct Technician McCormack to survey the river and determine the worst locations and contract with Ron Huderle and to remove the debris, seconded by Manager Wensloff. Motion carried unanimously.

OLD BUSINESS:

There was discussion on the adoption of the Personnel Manual and District By-Laws. Manager Haugen stated his concern with the Authorized Signatory and the expenditure authorities sections. There was discussion on the previous version of the draft By-Laws.

The Board reviewed the revised Personnel Manual. Manager Haugen stated that he disagreed with the managers needing authorization prior to investigating or following up with complaints made to the manager. It was stated that the current discussion focused on the Personnel Manual, That particular items is in another portion of the governing documents to be discussed at a later date. A **motion** was made by Manager Schmalz, seconded by Manager Wensloff to approve the personnel Manual as presented. Motion carried with Manager Haugen abstaining. By Laws will be discussed at the February meeting.

The Board will meet with TRWD January 29th in Karlstad at the Eagles Club.

NEW BUSINESS: There were no items of New Business at this meeting.

OTHER ITEMS:

Attorney Moren presented the board with resolutions (see attached) for closing the board meeting for each employee evaluation. Attorney Moren stated the employee being evaluated has the right to have the meeting closed or leave the meeting open. Employee Halstensgard requested that the meeting be made open to the public. Employee McCormack requested that the meeting be made open to the public.

After reviewing information presented to them by the employees, the Board discussed the evaluation of Administrator Halstensgard and Technician McCormack's performances over the past year. The board reviewed Administrator Halstensgard's performance first with comments from Engineer Dalager, County Commissioner Falk and Managers. Administrator Halstensgard presented salary information from other watershed district administrators as well as information

from the MN DEED website. There was discussion on where employee salary funds come from. Employee evaluation forms will be filled out by the managers for the employee files. The board then reviewed Technician McCormack's performance with comments from Engineer Dalager, County Commissioner Falk and Managers. There was discussion on the benefits of having someone with his capabilities in-house.

Due to time limitations, the Board elected to continue the employee salary discussion later in the meeting.

A **motion** was made by Manager Wensloff to close the open meeting and adopt the resolution (see attached) to close the board meeting pursuant to Minn Stat. 13D.05 subd. 2(b), seconded by Manager Magnusson. Motion carried unanimously. All those not on the board left the meeting. Mr. Haugen requested the meeting be opened to the public. Administrator Halstensgard, Technician McCormack and Engineer Dalager returned to the meeting.

Attorney Moren presented her findings to the board concerning questions stemming from Mr. Haugen's side water inlet (SWI) site #1, as it was found to be a non-reimbursable expense under the grant agreement for the project. There was extensive discussion on the landowner concerns and responsibilities. Mr. Haugen stated his opinion on the various issues including the reason for side water inlets, legality of trapping side water inlets, township permit issue and meeting with BWSR personnel.

Attorney Moren stated that according to the contract that Mr. Haugen signed in October of 2012, he was required to obtain all necessary permits. A permit was not obtained from Moose Township for the trap therefore, Mr. Haugen breached the contract. Because of the breach of contract, funding was lost. The obligation to pay for the work goes back to the landowner, the person who breached the contract.

Mr. Haugen stated if that was the case, he is withdrawing his support for future side water inlets.

Manager Magnusson made a **motion** to have the landowner pay for SWI site #1, less the cost of the trap, for a total of \$3,116.55, due to breach of contract, seconded by Manager Schmalz. After clarification of the motion, Manager Schmalz withdrew his second. Chairman Carriere called for a second to the motion as stated. Chairman Carriere seconded the motion. The motion was then open for discussion. Chairman Carriere spoke about funding the work with taxpayer money. Upon suggestion of the Attorney, Chairman Carriere withdrew his second. Manager Wensloff seconded the original motion. After additional discussion, the motion carried with Manager Haugen abstaining. It was the consensus of the board that if the matter is taken care of as directed, there will be no further action by the board.

A **motion** was made by Manager Wensloff to close the open closed meeting and open the regular meeting, seconded by Manager Magnusson. Motion carried unanimously.

The Board resumed discussion on staff salaries. After extensive discussion and negotiation, a **motion** was made by Manager Magnusson to increase Administrator Halstensgard and Technician McCormack's salary to \$52,000/ year with \$500/ month insurance stipend with a review in six months, seconded by Manager Wensloff. Motion carried with Manager Haugen opposed.

A **motion** was made by Manager Schmalz, seconded by Manager Wensloff to approve the Managers' and staff expense vouchers. Motion carried unanimously

After a **motion** by Manager Magnusson and second by Manager Schmalz, the meeting was adjourned at 7:05 p.m.

Respectfully submitted,

Cody Schmalz, Secretary

Tracy Halstengard, Administrator