

APPROVED (May 21, 2007)
REGULAR MEETING OF THE BOARD OF MANAGERS OF THE
MIDDLE- SNAKE-TAMARAC RIVERS WATERSHED DISTRICT
HELD AT 453 NORTH MCKINLEY STREET, WARREN, MN
7:00 P.M. APRIL 16, 2007

The meeting was called to order by President Doug Sorenson. Managers John W Nelson, Loren Zutz, Doug Sorenson, Elden Elseth, Arlyn Stroble, and Ben Kleinwachter were present. Manager Alvin Nybladh was not present. Attorney Jeff Hane, Nick Drees, Connie Kalinowski, Ronald J Adrian, Myron Larson, Dean Danielski, Joe Pierce, LeRoy Vonasek, Nate Dalagher, Wallace Diedrich, Danny Omdahl and Curtis Carlson were also present.

Wallace Diedrich recorded the meeting.

Mr. Elden Elseth stated that he is recording the meeting for a 3rd party.

Motion by Mr. John W Nelson, seconded by Mr. Ben Kleinwachter, that Connie Kalinowski be appointed the recording secretary for purposes of keeping the minutes of the meeting. Motion unanimously carried.

Mr. Elden Elseth requested to add to the agenda, the District's policy on individuals requesting to be placed on the agenda and non-member involvement at the Board meetings.

Motion by Mr. Arlyn Stroble, seconded by Mr. Elden Elseth to approve the agenda as amended with the addition of the District's Policy on Individuals Requesting to Appear on the Agenda to item (#11) Communications. Motion unanimously carried.

Motion by Mr. Arlyn Stroble, seconded by Mr. John W Nelson to approve the minutes of the March 19, 2007 meeting as corrected. Motion carried with Mr. Arlyn Stroble, Mr. John W Nelson, and Mr. Ben Kleinwachter voting yes, Mr. Elden Elseth and Mr. Loren Zutz voting no.

The financial report was reviewed to be filed for audit purposes.

Motion by Mr. John W Nelson, seconded by Mr. Arlyn Stroble that the following bills be paid,: from the Administrative funds: that payroll checks numbered 4529 through 4536 inclusive for a total of \$7,208.40, and checks numbered 13335 through 13368 inclusive, and including the service charge and box rent for a total of \$20,378.89; and from the Project funds, with the exception of checks numbered 1346 and 1347, that checks numbered 1337 through 1345 inclusive,

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and checks numbered 1348 and 1349 for a total of \$25,203.22; and from the Ditch Funds that checks numbered 2187 and 2189 inclusive for a total of \$666.96 be paid. Motion unanimously carried.

David Jadeke joined the meeting at approximately 7:12 p.m.

Mr. Elden Elseth questioned who would be responsible for paying the taxes on the properties the District has advertised for rent in section 7 of Comstock (Strip) Township and section 12 of Brislet Township

After discussion, it was the consensus of the Board to move agenda item (#12) (1) Department of Revenue to item (#7) Agassiz Valley Water Resource Management Project.

Attorney, Mr. Jeff Hane, reported on the opinion of the Minnesota Department of Revenue regarding the property tax issue on the Agassiz Valley Water Resource Management Project.

A discussion was held on filing for tax-exempt status and a one time payment in lieu of taxes.

Marshall County Deputy, Brent Monroe, joined the meeting at approximately 7:20 p.m.

Motion by Mr. Elden Elseth, seconded by Mr. Loren Zutz that checks numbered 1346 and 1347, for a total of \$15,501.71 be paid from the Project Funds, for payment on the first half of the property taxes payable for 2007 on the properties owned by the District. Motion unanimously carried.

Motion by Mr. John W Nelson, seconded by Mr. Elden Elseth that the District pay the second half of the 2006 delinquent taxes and to reimburse the landowners who paid the 2nd half taxes on the properties acquired for the Agassiz Valley Water Resource Management Project. Motion unanimously carried.

Mr. Arlyn Stroble and Mr. Loren Zutz stated they were removing themselves from the land rental bid opening on the properties in section 7 of Comstock (Strip) Township and section 12 of Brislet Township.

Mr. Loren Zutz stated that before the land rental bids are opened, it is his opinion that the landowners who previously rented the properties in section 7 of Comstock (Strip) Township and section 12 of Brislet Township be allowed to continue renting the properties.

A discussion was held on the eligibility of individuals to submit rental bids.

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Chairman, Mr. Doug Sorenson, opened the bids received for the rental of the properties in section 7 of Comstock (Strip) Township and section 12 of Brislet Township. The following bids were publically read and opened:

Parcel #1: N2, Section 7 Comstock (Strip) Township	
Brandon Gornowicz	\$13,750.00
Kent P Bennett	14,700.00
Philip Olson	25,481.00
Terry & Joey Potucek	17,100.00
Pierce-Rosendahl Farms	22,569.60
Ashley Woods Stroble	24,024.00
Ron Zutz	21,560.00
Tim Sedlacek	20,000.00
John Copp	24,641.00
Parcel #2: SW4, Section 12 Brislet Township (less approx 20 ac)	
David Jadeke	\$4,660.00

Motion by Mr. John W Nelson, seconded by Mr. Ben Kleinwachter to accept the bid submitted by Philip Olson, in the amount of \$25,481.00 for the rental of the N2 of Section 7 of Comstock (Strip) Township, for 1 year. Motion carried, with Mr. Arlyn Stroble and Mr. Loren Zutz abstaining.

Motion by Mr. John W Nelson, seconded by Mr. Ben Kleinwachter to accept the bid submitted by David Jadeke, in the amount of \$4,660.00 for the rental of the SW4 of Section 12 of Brislet Township, less approximately 20 acres, for 1 year. Motion carried, with Mr. Arlyn Stroble and Mr. Loren Zutz abstaining.

Attorney, Jeff Hane, was directed to prepare the rental agreements.

Motion by Mr. Elden Elseth, seconded by Mr. Loren Zutz that the rental income on the properties acquired for the Agassiz Valley Water Resource Management Project be returned to the non-appealing landowners, up until construction begins. A roll call of votes was taken, with Mr. Ben Kleinwacher, Mr. John W Nelson, and Mr. Arlyn Stroble voting no, and Mr. Elden Elseth and Mr. Loren Zutz voting yes. Motion failed.

Motion by Mr. Loren Zutz, seconded by Mr. Elden Elseth that the following permits be issued:

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1. Permit (07-004) be issued to Ed Honek to install an 8" pipe with a screw cap through the dike on Watershed Ditch #5, to drain waters on the south side of the dike, in the NE4 of section 14 of Northland Township;
2. Permit (07-005) be issued to Ed Honek for a culvert to be reinstalled on the property line between Helen Honek and Sylvia Skavlem in the NE4 of section 14 of Northland Township;
3. Permit (07-007) be issued to Clifford Thompson to remove and replace (2) 18" culverts with (2) 18" culverts in the east ditch of Minnesota Trunk Highway #220, in the NW4 of section 28 Big Woods Township, provided a permit is received from the Minnesota Department of Transportation.

Motion unanimously carried.

Nick Drees was directed to remove the culvert that was installed at station 362+98 in the Northwest Quarter of section 14 of Northland Township and to reinstall the culvert at station 378+73 in section 14 of Northland Township.

Motion by Mr. John W Nelson, seconded by Mr. Elden Elseth that the following permit be issued:

1. Permit (07-006) be issued to Merle Stinar to clean sediment from Watershed Ditch #4 and from the unnamed coulee, in the NW4 of section 7 of McCrea (Strip) Township, and to install a field inlet culvert with a trap in the south spoil of Watershed Ditch #4, and to install a field inlet culvert with a trap on the south spoil of the unnamed coulee, provided a permit is obtained from the Minnesota Department of Natural Resources.

Motion carried, with Mr. Arlyn Stroble abstaining.

Myron Larson stated he had previously turned down the construction of a ring dike in section 10 of Eagle Point Township, and had been placed at the bottom of the District's prioritization list for ring dikes. He requested to be moved to the top of the list.

Nick Drees briefly discussed the prioritization policy of the District regarding the Ring Dike Cost Share program.

Motion by Mr. Arlyn Stroble, seconded by Mr. Loren Zutz that Myron Larson be moved to 3rd position on the ring dike prioritization list, provided sufficient funds are available. Motion carried, with Mr. John W Nelson abstaining.

Myron Larson left the meeting at approximately 8:50 p.m.

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Data Practice Requests from Jim Stengrim, Tracy Anderson, and correspondence from Elden Elseth, Loren Zutz and the District's Administrator were distributed.

Mr. Elden Elseth addressed the policy of the District regarding adding items to the agenda and individuals wishing to address the Board.

A discussion was held, with no action taken to change the District's policy on adding items to the agenda, or in regards to individuals addressing the Board.

Mr. Elden Elseth addressed the issue of the jurisdiction of the bridge in section 1 of McCrea (Strip) Township on Judicial Ditch #25-1.

Mr. Jeff Hane stated that when Jim Stengrim sold his farmstead, he retained a permanent easement to allow access to his properties in section 1 of McCrea (Strip) Township.

Mr. Doug Sorenson stated that once the Agassiz Valley Water Resource Management Project is built, access to the properties in section 1 of McCrea (Strip) Township should be addressed.

Motion by Mr. Elden Elseth, seconded by Mr. Loren Zutz that once the Agassiz Valley Water Resource Management Project is in place that the District replace the bridge on Judicial Ditch #25-1, in section 1 of McCrea (Strip) Township, as part of the project expense for the Agassiz Valley Water Resource Management Project.

After discussion, Mr. Elden Elseth moved to withdraw his motion. Mr. Arlyn Stroble objected. Motion failed.

A discussion was held concerning the data request of Tracy Anderson for the audio recordings made by Managers, Elden Elseth and Loren Zutz, of the September 2006 board meeting. Mr. Jeff Hane stated that if the Managers refuse to provide the recordings that Tracy Anderson could seek relief through the District Courts.

A discussion was held concerning the audio recording of Board Meetings.

Attorney, Jeff Hane stated that a meeting can not be closed for purposes of discussing conflict of interest issues and also provided options for the Board to consider regarding this matter. No action was taken on the Conflict of Interest issue of Elden Elseth and Loren Zutz.

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Attorney, Jeff Hane, distributed a "draft" Summons and Complaint and a "draft" letter to Gerard Neil, Attorney for Jim Stengrim, regarding the Breach of the Settlement agreement on the Agassiz Valley Water Resource Management Project.

Motion by Mr. Arlyn Stroble, seconded by Mr. John W Nelson that the letter and summons and complaint drafted to Gerard Neil, Attorney for Jim Stengrim, be mailed with the word "unless" highlighted (page 1) and that the last day to receive written assurances from Jim Stengrim, be changed from April 23, (page 2) to May 1, 2007.

Motion by Mr. Ben Kleinwachter, seconded by Mr. Elden Elseth to table the letter and the summons and complaint, for review at the next regular meeting. Mr. Arlyn Stroble and Mr. John W Nelson voted no, Mr. Ben Kleinwachter and Mr. Elden Elseth voted yes, Mr. Loren Zutz abstained. The vote being tied, Mr. Doug Sorenson voted yes. Motion carried.

Due to the longevity of the meeting, it was the consensus of the Board to alter the agenda to address Nate Dalagher and David Jadeke.

Nate Dalager, Engineer for HDR Engineering, described the process to proceed with the Brandt/Angus Coulee project.

Motion by Mr. John W Nelson, seconded by Mr. Arlyn Stroble that HDR Engineering be authorized to proceed with the preparation of the preliminary Engineers Report and prepare the Step 1 submittal to the Red River Watershed Management Board, regarding the Brandt/Angus Coulee project. Motion unanimously carried.

Nick Drees reported that the next meeting of the Brandt/Angus Project Work Team is scheduled for April 26, 2007, at 9:30 a.m., at the Bremer Bank meeting room.

Nate Dalager left the meeting at approximately 10:37 p.m.

Nick Drees reported that Mr. John W Nelson and himself met with the landowner in section 18 of Brandt Township to negotiate purchasing the property.

Motion by Mr. John W Nelson, seconded by Mr. Arlyn Stroble that the Districts Attorney prepare the option to purchase agreement with Eileen Stancyk, in the amount of \$7.50 per acre for lease back plus the payment of the land taxes for the properties in section 18 of Brandt Township, for the Brandt/Angus Coulee project. Motion unanimously carried.

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Nick Drees reported that a negotiated price of \$6.00 per acre, for approximately 20 acres of pasture land, in the Southwest Quarter of Section 12, of Brislet Township, has been reached with David Jadeke, on a year to year basis, with David Jadeke to remove the fence when construction of the Agassiz Valley Water Resource Management Project begins.

A discussion was held concerning maintaining the water supply to David Jadeke for the stock ponds which are presently receiving water from an unnamed coulee in section 14 of Brislet Township and supplying water to the Agassiz Audubon Sanctuary. The water supplies will be diminished with the construction of the Agassiz Valley Water Resource Management Project.

Motion by Mr. John W Nelson, seconded by Mr. Arlyn Stroble that the District offer to David Jadeke and the Agassiz Audubon Sanctuary the option to have a well drilled or enhance an existing well, as part of the Agassiz Valley Water Resource Management Project expenses, with the costs to each not to exceed \$9,000.00. Motion unanimously carried.

David Jadeke left at approximately 11:15 p.m.

Nick Drees reported that the next Agassiz Valley Water Resource Management Project Work Team meeting is scheduled for April 26, 2007, at 1:00 p.m., at the Bremer Bank meeting room.

It was decided that the board will apply for tax exempt status for the 2nd half of the 2007 taxes on the properties acquired for the Agassiz Valley Water Resource Management.

A discussion was held concerning what is an allowable expense for a manager to seek reimbursement. After discussion, Connie Kalinowski was directed to furnish each board manager a copy of the per diem sheets submitted by a manager before disbursement is made.

A discussion was held concerning the recording of board meetings.

Motion by Mr. John W Nelson, seconded by Mr. Ben Kleinwachter that the following policy on recording of board meetings be adopted:

It is the policy of the Board of Managers that any form of electronic recording, whether video, audio, or a combination thereof, of a District public meeting made by a member of the Board of Managers shall be considered public data, regardless of the owner of the recording equipment, and regardless of whether the manager makes the recording on his or her own behalf or on behalf of a third party. It shall be the responsibility of the manager making the

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recording to preserve said public data and retain the same in its original recorded format for a period of no less than five (5) years from the date of the original recording. Transferring the recorded data from one storage medium to another shall not render the data as either unavailable or non-existent. A manager recording data at a District public meeting is deemed to be the agent of the District.

All recording devices must be attended, and no recording devices shall be allowed if they are unattended.

Motion carried, with Mr. Loren Zutz and Mr. Elden Elseth voting no.

Dean Danielski left the meeting at approximately 11:37 p.m.

No action was taken on data requests of managers.

A letter from Doug Safar, President of Bremer Bank, was distributed.

A heated discussion on managers obtaining District information was held.

Mr. Arlyn Stroble left the meeting at approximately 11:40 p.m.

Nick Drees reported that the problem with the ridge culvert in section 31 and section 6 of Viking Township needs further investigating; that Judicial Ditch #16 should be spot cleaned to remove sediment and cattails; that Judicial Ditch #15 needs to be seeded where works were performed last year and inquired if the District should continue the cleanout during the 2007 construction season.

Motion by Mr. John W Nelson, seconded by Mr. Ben Kleinwachter to proceed with the clean out of Judicial Ditch #15. Motion unanimously carried.

Nick Drees reported that a grant for approximately \$2600.00 has been received from Marshall County Water Planning for the purchase of seed for the buffer strip along State Ditch #3.

Nick Drees reported that the Monitoring Plan for Phase IV of the PL-566 project has been accepted by the Army Corps of Engineers; that Boxville Township is requesting a document stating the driveway on Phase 1 will be maintained as part of the PL-566 project; that a memorial on Phase 3B is in the preliminary design stage; and that a gully has formed into the Snake River on Phase 2, in section 14 of Comstock Township, and the Natural Resource Conservation Service will stabilize the banks, however, additional land purchase will be needed.

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LeRoy Vonasek stated the District should look at installing a gate in the southwest quarter of Section 2 of Boxville Township, on west spoil of Watershed Ditch #4. It was the consensus of the Board to install a gate on Watershed Ditch #4 and install posts in the vicinity of the gate on the north side of the Off Channel Storage Site, in section 14 of Comstock Township.

Motion by Mr. Ben Kleinwachter, seconded by Mr. John W Nelson that Nick Drees be authorized to negotiate a price for a strip of land from Skip Gornowicz, to stabilize a field drain into the Snake River on Phase 2 of the PL-566 project, in section 14 of Comstock Township. Motion carried.

Nick Drees reported that the District has applied for a Challenge Grant from the Minnesota Board of Water and Soil Resources with the funds to be used to prepare a drainage ditch inventory.

Nick Drees reported that the next Red River Watershed Management Board meeting is scheduled for April 17, 2007, at 9:30 a.m., at the Warren City Office. The Red River Watershed Management Board agenda and minutes were distributed.

Nick Drees gave a brief report on the Red River Basin Flood Damage Reduction Work Group meeting and Spring Conference held on March 28 and March 29, 2007, at Crookston, Minnesota.

Motion by Mr. John W Nelson, seconded by Mr. Loren Zutz that the secretary be directed to publish in the Crookston Times, Roseau Times, Stephen Messenger, Warren Sheaf, Thief River Times and the Kittson County Enterprise, for 3 consecutive weeks, the notice for bids of equipment rental for the 2007 construction season. Motion unanimously carried.

Nick Drees reported that one applicant has applied for the Engineer Technician position. Mr. Loren Zutz stated he would contact an individual who could be interested in the position. It was the consensus of the Board to address the Engineer Technician position at the next regular meeting.

Motion by Mr. Loren Zutz, seconded by Mr. Elden Elseth that Nick Drees be authorized to hire summer help, as needed, for the 2007 construction season. Motion unanimously carried.

Nick Drees stated that he has been in contact with a representative from the Burlington Northern Santa Fe Railroad regarding the installation of a crossing to access lands owned by Randy Engelstad and District lands, north of the PL-566 floodway in section 1 of Boxville Township. He stated that Burlington Northern

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Santa Fe Railroad was not going to allow an additional crossing to be installed on their rail line.

Mr. Loren Zutz stated he would contact Harvest States on the use of their crossing for access to the lands owned by Randy Englestad and the District lands, in section 1 of Boxville Township.

The next permit meeting of the Board of Managers was set for Monday, May 7, 2007, at 7:00 p.m., at the District office, and the next regular board meeting was set for Monday, May 21, 2007, at 7:00 p.m. at the District office.

Motion by Mr. Elden Elseth, seconded by Mr. Ben Kleinwachter that the meeting be adjourned. Motion unanimously carried.

The meeting was adjourned at approximately 12:55 a.m.

Connie Kalinowski
Recording Secretary

Ben Kleinwachter
Secretary