

APPROVED (as corrected Feb 22, 2010)
REGULAR MEETING OF THE BOARD OF MANAGERS OF THE
MIDDLE- SNAKE-TAMARAC RIVERS WATERSHED DISTRICT
HELD AT 453 NORTH MCKINLEY STREET, WARREN, MN
4:00 P.M. FEBRUARY 1, 2010
(This meeting was rescheduled from January 25, 2010)

The meeting was called to order by Vice President John W Nelson. Managers Alvin Nybladh, John W Nelson, Roger Hille and David Bakke were present. Managers Ben Kleinwachter, Doug Sorenson, and Marvin Hedlund were not present. Nick Drees, Connie Kujawa, Danny Omdahl, Ron Adrian, Elden Elseth, Terry Albaugh, Jason Morken and Paul Morken were also present.

Elden Elseth taped the meeting with 2 recorders.

Motion by Mr. Alvin Nybladh, seconded by Mr. David Bakke that Connie Kujawa be appointed the recording secretary for purposes of keeping the minutes of the meeting. Motion unanimously carried.

Mr. Roger Hille wished to discuss the Minnesota State Supreme Court Hearings on the Agassiz Valley Water Resource Management Project and the Manager lawsuit and requested that discussion on the hearings be added to item 7 of agenda item #16 (Managers).

Motion by Mr. Roger Hille, seconded by Mr. Alvin Nybladh that the agenda be amended to include a discussion on the Supreme Court Hearings to item #7 of agenda item #16 (Managers). Motion unanimously carried.

Mr. Ben Kleinwachter joined the meeting at approximately 4:20 p.m.

Motion by Mr. Roger Hille, seconded by Mr. Ben Kleinwachter that the minutes of the December 21, 2009 meeting of the Board of Managers be approved as corrected. Motion unanimously carried.

Lloyd Fagerstrom, Wilbert McGregor, Jeff Monroe, Milo Monroe, Earl McGregor, Larry Laudal, Jim Potucek, Terry Potucek, Carl Gornowicz, Delvin Potucek, Jerome Potucek, Scott Sommers and Mark McGregor joined the meeting between 4:17 and 4:38 p.m.

The financial report was reviewed and filed for audit purposes.

Motion by Mr. Alvin Nybladh, seconded by Mr. David Bakke that the following bills be paid from the Administrative funds: that payroll checks numbered 4964 through 4971 inclusive for a total of \$12,428.61; and checks numbered 14406 14445, including the service charge for a total of \$141,348.72; from the Project

APPROVED
(as corrected February 22, 2010)

funds that checks numbered 1800 through 1808 for a total of \$53,091.43; from the Red River Watershed Management Funds that check number 132 and 133 for a total of \$17,437.28; and from the Ditch Funds that checks numbered 2385 through 2392 for a total of \$278,885.77 be paid. Motion unanimously carried.

There were no individuals present during the open forum who wished to address the Board.

Motion by Mr. David Bakke, seconded by Mr. Alvin Nybladh that the following permit be issued:

1. Permit (10-001) to American Crystal Sugar to remove 2 crossings and install 1 crossing with a 24" culvert on the North side of Marshall County State Aid Highway #3, SW of the scale house, in the SW SE, of section 33 of Sinnott Township.

Motion unanimously carried.

Earl McGregor, Larry Laudal and others discussed the potential loss of tax revenue from District properties regarding the PL-566 Off-Channel Storage Site. They stated the residents of Comstock Township prefer the lands remain on the tax rolls instead of a one time payment of in lieu of taxes.

After discussion, it was agreed that the Watershed District would research and respond to this matter, within 60 days, and that it would be addressed at a future meeting of the Watershed District with representatives from Comstock Township present.

Lloyd Fagerstrom, Wilbert McGregor, Jeff Monroe, Milo Monroe, Earl McGregor, Larry Laudal, Jim Potucek, Terry Potucek, Carl Gornowicz, Delvin Potucek, Jerome Potucek, Scott Sommers, Mark McGregor and others left the meeting at approximately 4:50 p.m.

Tony Nordby, of Houston Engineering, introduced himself to the Board and reported that Houston Engineering received an Honorable Mention Award on behalf of the Agassiz Valley Water Resource Management Project.

Nick Drees reported that the following data practice requests have been received and are available for review:

1. Jim Stengrim/Jeff Monroe
2. Elden Elseth

APPROVED
(as corrected February 22, 2010)

Danny Omdahl reported that he has been contacted by Jeff Brouse and Curt Kuznia requesting if Judicial Ditch #15, Branch A, in sections 19 and 30 of New Solum Township could be cleaned.

Ron Adrian stated that some of the properties involved are listed as protected waters and there may be other permitting issues.

After considerable discussion, it was agreed that Nick Drees contact the various agencies to see what could be done and what would be the most feasible approach to remedying the water issues in sections 19 and 30 of New Solum Township.

Nick Drees reported that the rip rap work on Watershed Ditch #5, at section corner 4/3 and 9/10 of Esther Township has been completed, by Esther Township; that the bills received for the FEMA work on Judicial Ditch #75 have been submitted to FEMA for reimbursement; and that the Overall Plan is moving forward and that completion of the Plan is tentatively scheduled for June 2010.

Nick Drees reported that payment for the "in lieu of taxes" regarding the Agassiz Valley Water Resource Management Project have been made to Marshall County and Polk County.

Wally Diedrich joined the meeting at approximately 5:33 p.m.

Motion by Mr. Alvin Nybladh, seconded by Mr. Ben Kleinwachter that the District begin the repayment to the Red River Watershed Management Board for the advanced funds received for the Agassiz Valley Water Resource Management Project, with the first payment being made as soon as possible, in the amount of \$400,000.00. Motion unanimously carried.

Nick Drees reported that an agreement with Eileen Stancyk has been reached regarding the purchase of the properties in the SE4 of section 18 of Brandt Township, for the proposed Brandt/Angus Project.

Motion by Mr. Ben Kleinwachter, seconded by Mr. Alvin Nybladh that the Acting President and Secretary be authorized to sign the purchase agreement with Eileen Stancyk for the properties in the SE4 of section 18 of Brandt Township, at \$1,600 per acre for a total of \$256,000.00, with the first downpayment of \$50,000 to be paid on or before April 1, 2010. Motion unanimously carried.

Nick Drees reported that the Step 2 submittal for the proposed Brandt/Angus Projects has been submitted and approved by the Red River Watershed Management Board.

APPROVED
(as corrected February 22, 2010)

Nick Drees reported that the grant agreement the City of Warren had entered into with the Minnesota Department of Natural Resources, for the construction of the PL-566 project has expired, and that the City is in arrears, with the District, for approximately \$236,000.

It was the consensus of the Board, that the District submit a bill to the City of Warren for the costs and expenses related to the construction of the PL-566 project, and if necessary, schedule a meeting to review the bill.

A letter from JOR Engineering regarding the repair of the Outlet Structure of the Angus Oslo #4 Impoundment was distributed.

Nick Drees gave a brief report on the highlights of the Red River Watershed Management Board meeting held in conjunction with the Red River Basin meeting in Grand Forks, on January 19, 2010, and distributed the calendars published by the Red River Watershed Management Board.

Jeff Hane stated that he has not heard anything from the Federal Court regarding the Managers/Staff lawsuit; that he is waiting word from the Minnesota State Supreme Court on the Agassiz Valley Water Resource Management Breach of the Settlement Agreement (Stengrim lawsuit); that a Petition for Review has been filed by Drewes Attorney to the Minnesota State Supreme Court of Appeals regarding the Angus Oslo #4 project; and that he has not received word from the District Court in the alleged open meeting lawsuit filed by Jim Stengrim; and that he received correspondence from Loren Zutz's attorney, requesting the District pay Mr. Zutz's attorney bills regarding the Open Meeting lawsuit filed by Jim Stengrim, in excess of \$30,000.

A discussion was held concerning the policies currently in place by the District. It was agreed Mr. Roger Hille and Mr. Ben Kleinwachter would form a committee and meet with the District Administrator to review the policies and identify and consider additions or changes for the Board to consider at a future date.

Nick Drees reported that \$8,884.28 has been received from the Northwest Service Center as a refund of premiums paid for the Employee's Health Insurance for 2008. He stated the refund is based on the number of insurance claims filed by the employee's during the 2008 year.

Motion by Mr. Roger Hille, seconded by Mr. David Bakke that the refund of \$8,884.28 be distributed in the same percentage amounts as the amounts were paid during the 2008 period, with the employees to be paid back in the percentage that they contributed (16%) with the employees to determine if they want to contribute their portion of the refund to a health saving plan or cash, and that the District's portion (84%) be deposited in the District's general fund. Motion unanimously carried.

APPROVED
(as corrected February 22, 2010)

Jeff Hane reported on the letter the Chairman received from Elden Elseth. He stated that Mr. Elseth had reached a separate settlement regarding the Stengrim open meeting lawsuit and that he had been dismissed as a party in the lawsuit as of June 2009. Jeff Hane also stated that the funds received from the insurance company have been deposited with the Court and that itemized statements from Mr. Elseth and Mr. Loren Zutz, which he requested, as of yet, have not been received.

Elden Elseth commented that he wants basic fairness and that the District should equally pay the \$5,000 to all managers who were involved in the Stengrim litigation.

No action was taken by the Board.

Motion by Mr. Ben Kleinwachter, seconded by Mr. Alvin Nybladh that the District pay the dues of the Minnesota Association of Watershed Districts, in the amount of \$1,487.00. Motion unanimously carried.

Elden Elseth removed the two recorders and left the meeting at approximately 7:30 p.m.

Wallace Diedrich left the meeting at approximately 7:30 p.m.

Mr. John W Nelson, Mr. Ben Kleinwachter and Mr. David Bakke briefly reported on the Red River Basin Conference held in Fargo; and Mr. Ben Kleinwachter reported on the Conservation Drainage Forum held at the University of Minnesota, Crookston campus.

Mr. Roger Hille stated he listened to the recordings of the Minnesota Supreme Court and advised the other Managers, if they had not already listened, to consider doing so.

The District's insurance were reviewed and distributed.

Connie Kujawa reported that the 2009 year ending reports are being completed and will be distributed at the February 22, 2010 meeting.

It was announced that the Minnesota Association of Watershed Districts Legislative Breakfast is scheduled for March 10-11, 2010, in St. Paul, Minnesota.

Motion by Mr. Ben Kleinwachter, seconded by Mr. Alvin Nybladh that the designated depositories for the Watershed District funds be the Frandsen Bank and the Bremer Bank in Warren, Minnesota, and other depositories as the Board may designate. Motion unanimously carried.

APPROVED
 (as corrected February 22, 2010)

Motion by Mr. David Bakke, seconded by Mr. Alvin Nybladh that the official newspapers of the District include the following: Warren Sheaf, Stephen Messenger, Crookston Times, Thief River Falls Times, Kittson County Enterprise, Middle River Honker and the Roseau Times, and that the official publications be made in any or all of these newspapers as required by statute. Motion carried.

Motion by Mr. Ben Kleinwachter, seconded by Mr. Alvin Nybladh that the District retain the services of the Brink, Sobolik, Severson, Malm, Albrecht, et al as the Legal Council for the District. Motion unanimously carried.

Motion by Mr. David Bakke, seconded by Mr. Roger Hille that Houston Engineering be designated the Engineering firm for the District. Motion unanimously carried.

It was announced that the mileage rate for conducting Watershed District business, effective January 1, 2010 will be set at the Internal Revenue Service rate of 50¢ per mile.

The proposed 2010 Board Meeting schedule was distributed and reviewed.

Motion by Mr. Roger Hille, seconded by Mr. David Bakke that the 2010 Board Meeting schedule be adopted as follows:

2010 SCHEDULE OF PERMIT/ REGULAR MEETINGS		
Date	Time	Comment
January 25, 2010	4:00 p.m.	4 th Monday
February 22, 2010	4:00 p.m.	4 th Monday
March 15, 2010	4:00 p.m.	3 rd Monday
**April 5, 2010	4:00 p.m.	1 st Monday
April 19, 2010	4:00 p.m.	3 rd Monday
**May 3, 2010	4:00 p.m.	1 st Monday
May 17, 2010	4:00 p.m.	3 rd Monday
**June 7, 2010	4:00 p.m.	1 st Monday
June 21, 2010	4:00 p.m.	3 rd Monday
July 19, 2010	4:00 p.m.	3 rd Monday
**August 2, 2010	4:00 p.m.	1 st Monday
August 16, 2010	4:00 p.m.	3 rd Monday
**September 7, 2010	4:00 p.m.	1 st Tuesday
September 20, 2010	4:00 p.m.	3 rd Monday
**October 4, 2010	4:00 p.m.	1 st Monday
October 18, 2010	4:00 p.m.	3 rd Monday
November 15, 2010	4:00 p.m.	3 rd Monday

APPROVED
(as corrected February 22, 2010)

December 20, 2010	4:00 p.m.	3 rd Monday
January 24, 2011	4:00 p.m.	4 th Monday

****PERMIT and/or REGULAR MEETING (as needed)**
Motion unanimously carried.

An article from the Northern Watch, dated January 30, 2010 was distributed and discussed.

A discussion was held concerning whether the Board wished to respond to the article that appeared in the January 30, 2010 publication of the Northern Watch.

The next regular meeting was scheduled for Monday, February 22, 2010, at 4:00 p.m., at the District office.

Motion by Mr. Ben Kleinwachter, seconded by Mr. Alvin Nybladh that the meeting be adjourned. Motion unanimously carried.

The meeting was adjourned at approximately 8:55 p.m.

Connie Kujawa
Recording Secretary

Ben Kleinwachter
Secretary