

AREA II

AREA II / RCRCA

January 7, 2021 Board of Directors Meeting Area II/RCRCA Marshall Office via Zoom

Board consensus for voice voting. If the vote is not unanimous, a roll call vote will be taken.

AREA II Members Present: Jeff Veerkamp, Larry Anderson, John Maatz, Joe Drietz, Gary Crowley, Lori Gunnink, Luke Johnson, Rick Wakefield and Glen Kack.

RCRCA Members Present: Jeff Veerkamp, Jeff Nielsen, Larry Anderson, Clark Lingbeek, Joe Drietz, Gary Crowley, Mark Meulebroeck, Lori Gunnink, Paul Posthuma, Luke Johnson, Larry Fenicle, Rick Wakefield, Ed Carter, Glen Kack and Tom Remmele.

Others Present: Kerry Netzke – Executive Director, and Joy Bruns – RCRCA Office Manager, Tim Dritz – YMRWD, Michael Peterson – Peterson Company Ltd.

The meeting was called to order at 9:05 AM by RCRCA Chairman Johnson and Area II Chairman Maatz.

ADOPT AGENDA. Chairman Johnson asked for any additions to the Agenda. With no additions, a motion was made by Crowley, seconded by Drietz, to approve the Agenda as presented. Motion carried unanimously.

AREA II – FY2020 AUDIT REPORT – Peterson Company Ltd. Chairman Maatz welcomed Michael Peterson to the meeting who presented the annual audit report. The audit was very clean with minimal adjustments needed. He highlighted a new note pertaining to unknown risks relating to Covid-19. In discussion pertaining to PERA's projected rates of return, Peterson stated that the pension liability may be understated as these interest rates seem unrealistic. Pension liability sensitivity is shown on page 19 using different interest rates. PERA is audited annually and defunds the projected return rates. After some questions and discussion, a motion was made by Crowley, seconded by Johnson, to approve the Area II FY2020 Audit Report as presented. Motion carried unanimously.

AGENCY AND MEETING REPORTS.

MASWCD – Supervisor Lingbeek reported that the virtual convention was held December 8 with key note speaker, David Horsager, giving a good presentation. The MASWCD board will be reviewing the passed resolutions in a virtual board retreat instead of the usual in-person retreat.

AMC – Commissioner Johnson reported that the virtual convention was held December 7. As part of the environmental committee, Johnson met with state agency staff to discuss a long list of issues. The agencies fear further budget cuts from the state, and possible federal changes with the new administration.

ELECTION OF OFFICERS – AREA II. Netzke reviewed the policies for Area II: a 2-year term with a limit of 2 consecutive terms in that officer position. Netzke suggested re-electing the same slate of officers as all are completing their first term and are willing to serve a second term. Motion by Drietz, seconded by Gunnink, to re-elect the existing Area II Officers: Chairman – John Maatz, Vice Chairman – Glen Kack and Secretary/Treasurer – Gary Crowley. Motion carried unanimously.

ELECTION OF OFFICERS – RCRCA. Netzke reviewed the policies for RCRCA: a 1-year term with no limits on the years in an office. Existing board members were asked if they were willing to continue serving in that capacity; all were in agreement. Motion by Veerkamp, seconded by Anderson, to re-elect the existing RCRCA Officers: Chairman – Luke Johnson, Vice Chairman – Clark Lingbeek, Secretary – Paul Posthuma, Treasurer – Mark Meulebroeck, Public Relations & Information – Gary Crowley, and Member at Large – Joe Drietz. Motion carried unanimously.

APPROVE RCRCA MINUTES of December 2020 Board Meeting. Motion by Meulebroeck, seconded by Drietz, to approve the December 2020 Minutes as presented. Motion carried unanimously.

APPROVE AREA II MINUTES of December 2020 Board Meeting. Motion by Johnson, seconded by Anderson, to approve the December 2020 Minutes as presented. Motion carried unanimously.

APPROVE RCRCA TREASURER’S REPORT – December 2020. Financials were reviewed with the Board. Motion by Carter, seconded by Posthuma, to approve the December 2020 Treasurer’s Report and to authorize payment of the bills. Motion carried unanimously.

APPROVE AREA II TREASURER’S REPORT – December 2020. Financials were reviewed with the Board. Revenue Received: \$3,593.19 Contract Services Income, \$512.95 Miscellaneous Other Revenue, \$74,810.56 Bonding Reimbursement and \$71.03 Interest. Bills for approval: Bolton & Menk \$3,480.00, MCIT annual insurance \$4,808.00, Peterson Company Ltd \$2,952.00 and American Engineering Testing, Inc. \$4,757.00. Motion by Anderson, seconded by Gunnink, to approve the December 2020 Treasurer’s Report and to authorize payment of the bills. Motion carried unanimously.

Revenue as recorded:

Contract Service Income (RCRCA)	\$ 3,593.19	Projects-Bonding	\$ 74,810.56
Interest Income	\$ 71.03	County Levy	\$ 0.00
State of MN-Administrative	\$ 0.00	SWCD Tech Assistance	\$ 0.00
Miscellaneous Income	\$ 512.95	PERA Assistance	\$ 0.00

Paid bills are summarized below:

Administration	\$ 19,890.06	Office Supplies	\$ 15.02
Bonding Project Funds	\$ 0.00	Other Insurance	\$ 0.00
Capital Outlay	\$ 0.00	Postage	\$ 70.00
Contract Services - RCRCA	\$ 1,578.94	Professional Services	\$ 4,277.50
Directors’ Expense	\$ 0.00	Project Expenses Paid	\$ 57,998.33
Directors’ Insurance	\$ 0.00	Project Permit Fees	\$ 0.00
Employee Expense	\$ 158.80	Rent	\$ 837.00
Field Supplies	\$ 0.00	Telephone	\$ 326.94
Investigating & Testing	\$ 0.00	Utilities	\$ 0.00
Maintenance & Repair	\$ 116.87	Vehicle Expense	\$ 434.77
Miscellaneous Expense	\$ 380.00	Continuing Education	\$ 0.00
Insurance	\$ 0.00		

Bill for approval:

Professional Fees	\$ 6,432.00	Insurance	\$ 4,808.00
Investigating & Testing	\$ 4,757.00		

DESIGNATE BANKING INSTITUTION – RCRCA. Netzke stated that RCRCA has been at HomeTown Bank for several years with no problems. It is also the only bank in the area that does not charge a fee for automatic deposits for payroll. Motion by Drietz, seconded by Nielsen, to designate HomeTown Bank as RCRCA’s banking institution. Motion carried unanimously.

DESIGNATE BANKING INSTITUTION – AREA II. Area II utilizes HomeTown Bank for the same reasons as RCRCA. Motion by Crowley, seconded by Kack, to designate HomeTown Bank as Area II’s banking institution. Motion carried unanimously.

CONFLICT OF INTEREST DISCLOSURES – AREA II and RCRCA. This annual disclosure is an organizational requirement. Forms were emailed to board members and staff who are asked to sign and return, either by mail or email.

EXECUTIVE DIRECTOR’S REPORT.

- Telephones – Both organizations were invoiced for the new phones by Lyon County IT. Installation and new service will begin sometime in January.

AREA II

• **Springdale 19 (Redwood County)** – Area II staff met with the landowners, Springdale Township, Environmental Officer and a few county commissioners to discuss the need and logistics of another Special Taxing District to raise the approximate \$105,000 of local match for the project. All were in agreement. Netzke attended the 12/15/2020 Redwood County Commissioners meeting where more specifics were defined (any parcel with 30% of its area within the watershed would be assessed in the taxing district over a period of 3 years). Consensus of the commissioners was to proceed with an informational meeting for landowners within the proposed taxing district to share the cost of the project and how it would be reflected upon their property taxes. If the majority of the landowners are in favor, a public hearing will be scheduled in early March to establish the Special Taxing District. Redwood County would borrow the funds from reserves, which would in turn be replenished by the taxing district collections.

RCRCA

- **CWF Plum Creek** – RCRCA and Redwood County were notified that the \$400,805 Clean Water Fund application was fully awarded! This money will provide 25% project funding, and combined with the federal 319 funding, 75% cost-share will be available for project cooperators. Development of the work plan is due by March 1.
- **WPLMN** – The new agreement and \$51,246.17 budget for the 2021 sampling year had been submitted to MPCA for review. No negotiations were needed and the agreement was sent to Contracting. Netzke signed the new agreement on 12/28/2020 with a tentative start date of 1/4/2021. A 2-year amendment to this Agreement will be developed later this year to begin 1/1/2022 to cover sampling of the 2022 and 2023 years. A Change Order#10 was completed for RCRCA to fully utilize the remaining grant funds.
- **Lake Redwood** – The virtual Industry Day held on 12/10/2020 was very successful with several prime contractors, and a few subcontractors, participating. Three of the interested contractors met virtually with HEI to ask more in depth questions. All the contractors are very excited about the project and intend to bid. Netzke mailed a letter and map to four landowners where booster pumps may be located to inquire on their willingness for an easement. To date, two landowners have responded favorably and the others will be contacted by telephone.
- **Audit** – An RFP was mailed out to local CPAs for the audit of the 2020 fiscal year. The letter explains that the audit does not need to be completed until after tax season to allow them more time for preparation. Received bids will be reviewed and acted upon at the January board meeting.
- **WRAPS/TMDL** – With the projects being approximately six months ahead of schedule, the Local Work Group has been discussing transitioning into 1W1P. Consensus was for a planning application for the Redwood to be submitted in 2021 and wait until 2022 for the Cottonwood. More discussion will be had at the next meeting on January 21.

AREA II – ENGINEER’S REPORT.

Springdale 19 Dam, Redwood County. Redwood County is pursuing a Special Taxing District to collect \$105,000 of local match for this project. An informational meeting with the subwatershed tax payers is planned for January or February. If the taxing district is approved, bidding the project in late spring is anticipated. ***Del Clark Lake Sediment Ponds, Yellow Medicine County.*** Bid letting is scheduled for January 27, 2021. Area II will recommend award to the LQP-YB Watershed District who will meet February 2, 2021. ***Holly 2 Small Dam, Murray County.*** Ryan West Excavating will be construction this project next spring. 75% funding will be switched from Bonding to the new Plum Creek CWF grant and federal 319 grant. ***Springdale 21 Road Retention, Redwood County.*** Ryan West Excavating plans to complete this project next spring. Weather conditions this Fall were too questionable to begin the project. ***Lac qui Parle River Flow Restoration, Yellow Medicine County.*** The DNR discovered a HEC-RAS flood model for the area of the LQP River which is under study. We are awaiting some supporting information from the DNR before starting to update this model with the recent survey information. ***North Hero 32 Dam Repair, Redwood County.*** We have started design work on this project. The project is, like most SCS dams, in need of pipe replacement and minor grading work. ***Delhi 30 Dam Repair, Redwood County.*** Design work will continue on this project this winter. As visit to the site was made in December to look at the situation more closely. ***Lake Benton Outlet/Dam Repair, Lincoln County.*** Soil borings were recently completed and show about 2 to 5 feet of fill with another 5 to 12 feet of sandy clay. Since the proposed design will use sheet pile, it can be extended below this level to limit seepage. Hydrologic modeling and design can now begin. ***Marble 23 Small Dam, Lincoln County.*** Design work is just underway for this small dam. The landowner’s intent is to create a shallow wildlife pond and there

appears to be enough storage so that there will be flow reduction benefits as well. **Lynd 31 Road Retention, Lyon County.** Design work is underway for this project near Lynd. The site is very promising from the standpoint of flood reduction, but because of the height and length of the needed pipe, it will be an expensive project. We will meet with the township when the cost is estimated to see if they wish to proceed.

2021 LEGISLATIVE SESSION. Netzke noted that Area II was included in the 2020 Bonding Bill under the DNR Flood Hazard Mitigation appropriation. Those funds are essentially spoken for and it is very unlikely that Area II will receive any funds. Netzke has reached out to our representatives and requested funds for Area II should a small bonding bill be proposed in 2021.

LAKE REDWOOD RECLAMATION PROJECT UPDATE.

Engineering: Netzke reviewed Houston Engineering, Inc.'s (HEI) report for the November 15 to December 12, 2020 period with the Board. Netzke provided the board with the entire invoice as requested at the last meeting.

Request Authorization for Advertising of Bids – January 21, 2021. Netzke requested board authorization to advertise bids for the dredging portion of the project starting January 21, 2021. Bids will be opened February 11, 2021 at Redwood Falls. Award of the project is tentatively scheduled for RCRCA's March 4, 2021 meeting, however due to the complexity of comparing bids, award may be later in March and handled by the Executive Board. Motion by Anderson, seconded by Crowley, to authorize advertising bids starting January 21, 2021. Motion carried unanimously.

RCRCA – FY2020 AUDIT PROPOSALS. Netzke presented the board with three quotes for the RCRCA FY2020 Audit. Motion by Nielsen, seconded by Carter, to accept the quote from Peterson Company Ltd. for a sum of \$3,000.00. Motion carried unanimously. Netzke will notify Peterson Company and request an engagement letter. Other firms will be notified and thanked for their submittal.

BOARD APPOINTMENTS. Redwood County has a new delegate: Commissioner Rick Wakefield. Gunnink reported that Murray County appointed Commissioner Molly Malone as the alternate. John Maatz reported that LQP appointed Commissioner Stacy Tufto as the alternate. Luke Johnson reported that Commissioner Dallas Rosskamp was appointed as the alternated from Pipestone County. Netzke requested to be informed of any further changes in the board representation.

ADJOURNMENT. RCRCA Chairman Johnson adjourned the meeting at 10:20 A.M.

UPCOMING MEETINGS.

February Board Meeting	Thursday, February 4, 2021	via Zoom
March Board Meeting	Thursday, March 4, 2021	via Zoom
April Board Meeting	Thursday, April 1, 2021	via Zoom

John Maatz, AREA II Chairman

Date