

AREA II

AREA II / RCRCA

January 6, 2022 Board of Directors Meeting Lyon County Commissioners Room – Marshall, MN

(Roll call votes were recorded for all motions as some members joined virtually.)

AREA II Members Present: Jeff Veerkamp (Zoom), Larry Anderson, Stacy Tufto (Zoom), Joe Drietz, Gary Crowley, Lori Gunnink, Luke Johnson, Rick Wakefield and Glen Kack.

RCRCA Members Present: Jeff Veerkamp (Zoom), Brandon Anderson (Zoom), Larry Anderson, Clark Lingbeek (Zoom), Joe Drietz, Glen Sorensen, Gary Crowley, Mark Meulebroeck, Lori Gunnink, Paul Posthuma, Luke Johnson, Ken Christensen, Rick Wakefield, Ed Carter and Glen Kack.

Others Present: Kerry Netzke – Executive Director, Joy Bruns – RCRCA Office Manager, and Michael Peterson – Peterson Company Ltd. (Zoom).

The meeting was called to order at 9:01 AM by RCRCA Chairman Johnson and Area II Vice-Chairman Kack.

ADOPT AGENDA. Chairman Johnson asked for any additions to the Agenda; none were stated. **RCRCA** - Motion by L. Anderson, seconded by Gunnink, to approve the Agenda as presented. Motion carried unanimously by roll call vote. **Area II** - Motion by L. Anderson, seconded by Johnson, to approve the Agenda as presented. Motion carried unanimously by roll call vote.

AGENCY AND MEETING REPORTS.

AREA V MASWCD – Supervisor Lingbeek reported that the in-person Annual Convention was well attended. The keynote speaker was a photographer with *National Geographic* who presented virtually. Today’s meeting utilized an OWL 360° video/speaker system provided by Lyon County which works very well. Lingbeek added that the MASWCD Board also uses an OWL and recommended that Area II and RCRCA consider purchase of an OWL for virtual meetings.

AMC – Chairman Johnson reported that the Annual Conference was also well attended with about 500 people in number. Lac qui Parle County Commissioner Todd Patzer is the new AMC chairman. Public Waters has been identified as a priority issue for AMC, especially in light of the Limbo Creek situation in Renville County.

AREA II – FY2021 AUDIT REPORT. Netzke greeted Michael Peterson with Peterson Company Ltd to review the audit report virtually with the board of directors. Area II received a clean audit report with no concerns. There were minimal changes to the net position from the prior year with depreciation being the biggest factor. The organization stays consistent doing a good job managing costs and income to be nearly equal. The Budget vs Actual Expenditures shows a small loss for the year, however with depreciation and adjustments, a small profit at year end results. The Notes starting on page 11 are all standard. The only noted concern is the Lack of Segregation of Duties which is common with all organizations with a small staff. Motion by Crowley, seconded by Drietz, to approve the Area II FY2021 audit report and to pay the audit fee upon receipt. Motion carried unanimously by roll call vote. Michael Peterson was thanked for joining the meeting today.

RCRCA – ELECTION OF OFFICERS. Netzke stated that RCRCA elects officers annually; policy requires 3 county commissioners and 3 SWCD supervisors. The current officers are: Luke Johnson – Chairman, Clark Lingbeek – Vice Chairman, Paul Posthuma – Secretary, Mark Meulebroeck – Treasurer, Gary Crowley – PR&I, and Joe Drietz – Member-At-Large. Motion by Gunnink, seconded by Sorensen, to re-elect the same slate of officers for 2022. Motion carried unanimously by roll call vote.

APPROVE RCRCA MINUTES of December 2021 Board Meeting. Motion by Meulebroeck, seconded by Carter, to approve the December 2021 Minutes as amended. Motion carried unanimously by roll call vote.

APPROVE AREA II MINUTES of December 2021 Board Meeting. Motion by Johnson, seconded by L. Anderson, to approve the December 2021 Minutes as amended. Motion carried unanimously by roll call vote.

APPROVE RCRCA TREASURER’S REPORT – December 2021. Financials were reviewed with the Board. Motion by Posthuma, seconded by Drietz, to file the December 2021 Treasurer’s Report subject to audit and to authorize payment of the bills. Motion carried unanimously by roll call vote.

APPROVE AREA II TREASURER’S REPORT – December 2021. Financials were reviewed with the Board. Revenue Received: \$4,394.40 Contract Services Income, \$216,871.20 Bonding Reimbursement and \$16.34 Interest. Bill for approval: Bolton & Menk \$4,104.00. Motion by Drietz, seconded by L. Anderson, to file the December 2021 Treasurer’s Report subject to audit and to authorize payment of the bill. Motion carried unanimously by roll call vote.

Revenue as recorded:

Contract Service Income (RCRCA)	\$ 4,394.40	Projects-Bonding	\$216,871.20
Interest Income	\$ 16.34	County Levy	\$ 0.00
State of MN-Administrative	\$ 0.00	SWCD Tech Assistance	\$ 0.00
Miscellaneous Income	\$ 0.00	Special Project Funds	\$ 0.00

Paid bills are summarized below:

Administration	\$ 16,051.39	Office Supplies	\$ 45.78
Bonding Project Funds	\$ 216,871.20	Other Insurance	\$ 56.00
Capital Outlay	\$ 0.00	Postage	\$ 0.00
Contract Services - RCRCA	\$ 1,795.36	Professional Services	\$ 1,672.00
Directors’ Expense	\$ 0.00	Project Expenses Paid	\$ 0.00
Directors’ Insurance	\$ 0.00	Project Permit Fees	\$ 0.00
Employee Expense	\$ 81.35	Rent	\$ 837.00
Field Supplies	\$ 0.00	Telephone	\$ 127.84
Investigating & Testing	\$ 0.00	Utilities	\$ 0.00
Maintenance & Repair	\$ 132.47	Vehicle Expense	\$ 139.50
Miscellaneous Expense	\$ 3.43	Continuing Education	\$ 0.00
Insurance	\$ 0.00		

Bill for approval:

Professional Fees	\$ 4,104.00
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RCRCA – DESIGNATE BANKING INSTITUTION. Netzke recommended to remain with HomeTown Bank – Redwood Falls. The no-cost ACH for payroll, interest-earning checking and the interest-earning cash sweep account are working well for our purposes. Motion by Meulebroeck, seconded by Crowley, to designate HomeTown Bank as RCRCA’s banking institution. Motion carried unanimously by roll call vote.

AREA II – DESIGNATE BANKING INSTITUTION. Netzke recommended to remain with HomeTown Bank – Redwood Falls for the same reasons stated for RCRCA. Motion by Gunnink, seconded by Crowley, to designate HomeTown Bank as Area II’s banking institution. Motion carried unanimously by roll call vote.

AUTHORIZE RCRCA OFFICE MANAGER TO EXECUTE ELECTRONIC FUNDS TRANSFERS FOR RCRCA. Motion by Meulebroeck, seconded by Posthuma, to authorize the RCRCA Office Manager to execute electronic funds transfers for RCRCA. Motion carried unanimously by roll call vote.

AUTHORIZE RCRC A OFFICE MANAGER TO EXECUTE ELECTRONIC FUNDS TRANSFERS FOR AREA II. Motion by Drietz, seconded by L. Anderson, to authorize the RCRC A Office Manager to execute electronic funds transfers for Area II. Motion carried unanimously by roll call vote.

RCRC A – DESIGNATE EXECUTIVE DIRECTOR AS GRANT SIGNATORY FOR RCRC A. Motion by Crowley, seconded by Sorensen, to designate the Executive Director as RCRC A’s grant signatory. Motion carried unanimously by roll call vote.

AREA II – DESIGNATE EXECUTIVE DIRECTOR AS GRANT SIGNATORY FOR AREA II. Motion by L. Anderson, seconded by Johnson, to designate the Executive Director as Area II’s grant signatory. Motion carried unanimously by roll call vote.

CONFLICT OF INTEREST DISCLOSURES. The annual Conflict of Interest Disclosures for both Area II and RCRC A board members were distributed. Those in attendance signed/returned the documents. Bruns will email the forms for those joining the meeting virtually and to those not in attendance today. Please sign and return by email, mail or in-person at the next meeting (February 3) in Redwood Falls.

RCRC A – AUTHORIZE EXECUTIVE DIRECTOR TO SIGN DOCUMENTS ON BEHALF OF RCRC A. Motion by Carter, seconded by Posthuma, to authorize the Executive Director to sign documents on behalf of RCRC A. Motion carried unanimously by roll call vote.

AREA II – AUTHORIZE EXECUTIVE DIRECTOR TO SIGN DOCUMENTS ON BEHALF OF AREA II. Motion by Gunnink, seconded by Drietz, to authorize the Executive Director to sign documents on behalf of Area II. Motion carried unanimously by roll call vote.

EXECUTIVE DIRECTOR’S REPORT.

• **Ag-Urban Partnership Forum on Water Quality** – January 18, 2022 (9 AM – Noon) The 3rd forum Webex webinar agenda includes: North Fork Crow Water Quality Trading Pilot Project, Shell Rock River Trading Pilot Project, Red River Basin Adaptive Management Project, and Generating Credits on Agricultural Land. Netzke will email the registration link to all board members.

AREA II

• **2022 Bonding Request** – Area II’s bonding request will be \$1.5 million. Senator Dahms and Representative Torkelson have agreed to author the language. Netzke will connect with both legislators in early January to ensure the language is being drafted and introduced. Session starts January 31.

• **JPA Renewal** – All signatures were obtained and copies were provided to the counties and board members.

• **LOP-YB IWIP** – Steering Team and Policy Committee meetings were held in-person/virtually on December 22. The Advisory Committee met for the first time on December 6 to provide input on prioritizing issues. GIS Data is being utilized to help prioritize issues geographically. A process to set measurable goals and target practices/ programs will follow.

RCRC A

• **Lake Redwood Dredging** – Work this month included:

1) **2021 Construction Update:**

- a. The License for Utility to Cross Public Waters (Ramsey Creek) was received on December 2, 2021. A \$284 fee was associated with this permit. All permits and licenses are now in hand.
- b. No work is planned for the week between Christmas and New Years. Weather dependent, fusing work is to resume on January 3, 2022.

2) **Partial Payment No. 2:** HEI has reviewed and approved Partial Payment No. 2.

3) **Last Easement:** With the pipeline placed upon the Plotz property, the acreage can now be determined and easement drafted. This the last easement to secure.

• **Pell Creek CWF Grant Application** – RCRCA/Redwood SWCD’s application for \$648,075 was awarded by the BWSR Board at their December meeting. Announcements were made on December 16. \$22 million in requests were received for the \$12.7 million available. Netzke will begin working on the workplan after the New Year.

AREA II – ENGINEER’S REPORT.

Springdale 19 Dam, Redwood County. R&G Construction will complete the final finishing work on this project in the Spring. Partial Payment No.1 has been approved and was paid by year end. ***Del Clark Lake Sediment Ponds, Yellow Medicine County.*** Final payment will be made for these projects in the spring after the final clean-up has been assured. ***Perch Lake Outlet, Lincoln County.*** A survey has been completed by Lincoln County. We will be preparing plans for the project this winter which will include boring under the highway to provide an outlet for the lake. ***Shaokatan 31 Small Dam Repair, Lincoln County.*** The landowner wishes to proceed with this project in 2022 once funding is available. The pond behind the dam is used primarily for cattle watering and has insufficient capacity to store water. As part of the project, the dam is to be raised and the outlet pipe replaced. ***Fortier 24 Small Dam Repair, Yellow Medicine County.*** Final plans for this project are being completed with construction planned for Spring/Summer 2022. This project will allow the LQP-YB WD to fully utilize the extended CWF grant funds. ***Springdale 24 Small Dam, Redwood County.*** We have completed the preliminary design for this dam just northwest of Walnut Grove. The site is located on a tributary very near Plum Creek and offers good flood reduction for the drainage area which includes a portion of the city. The cost estimated is about \$180,000 and the landowner has indicated a willingness to proceed. The City of Walnut Grove is searching for infrastructure grant funding to assist with the local portion of the cost. Soil borings will be arranged this winter. ***Island Lake 3 Road Retention, Lyon County.*** We recently met with the landowners and the township regarding this project. All parties are willing to proceed once cost-share funding is secured. ***Alta Vista 27 Road Retention, Lincoln County.*** We are in the early design stages for this road retention project. Our intent is to develop a preliminary plan and cost estimate so that information can be presented to the township to determine if they want to proceed further. ***Holly 9 Sediment Pond, Murray County.*** Design work is underway for this small basin which qualifies for funding through the Plum Creek CWF grant. The structure is located just upstream of a larger dam constructed by Area II, with the intent is to remove sediment before it flows into the larger pond. We will meet with the landowner as soon as the design is completed. ***Stanley 19 Small Dam, Lyon County.*** We have started work on the design for this dam northeast of Marshall. A wetland delineation has been completed indicating about an acre of wetlands potentially impacted. Design work will proceed over the next month.

LAKE REDWOOD RECLAMATION PROJECT UPDATE.

Engineering: Houston Engineering, Inc.’s report for the November 7 to December 4, 2021 period was provided. ***Partial Payment No. 2:*** Partial Payment No. 2 to JF Brennan was approved in the amount of \$190,000.00 (includes 5% retainage). This bill was approved by the RCRCA Board with the financial report. ***Dredging Kick-off in the Spring:*** Netzke would like to arrange a public kick-off celebration when the dredge is put on the lake. Invited guests would include area legislators, board members, commissioners, city leaders, RCRCA partners and the public citizens. A press release will be issued soon on the status of the project.

RCRCA – FY2021 AUDIT QUOTE – PETERSON COMPANY LTD. Netzke presented a quote for RCRCA’s FY2021 Audit in the amount of \$3,250.00. Netzke and Bruns have found the auditing firm easy to work with, especially electronically. Motion by Carter, seconded by Meulebroeck, to accept the FY2021 audit quote from Peterson Company Ltd. They will not begin work until after the April 15 tax deadline.

ADJOURNMENT. With no other business, RCRCA Chairman Johnson and Area II Vice-Chairman Kack adjourned the meeting at 10:14 AM. The next meeting will be February 3, 2022 in Redwood Falls.

UPCOMING MEETINGS.

February Board Meeting	Thursday, Feb. 3, 2022	Redwood County Learning Center
March Board Meeting	Thursday, Mar. 3, 2022	Lyon County Courthouse

John Maatz, AREA II Chairman

Date