

# AREA II

## AREA II / RCRCA

### August 5, 2021 Board of Directors Meeting Redwood County Government Center and via Zoom

*Note: All Area II members were present; RCRCA had 2 voting members join via Zoom.  
A roll call vote is required if any board members attend via Zoom.*

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

**RCRCA Members Present:** Jeff Veerkamp, Jeff Nielsen (Zoom) Larry Anderson, Glen Sorensen, Gary Crowley, Mark Meulebroeck, Lori Gunnink, Paul Posthuma, Luke Johnson, Larry Fenicle (Zoom), Rick Wakefield, Ed Carter and Glen Kack.

**Others Present:** Kerry Netzke – Executive Director, Joy Bruns – RCRCA Office Manager, and Samantha Wocken-Hoskins, Peterson Company Ltd. (Zoom).

The meeting was called to order at 9:03 AM by RCRCA Chairman Johnson and Area II Chairman Maatz.

**ADOPT AGENDA.** Chairman Johnson asked for any additions to the Agenda. **RCRCA** - Motion by Veerkamp, seconded by Gunnink, to approve the Agenda as presented. Voice vote was taken as no voting members joined by Zoom yet, motion carried unanimously. **Area II** - Motion by Veerkamp, seconded by Gunnink, to approve the Agenda as presented. Motion carried unanimously by voice vote.

**RCRCA – 2020 AUDIT - PETERSON COMPANY LTD.** Samantha Wocken-Hoskins reviewed the RCRCA 2020 Audit report with the board members. She noted the following: 1) Page 5 MD&A, income and expenses increased significantly due to the Lake Redwood CDF land purchase; 2) Page 6, revenues and expenses increase due to the reimbursable grants; 3) Page 22, COVID-19 note included as a potential risk due to the uncertainty of the pandemic; 4) Page 31, Lack of Segregation of Duties finding, segregation is not easily done within small organizations. Management adequately addressed the finding with the policies and procedures in place to reduce the risk. Motion by Gunnink, seconded by Meulebroeck, to approve the audit as presented. Roll call vote was taken; motion carried unanimously.

### **AGENCY AND MEETING REPORTS.**

**AMC** – Commissioner Johnson reported that AMC Strategic Planning meetings will be in August, and policy committee meetings in September. Johnson testified via Zoom at an Environmental Quality Board (EQB) meeting proposing the addition of climate change and greenhouse gas emissions to the Environmental Assessment Worksheet. EQB decision will be in September. Johnson testified against the addition as this would continue to complicate reviews and potentially prevent many worthy projects from being authorized.

**YMRWD** – Netzke shared that the Yellow Medicine One Watershed, One Plan Biennial Summit is Monday, August 9, 2021 – 5:30 PM at the Porter Café in Porter, MN; 5:00 PM Policy Meeting; 5:30 PM Meal; 6:00 PM Presentation and Discussion.

**APPROVE RCRCA MINUTES of July 2021 Board Meeting.** Motion by Anderson, seconded by Crowley, to approve the July 2021 Minutes as corrected. Roll call vote was taken; motion carried unanimously.

**APPROVE AREA II MINUTES of July 2021 Board Meeting.** Motion by Johnson, seconded by Gunnink, to approve the July 2021 Minutes as corrected. Motion carried unanimously by voice vote.

**APPROVE RCRCA TREASURER’S REPORT – July 2021.** Financials were reviewed with the Board. Motion by Meulebroeck, seconded by Posthuma, to file the July 2021 Treasurer’s Report subject to audit and to authorize payment of the bills. Roll call vote was taken; motion carried unanimously. Commissioner Crowley added that the MAGIC Fund has been sold to US Bancorp Asset Management.

**APPROVE AREA II TREASURER’S REPORT – July 2021.** Financials were reviewed with the Board. Revenue Received: \$3,824.14 Contract Services Income, \$25.38 Interest and \$35.00 Other Revenue. Bill for approval: Bolton & Menk, Inc. \$3,732.00. Motion by Crowley, seconded by Veerkamp, to file the July 2021 Treasurer’s Report subject to audit and to authorize payment of the bills. Motion carried unanimously by voice vote.

**Revenue as recorded:**

Contract Service Income (RCRCA)	\$ 3,824.14	Projects-Bonding	\$ 0.00
Interest Income	\$ 25.38	County Levy	\$ 0.00
State of MN-Administrative	\$ 0.00	SWCD Tech Assistance	\$ 0.00
Miscellaneous Income	\$ 35.00	PERA Assistance	\$ 0.00

**Paid bills are summarized below:**

Administration	\$ 15,968.41	Office Supplies	\$ 63.65
Bonding Project Funds	\$ 0.00	Other Insurance	\$ 0.00
Capital Outlay	\$ 0.00	Postage	\$ 0.00
Contract Services - RCRCA	\$ 836.28	Professional Services	\$ 4,416.00
Directors’ Expense	\$ 0.00	Project Expenses Paid	\$ 0.00
Directors’ Insurance	\$ 0.00	Project Permit Fees	\$ 0.00
Employee Expense	\$ 0.00	Rent	\$ 837.00
Field Supplies	\$ 0.00	Telephone	\$ 105.63
Investigating & Testing	\$ 0.00	Utilities	\$ 120.00
Maintenance & Repair	\$ 794.79	Vehicle Expense	\$ 451.42
Miscellaneous Expense	\$ 399.58	Continuing Education	\$ 0.00
Insurance	\$ 0.00		

**Bill for approval:**

Professional Fees	\$ 3,732.00
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**AREA II – APPROVE BONDING COST SHARE APPLICATIONS/AMENDMENTS/CANCELLATIONS.**

**NEW COST SHARE CONTRACT:**

**FY2019 Bonding**

<b>Fultz Farms*</b>	<b>Springdale 19 – Redwood</b>	<b>410 Grade Stabilization</b>
<b>Doug Krentz</b>		
<b>Tracy Country Club</b>		
<b>EST Cost: \$435,955.55</b>	<b>EST Cost Share:</b>	<b>\$326,933.66 (75%)</b>
	<b><u>Bonding Cost Share</u></b>	<b><u>\$322,393.29 (73.95%)</u></b>
	<b>Area II County Funds</b>	<b>\$ 4,540.37 (1.05%)</b>

\*Group Addendum Spokesperson

NOTE: This project used the remaining FY2019 Bonding Funds.

Netzke presented a new cost share contract which has a Group Addendum where all parties identify a Group Spokesperson who will receive payment(s) and pay the contractor. Netzke noted that this contract will use the rest of the bonding funds, and requires some additional funding to reach 75% cost-share. Netzke requested \$4,540.37 of the county projects funds be used for this contract if other state/federal funding is not found. Motion by Johnson, seconded by Anderson, to approve the **Springdale 19 – Redwood** project using \$322,393.29 of bonding funds and \$4,540.37 of county funds for this project. Motion carried unanimously by voice vote.

**RCRCA – APPROVE CWF COST SHARE APPLICATIONS/AMENDMENTS/CANCELLATIONS.**

**NEW COST SHARE CONTRACTS:**

**Plum Creek Grant - CWF-2021-03**

<b>Mike Landuyt*</b>	<b>Springdale 13/24 – Redwood</b>	<b>410 Grade Stabilization</b>
<b>Jon Boerboom</b>		
<b>EST Cost:</b> \$96,105.75	<b>EST Cost Share:</b>	\$72,079.31 (75%)
	<b>CWF C/S:</b>	<b>\$24,026.44 (25%)</b>
	319 Funds	\$48,052.87 (50%)

\*Group Addendum Spokesperson

**Plum Creek Grant - CWF-2021-04**

<b>Mike Landuyt*</b>	<b>Springdale 13/24 – Redwood</b>	<b>410 Grade Stabilization</b>
<b>Jon Boerboom</b>		
<b>EST Cost:</b> \$49,440.23	<b>EST Cost Share:</b>	\$37,080.17 (75%)
	<b>CWF C/S:</b>	<b>\$12,360.05 (25%)</b>
	319 Funds	\$24,720.12 (50%)

\*Group Addendum Spokesperson

**COST SHARE CONTRACT AMENDMENT:**

**Plum Creek Grant - CWF-2021-01**

<b>Tony Quade</b>	<b>Holly 2 - Murray</b>	<b>410 Grade Stabilization</b>
<i>60 CY of riprap identified on the Plan Sheet, but accidentally omitted in Quantities. (\$3,840.00)</i>		
<b>EST Cost:</b> \$127,962.98	<b>EST Cost Share:</b>	\$95,972.23 (75%)
<b>ACT Cost:</b> \$131,802.98	<b>ACT Cost Share:</b>	\$98,852.23 (75%)
	<b>CWF C/S:</b>	<b>\$21,679.89 (16.45%)</b>
	319 Funds	\$59,311.33 (45%)
	EQIP Cost Share:	\$17,861.01 (13.55%)

**COST SHARE CONTRACTS FOR PAYMENT:**

**Plum Creek Grant - CWF-2021-01**

<b>Tony Quade</b>	<b>Holly 2 - Murray</b>	<b>410 Grade Stabilization</b>
<b>ACT Cost:</b> \$131,802.98	<b>ACT Cost Share:</b>	\$98,852.23 (75%)
	<b>CWF C/S:</b>	<b>\$21,679.89 (16.45%)</b>
	319 Funds	\$59,311.33 (45%)
	EQIP Cost Share:	\$17,861.01 (13.55%)

**Plum Creek Grant - CWF-2021-02**

<b>Tim Doubler</b>	<b>Springdale 25 - Redwood</b>	<b>412 Grassed Waterway</b>
<b>EST Cost:</b> \$39,982.00	<b>EST Cost Share:</b>	\$29,986.70 (75%)
<b>ACT Cost:</b> \$39,982.00	<b>ACT Cost Share:</b>	\$29,986.70 (75%)
	<b>CWF C/S:</b>	<b>\$9,995.50 (25%)</b>
	319 Funds	\$19,991.00 (50%)

Netzke presented two new cost share contracts: Springdale 13/24 - Redwood Grade Stabilization project and Springdale 13/24 – Redwood Road Retention; an amendment to Holly 2 – Murray; and two completed cost share contracts for payment: Holly 2 – Murray and Springdale 25 – Redwood. Motion by Carter, seconded by Gunnink, to approve the cost share contracts, amendment, payments as listed. Roll call vote was taken; motion carried unanimously.

**EXECUTIVE DIRECTOR’S REPORT.**

• **LCCMR Hearing** – the “Increased Intense Rain and Flooding in Minnesota’s Watersheds” proposal scored well and received a hearing from the LCCMR committee on July 28. Dr. Jason Ulrich presented verbally as no slideshow was allowed, only one speaker for 5 minutes, followed by 10 minutes for questions. Very good questions were asked and comments were made by the committee. August 26 is the decision date for funding.

## AREA II

- **Del Clark Lake CWF Project** – the remaining grant funds are to be used for upstream BMPs to benefit the lake. The landowner interest has not been abundant; however, we did locate a potential small dam repair in our files within the Canby Creek watershed. YM SWCD staff are contacting the party to follow up on the interest.
- **YM 1W1P** – The Biennial Summit is planned for Monday, August 9. 5:30 PM meal at the Porter Café, followed by a presentation of accomplishments and discussion of forward direction to follow.

## RCRCA

- **Lake Redwood Dredging** – Work this month included:
  - 1) **EASEMENTS:** The Pipeline Easement (\$2,250) with Red Del, LLC will be signed soon. The last easement will be a Pipeline Easement with Wade Plotz, with payment amount determined once the pipeline is placed on his property.
  - 2) **PERMITS:** The MNDOT Utility Accommodation permit application was submitted on April 26, and was anticipated to take 6-8 weeks to process. A draft permit was shared with Houston Engineering last week as it involved a change in the location/angle of the bored culvert under Hwy 19. JF Brennan has concurred on the change and new Plan sheets provided to MNDOT. The permit is expected soon.
  - 3) JF Brennan's remediation work in the Duluth Harbor for US Steel will likely take the rest of the summer/fall to complete. One of the last communications included the following tentative schedule:
    - September – November 2021
      - Install pipe in road ditches, driveway crossings & boring under Highway 19
    - Sediment survey via air boat will be performed September or October 2021
    - Booster pumps and silt fencing will be installed March 2022
  - 4) **Pre-construction meeting:** Flyer invitations are being mailed to residents surrounding the lake (1 block radius), those along the pipeline in the ROW, city administrator, mayor and county administrator and engineer for a preconstruction meeting scheduled for 7 PM on Wednesday, August 11 at RACC. Houston Engineering will prepare slides to present the timeline and activities. Greg Smith from JF Brennan will also be in attendance to add information and answer questions.
- **RCRCA JPA Executed** – All signatures were obtained on the original document and scanned copies were emailed to all member counties and SWCDS.

**RCRCA - MCIT** – Carter inquired if the CDF property for the Lake Redwood Reclamation had been added to RCRCA's liability insurance. Netzke indicated that she will research and make sure it is.

## AREA II – ENGINEER'S REPORT.

***Springdale 19 Dam, Redwood County.*** Bids were received on July 20. The low bidder was R&G Construction with a bid of \$345,971.55. The second low bidder was A&C Excavating at \$346,682.75, while the engineer's estimate with contingency was \$348,150.11. Wetland credits of 2.998 acres are being sought. The SWCD plans to award the contract at their next meeting on August 11. ***Del Clark Lake Sediment Ponds, Yellow Medicine County.*** A&C Excavating completed this project. 95% partial payment has been approved with 5% retainage held to ensure vegetative growth. ***Holly 2 Small Dam, Murray County.*** Ryan West Excavating has completed this project. EQIP final payment is being determined by the NRCS which will then determine the payment amounts from 319 and CWF funds. ***Lac qui Parle River Flow Restoration, Yellow Medicine County.*** We are awaiting further requests and information from the DNR. ***Lake Benton Outlet/Dam Repair, Lincoln County.*** A&C Excavating has completed this project. Lincoln County will be providing payment. ***Springdale 13/24 Grade Stabilization, Redwood County.*** Bids were received on July 13 for two related projects – a small dam and a road retention. The combined total low bidder is L&S Construction with a bid of \$145,545.98. The second low bidder was Brey Tiling & Excavating at \$149,595.50, while the engineer's estimate was \$148,605.33. The landowners are being contacted and funding is being finalized. ***Statley 9 Small Dam, Brown County.*** This would be a large dam on a draw upstream of several road crossings which are overtopped by large storm events. The site has good storage characteristics, with flow reductions from most storms in excess of 50%. We met recently with the landowner and he would like to proceed when permits and funding are in place. ***Holly 7 Water and Sediment Control Basin.*** Bids for this project were received on June 15. Two bids were received with the low bidder being

Ryan West Excavating at \$16,496; second low bid was Brey Tiling & Excavation at \$16,889. The engineer's estimate with contingency was \$14,621.20. We are awaiting confirmation that the landowner wants to proceed. ***Monroe 17 Water and Sediment Control Basins, Lyon County.*** These are also small dikes in agricultural areas with the intent to temporarily pond runoff and reduce erosion. We are in the design process to determine the number and placement of the basins. ***Delhi 24 Grade Stabilization Repair, Redwood County.*** This old dam, in a wooded area northwest of Redwood Falls, has a failed metal pipe and a pond which has filled with sediment. The design is nearly complete and includes removing many trees, raising the top of the dam and replacing the pipe. We will meet with the landowner to further discuss the project. ***Monroe 22 Water and Sediment Control Basin, Lyon County.*** We are in the design process for this project which would include one or two small dikes in an agricultural field. ***Springdale 26 Small Dam, Redwood County.*** We have resumed design work on this dam which is located upstream of the Wilder Pageant grounds near Walnut Grove. We nearly have a preliminary design completed, which will allow us to meet with the landowners and discuss the project. Since the stream is a tributary to Plum Creek, it is eligible for 319 and CWF funding and thus could proceed to construction.

**OPEN MEETING LAW CHANGES.** Netzke recapped the required changes to Area II and RCRC Board meetings to comply with revised open meeting laws. Roll call voting is required if any voting member joins the meeting online and noticing of the member's location prior to the meeting to allow anyone to join them at that location for the meeting except for health related reasons. Discussion followed including cancellation of the Zoom subscription and only meeting in person. With the recent resurgence of Covid-19 (Delta variant), it was the consensus of the boards that we continue with hybrid meetings and work towards all in-person meetings. The topic is to be discussed again next month with the current status of the Covid-19 virus.

**AREA II – FY2021 AUDIT QUOTE from Peterson Company Ltd.** Netzke presented the letter of engagement and quote of \$3,000 for the annual audit. This firm completed the FY2020 audit remotely for Area II for \$2,952, and recently completed RCRC's audit. Motion by Gunnink, seconded by Veerkamp, to accept the quote and to authorize Area II Chairman Maatz and Executive Director Netzke to sign the letter of engagement for the FY2021 Audit. Motion carried unanimously by voice vote.

**LAKE REDWOOD RECLAMATION PROJECT UPDATE.**

***Engineering:*** Netzke reviewed Houston Engineering, Inc.'s (HEI) report for the June 6, 2021 to July 10, 2021 period with the Board.

***CDF Spraying for Weeds:*** With concurrence with Jim Doering, Public Works Coordinator for the City of Redwood Falls, spraying was arranged for the embankment and areas lying outside the embankment upon the CDF property. Meadowland Farmers Cooperative performed. They spraying the will invoice RCRC directly.

***City of Redwood Falls Financial Commitment:*** RCRC was requested to invoice the City of Redwood Falls for the remainder of their financial contribution to the Lake Redwood Reclamation project, a sum of \$527,957.45. This check was recently received and deposited into Hometown checking this morning after ensuring that the amount would be safe with collateral. Netzke has begun looking for an investment opportunity of 9-12 months, when the funds would be needed for the project. She requested authorization to work with the RCRC Treasurer to research investments and concur on how to invest the funds, either as one investment or dividing it up into smaller amounts. Motion by Crowley, seconded by Anderson, to authorize Netzke and Meulebroeck to research and secure the best investment opportunity. Roll call vote was taken; motion carried unanimously.

**AREA II/RCRC ANNUAL MEETING.** November 4 will be the date of the annual meeting. Netzke has been in contact with both possible venues: Painted Prairie Winery near Dovray and Schell's Brewery in New Ulm. She is waiting for more information from Schell's Brewery and will bring that information to the board next month.

**BRAWNER LAKE DAM REPAIR UPDATE.** Chairman Maatz reported that bids are being solicited on the QuestCDN website. Without being a member of the site, bidders could not be viewed. Netzke will inquire DNR for update on the status of the project.

**ADJOURNMENT.** With no other business, RCRC A Chairman Johnson and Area II Chairman Maatz adjourned the meeting at 10:35 AM. The next meeting will be September 2, 2021 in Marshall at the Lyon County Government Center.

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**UPCOMING MEETINGS.**

September Board Meeting	Thursday, Sept. 2, 2021	via Zoom – In-person (Hybrid) Marshall
October Board Meeting	Thursday, Oct. 7, 2021	via Zoom – In-person (Hybrid) Redwood
November Board Meeting/Annual Meeting	Thursday, Nov. 4, 2021	Location to be Determined

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Glen Kack, Vice AREA II Chairman

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Date