

AREA II

AREA II / RCRCA

August 6, 2026 – Board of Directors Meeting
Redwood Government Center, Redwood Falls, MN

AREA II Members Present: Jeff Veerkamp, Larry Anderson, Gary Crowley, Loy Woelber, Luke Johnson, Rick Wakefield and Glen Kack.

RCRCA Members Present: Jeff Veerkamp, Mark Wellner, Larry Anderson, Dave Bucklin, Gary Crowley, Allen Deutz, Loy Woelber, Paul Posthuma, Luke Johnson, Rick Wakefield and Glen Kack.

Others Present: Kerry Netzke – Executive Director, and Joy Bruns – RCRCA Office Manager.

Absent: Courtney Williams on vacation.

The meeting was called to order at 9:00 AM by RCRCA Chairman Johnson and Area II Chairman Anderson and was followed by the Pledge of Allegiance.

ADOPT AGENDA. There was one addition to agenda for RCRCA – Request Letter to Murray SWCD. **RCRCA** – Motion by Veerkamp, seconded by Bucklin, to approve the agenda as amended. Motion carried unanimously. **Area II** - Motion by Crowley, seconded by Wakefield, to approve the agenda as amended. Motion carried unanimously.

AGENCY AND MEETING REPORTS. No reports.

APPROVE RCRCA MINUTES of July 2026 Board Meeting. Motion by Anderson, seconded by Woelber, to approve the July 2026 Minutes as presented. Motion carried unanimously.

APPROVE AREA II MINUTES of July 2026 Board Meeting. Motion by Johnson, seconded by Wakefield, to approve the July 2026 Minutes as presented. Motion carried unanimously.

Joint Meeting Area II/RCRCA Board of Directors

RCRCA TREASURER'S REPORT – July 2026. The financials were reviewed with the board. Motion by Posthuma, seconded by Veerkamp, to approve July 2026 Treasurer's Report subject to audit and for payment of the bills. Motion carried unanimously.

AREA II TREASURER'S REPORT – July 2026. Financials were reviewed with the board. Revenue received: \$ 3,368.48 Contract Services Income, \$287.50 Technical Assistance, \$5,009.98 Miscellaneous Income (\$5,000.00 Redwood SWCD-Swedes Forest 18 easements, \$9.98 RCRCA reimbursement), and \$3,522.91 Interest. Bills for approval: \$10,081.00 Bolton & Menk, \$6,715.00 Barr Engineering (LQP Floodway) and \$5,656.25 Soil Technologies. Motion by Crowley, seconded by Wakefield, to approve July 2026 Treasurer's Report subject to audit and for payment of the bills. Motion carried unanimously.

Revenue as recorded:

Contract Service Income (RCRCA)	\$ 3,368.48	Projects-MMB General Fund	\$ 0.00
Interest Income	\$ 3,522.91	County Levy	\$ 0.00
State of MN-Admin Services	\$ 0.00	Tech Assist/Misc.	\$ 287.50
Water Quality & Storage Grants	\$ 0.00	Soil Borings Reimbursed	\$ 0.00
Miscellaneous Income	\$ 5,009.98		

Paid bills are summarized below:

Administration	\$ 19,007.89	Office Supplies	\$ 0.00
Bonding Project Funds	\$ 0.00	Other Insurance	\$ 0.00
Capital Outlay	\$ 0.00	Postage	\$ 0.00
Contract Services - RCRCA	\$ 1,765.26	Professional Services	\$ 15,530.75
Directors' Expense	\$ 0.00	Project Expenses Paid	\$ 3,750.00
Directors' Insurance	\$ 0.00	Project Permit Fees	\$ 0.00
Employee Expense	\$ 207.48	Rent	\$ 837.00
Field Supplies	\$ 0.00	Telephone	\$ 31.62
Investigating & Testing	\$ 0.00	Utilities-Web Hosting	\$ 0.00
Maintenance & Repair	\$ 154.24	Vehicle Expense	\$ 649.89
Miscellaneous Expense	\$ 176.96	Continuing Education	\$ 0.00
Insurance	\$ 0.00	Investigation & Testing	\$ 0.00

Bills for approval:

Professional Services	\$ 16,796.00	Investigation & Testing	\$ 5,656.25
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Joint Meeting Area II/RCRCA Board of Directors

RCRCA - APPROVE/AMEND/PAY COMPLETED COST SHARE CONTRACTS.

NEW CONTRACTS: *None*

CONTRACT AMENDMENTS:

Netzke presented one amendment correcting the effective life of the project from 2 years to 10 years. Motion by Woelber, seconded by Veerkamp, to approve the amendment. Motion carried unanimously.

PELL CREEK CLEAN WATER FUND GRANT
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BWSR GRANT C22-7057

CWF-2022-07: **North Hero 30 Diversion** **Steven Geis**

Amendment #1 to include the effective life (≥ **10** years), correct the 75% cost share maximum of state or state/non-state funding sources, correct the 75% cost-share authorized in the amount of \$6,948.00, and reference Technical Standards NRCS FOTG - 362 Diversion.

CONTRACT CANCELLATION/PAYMENT: *None*

AREA II – APPROVE/AMEND/PAY COMPLETED COST SHARE CONTRACTS.

NEW CONTRACTS:

Netzke presented a new contract for a Sodus 9 – Lyon 410 Grade Stabilization Restoration. Motion by Wakefield, seconded by Veerkamp, to approve the new contract. Motion carried unanimously.

Gen. Funds Const. Grant-2023-09	Sodus 9 – Lyon	410 Grade Stabilization Restoration
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Greg Deutz

EST Cost: \$120,000.000

EST Cost Share: \$ 90,000.00 (75%)

Local Match: \$30,000.00 (25%)

Landowner \$12,000.00 (10.0%)

Lyon County \$18,000.00 (15.0%)

Joint Meeting Area II/RCRCA Board of Directors

CONTRACT AMENDMENT:

Netzke presented an amendment to Norman 7 – Yellow Medicine 410 Dam Restoration & Cleanout Project. The borrow areas were larger than anticipated, requiring additional seeding and mulching; an increase of \$1,855.86 of grant funds. Motion by Crowley, seconded by Woelber, to approve the amendment to the cost share contract. Motion carried unanimously.

Gen. Funds Const. Grant-2023-08	Norman 7 – Yellow Med.	410 Dam Restoration & Cleanout
Lloyd Schrunk		
EST Cost: \$165,683.60		EST Cost Share: \$124,262.70 (75%)
		<u>Local Match: \$41,420.90</u>
		<i>Landowner</i> \$22,012.03 (13.3%)
		<i>LQP-YB WD</i> \$19,399.87 (11.7%)
AMENDED Cost: \$168,158.08		AMENDED Cost Share: \$126,118.56 (75%)
		<u>Local Match: \$42,039.52</u>
		<i>Landowner</i> \$22,639.65 (13.5%)
		<i>LQP-YB WD</i> \$19,399.87 (11.5%)

CONTRACTS FOR PAYMENT:

Netzke presented contract Norman 7 – Yellow Medicine 410 Dam Restoration & Cleanout for Final/Partial Payment #2 of \$81,118.56. Motion by Johnson, seconded by Kack, to approve the contract for payment. Motion carried unanimously.

Gen. Funds Const. Grant-2023-08	Norman 7 – Yellow Med.	410 Dam Restoration & Cleanout
Lloyd Schrunk		
AMENDED Cost: \$168,158.08		AMENDED Cost Share: \$126,118.56 (75%)
		<u>Local Match: \$42,039.52</u>
		<i>Landowner</i> \$22,639.65 (13.5%)
		<i>LQP-YB WD</i> \$19,399.87 (11.5%)
Partial #2 (Pipe Replacement/Embankment) – July 2026		
ACT Cost: \$108,158.08		ACT Cost Share: \$81,118.56 (75%)
		<u>Local Match: \$27,039.52</u>
		<i>Landowner</i> \$ 7,639.65
		<i>LQP-YB WD</i> \$19,399.87
Partial #1 (15,000 CY sediment removal) – January 2026		
ACT Cost: 60,000.00		ACT Cost Share: \$45,000.00 (75%)
		<u>Local Match: \$15,000.00</u>
		<i>Landowner</i> \$15,000.00

Joint Meeting Area II/RCRCA Board of Directors

EXECUTIVE DIRECTOR'S REPORT

- **MN Health Consortium Annual Meeting** This virtual meeting was held August 5. The 2027 health insurance premium rates will be disclosed by the end of August. Pharmacy claims have been high across the groups, and rate increases may reach double digits.

AREA II

- **Alta Vista 27 Road Retention (Lincoln County)**

- Application for the Section 401 Water Quality Certification was submitted May 8. MPCA is responsible for the Water Quality Certification. The tribal comment period has ended, and the public comment goes through August 7. Once received, I believe the Corps will finalize their permit. The township plans to close the intersection after harvest if the project does not get completed this year.

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- **North Hero 34 Road Retention (Redwood County)**

- As soon as the Plans are edited to include the dome trash rack design, the Plans will be submitted along with the Joint Application to the Corps of Engineers.

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- **LQP Floodway (Yellow Medicine County)**

- The informational meeting has been scheduled for August 25 at 10:00 AM at Canby which will include the landowners. Postcard invitations were mailed August 3.

- **Springdale 30 Road Retention (Redwood County)** Netzke was the backup construction inspector for a few days while DeSchepper had a few days off for a personal commitment. She was the taxi for the geotechnical engineer and oversaw excavation activities. Once the project becomes more focused on the roadway construction, then Redwood County Highway Department will step in for construction inspection.

RCRCA

- **Prevailing Wages** A virtual meeting was held July 27 to discuss how BWSR suggests handling the Prevailing Wages issue raised by MMB. Cost-share contracts will now include a section referencing that statute that contractors must pay prevailing wages on state-funded projects. BWSR has drafted a Notice for the landowner to sign acknowledging that he is aware of this requirement of the contractor. The only claims that Dept of Labor & Industry will entertain are from employees of a contractor who are not paying the prevailing wage. Area II has dealt with Prevailing Wage with other state funding sources, although the contract and Notice are new and will be implemented from this point forward.

- **Pell Creek/Plum Creek CWF Grant Reconciliations** The Plum Creek reconciliation is complete and requires a repayment to BWSR. The Pell Creek reconciliation is close to completion, and the 10% reimbursement to RCRCA will be adjusted by the amount found to be in noncompliance.

MPCA – Minnesota’s Strategy to Reduce Nutrients in Water (2025) – Netzke shared the informational bulletin highlighting progress made toward the water quality goals. Much more work is needed although water quality changes are trending in the right direction.

AREA II ENGINEER’S REPORT.

Shelburne 18 Grade Stabilization (JD 12 Lincoln-Lyon), Lyon County. A hearing was held with the Joint Ditch Authority of JD12 Lincoln/Lyon on July 20 to discuss the repair report and the impoundment report for this dual use grade stabilization and private access project. At that hearing the project was approved. Final plans and specifications have been updated for distribution to five local contractors. The bid opening is scheduled for August 12 and recommendation to the ditch authority on August 19. Engineer’s estimate of probable costs is \$128,235.80. BWSR Water Quality & Storage grant funds will be utilized for this project and will reimburse professional engineering expenses. ***Paxton 3 Dam Repair, Redwood County.*** This is a grade stabilization repair project that has been bid and retroactively reviewed by the NRCS to qualify for federal EQIP funds. Project quantity alterations were made and have been accepted by the contractor to comply with that NRCS review and requirements. The difference in quantities was to comply with a wider structure top width. Fill volume increased by 749 cubic yards and pipe length increased by 8 feet. This represents a project cost increase of approximately \$10,000.00. The contractor intends to begin mid-August. ***Springdale 17 Road Retention, Redwood County.*** This road retention project is located northeast of Tracy, sections 8 and 17 of Springdale Township, on a failing box culvert/township bridge. MNDOT funding is available to cover the cost of the construction and will remove the bridge from the inventory. This additional state aid funding will require additional plan set sheets that are currently being worked on. ***North Hero 34 Road Retention, Redwood County.*** This project, funded by a BWSR Water Quality & Storage Grant, has final plans that are complete and have been submitted to DNR Dam Safety. We have worked with DNR over their concerns with the flat-topped trash rack. The updated trash rack design is being implemented in the final plans and specifications for final DNR approval and for submittal to the Army Corps of Engineers. ***Island Lake 19 Grade Stabilization, Lyon County.*** Work continued on this proposed grade stabilization project that would be a new structure downstream of an existing structure where considerable drain tile from a neighboring property flow. A preliminary design and cost estimate are being prepared. An impromptu meeting with the landowner was held on July 15 where the specifics of the desired project were discussed. ***Norman 34 Small Dam Repair and Cleanout, Yellow Medicine County.*** This project was bid on July 1. Low bid was Ground Works Excavating at \$155,859.22. The engineer’s estimate is \$155,230.90 with 10% contingency. This project is eligible for 90% cost-share funding through the Yellow Medicine 1W1P and provides nice reductions in terms of floodwater storage and sediment reduction. The Yellow Medicine Policy Committee met August 3 and approved the cost-share application. ***Alta Vista 34 Grade Stabilization Repair Project, Lincoln County.*** This is a grade stabilization repair project that proposes reestablishing the berm elevation and reconstruction of the failing outlet structure. Final plans and specifications are complete, and bids were opened July 1.

Joint Meeting Area II/RCRCA Board of Directors

The low bid was Ryan West Excavating in the amount of \$29,997.00. The Engineer's estimate was \$44,668.25 with a 10% contingency. This project is eligible for 90% cost-share funding through the Yellow Medicine 1W1P. The Policy Committee met August 3 and approved the cost-share application. **Sodus 9 Grade Stabilization Restoration, Lyon County.** The landowner had hoped to utilize the 85% cost-share available through the Cottonwood-Middle MN 1W1P for this project, however the structural funds were encumbered at a very fast rate leaving no funding available at this time. If the landowner waited until the 2.0 grant arrives (October 2026), the construction window would be lost which would require the project to be rebid in 2027. The Lyon County Commissioners were approached on July 7 requesting local match to assist the landowner's contribution of \$12,000.00. Lyon County approved local funding not to exceed \$18,000.00. Fall construction is anticipated as the contractor has ordered the pipe. Ryan West Excavating's bid was \$117,248.86. **Springdale 30 Road Retention (CSAH 20), Redwood County.** This road retention began construction on July 20. Kim Stoecker, PE, our geotechnical engineer from Mobridge, SD flew into Tracy on July 22 to inspect the native clay material and gather 2' drill holes to rule out the presence of sand under the clay. Density tests have all passed on the compacted clay soils. The pipe installation was completed on July 28 despite a Plan error that resulted in the pipe being located 8 feet too far south. The easiest agreed-upon solution was to order an additional length of pipe to be installed next to the downstream apron and with additional quantities of fill, sand and PVC perforated pipe in the drain outlet. Despite the heat and humidity, construction is progressing well.

Area II – Resolution No 2026-1 – Grant Funding Assistance for Sodas 9. Netzke presented a Resolution for Area II to provide matching funds of \$13,203.50 and will not include any other State funding source. Motion by Crowley, seconded by Wakefield, to approve the resolution and funding. Motion carried unanimously.

Area II – BWSR RCPP Partner Contribution Letter. Netzke provided the board with a letter supporting BWSR's application for federal RCPP funding for water storage. Area II's local match is contingent upon extension of its current General Fund Construction Grant that will expire December 2027. If extended, Area II can offer \$1,616,666 in local match to the RCPP application. Motion by Wakefield, seconded by Veerkamp, to approve the RCPP Partner Contribution Letter as presented. Motion carried unanimously.

RCRCA – Request to Redwood SWCD and Murray SWCD. Netzke provided two letters requesting financial assistance for errors found during the Pell & Plum Creek CWF grants reconciliation. Discussion followed. Motion by Deutz, seconded by Woelber, to approve the letters with a few changes requested by the board. Motion carried, Posthuma abstained.

Area II – Executive Director Performance Review. Anderson had sent a review sheet to the Area II Board. The response wasn't very good as many could not access and save the

Joint Meeting Area II/RCRCA Board of Directors

replies online. This will be done differently next year. The Executive Board met prior to the board meeting. The Executive Board gave Netzke a better than satisfactory performance. There is no raise tied with this review; a 3% COLA was given at the beginning of the fiscal year. Motion by Veerkamp, seconded by Johnson, to accept the recommendation from the Executive Board and to file the review. Motion carried unanimously.

RCRCA – Watersheds Coordinator Performance Review. Netzke conducted a performance review with Williams as her hiring date was 8/11/2025. As part of her hiring agreement, a \$1.00/hour increase would coincide with the onset of the Redwood WBIF which was given July 1. Motion by Bucklin, seconded by Wellner, to accept the better than satisfactory review, with a COLA increase in January 2027. Motion carried unanimously.

Other Business – 2026 Annual Meeting/Legislative Gathering. With this event happening every-other year, it is time to start planning. Discussion followed. The Board feels that the event needs to be after the November election, but prior to the start of the legislative session on January 12. Thursday, December 3 is a tentative date to hold the event which would include a presentation of Area II and RCRCA's history, and a recap of the 2025 and 2026 years. Location is to be determined with more ideas and discussion next month.

ADJOURNMENT. With no other business, Chairman Anderson and Chairman Johnson declared the meeting adjourned at 10:41AM.

UPCOMING MEETINGS:

Sept Board Meeting	Thursday, Sept. 3, 2026	Lyon County Government Center – Commissioners Room
Oct Board Meeting	Thursday, Oct 1, 2026	Redwood County Govt Center – Commissioners Room
CWMM Policy Committee	Immediately following the Area II/RCRCA Meeting	
RRW Policy Committee	Immediately following the CWMM Policy Committee	

Larry Anderson, Area II Chairman Date