

AREA II

AREA II / RCRCA

**November 6, 2025 – Board of Directors Meeting
Lyon Government Center, Marshall, MN**

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

RCRCA Members Present: Jeff Veerkamp, Bill Eckstein, Larry Anderson, Gary Crowley, Allen Deutz, Loy Woelber, Paul Posthuma, Luke Johnson, Rick Wakefield, Ed Carter and Glen Kack.

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

The meeting was called to order at 9:02 AM by RCRCA Chairman Johnson and Area II Chairman Anderson. A quorum was present for both organizations. The Pledge of Allegiance was recited.

ADOPT AGENDA. There were no additions to the agenda. **RCRCA** – Motion by Carter, seconded by Crowley, to approve the agenda as presented. Motion carried unanimously. **Area II** - Motion by Veerkamp, seconded by Thole, to approve the agenda as presented. Motion carried unanimously.

AGENCY AND MEETING REPORTS.

AMC – Chairman Johnson reported the District 8 meeting was uneventful. Regarding the moratorium on nuclear energy, most counties are in favor of lifting this to allow for research and feasibility in Minnesota. Regarding allowing rifles for deer season hunting, the discussion was not very informational leaving most counties undecided in their decision to allow rifles. This decision by each county must be in place before January 1, 2026.

DNR – Chairman Anderson reported that the Cottonwood SWCD has agreed to contract with DNR for the Talcot Lake Dam Replacement Project. Engineering is estimated to cost \$1,000,000 with an estimated project construction cost of \$8,000,000.

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APPROVE RCRCA MINUTES of October 2025 Board Meeting. Motion by Eckstein, seconded by Veerkamp, to approve the October 2025 Minutes as presented. Motion carried unanimously.

APPROVE AREA II MINUTES of October 2025 Board Meeting. Motion by Johnson, seconded by Crowley, to approve the October 2025 Minutes as presented. Motion carried unanimously.

RCRCA TREASURER'S REPORT – October 2025. Financials were reviewed with the board. Motion by Anderson, seconded by Posthuma, to approve the October 2025 Treasurer's Report subject to audit and to approve paying the bill. Motion carried unanimously.

AREA II TREASURER'S REPORT – October 2025. Financials were reviewed with the board. Revenue received: \$ 5,143.11 Contract Services Income, \$3,666.20 Interest Income, \$33,797.50 Technical Assistance LQP-YB Florida Creek and \$1,925.00 Technical Assistance RCRCA (CWMM-WBIF Grant). Water Quality & Storage Grant funds of \$245,383.76 were returned to BWSR, with reapplication in December. Bills for approval: \$10,647.50 Bolton & Menk (\$7,262.50 monthly invoice, \$3,385.00 Florida Creek) and \$4,740.00 Ryan West Excavating for Monroe 17. Motion by Wakefield, seconded by Veerkamp, to approve the October 2025 Treasurer's Report subject to audit and to approve payment of the bills. Motion carried unanimously.

Revenue as recorded:

Contract Service Income (RCRCA)	\$ 5,143.11	Projects-MMB General Fund	\$ 0.00
Interest Income	\$ 3,666.20	County Levy	\$ 0.00
State of MN-Admin Services	\$ 0.00	Technical Assistance	\$ 35,722.50
Water Quality & Storage Grants	\$ 0.00	Soil Borings Reimburse	\$ 0.00

Paid bills are summarized below:

Administration	\$ 18,283.37	Office Supplies	\$ 170.63
Bonding Project Funds	\$ 0.00	Other Insurance	\$ 0.00
Capital Outlay	\$ 0.00	Postage	\$ 0.00
Contract Services - RCRCA	\$ 2,811.90	Professional Services	\$ 14,367.50
Directors' Expense	\$ 0.00	Project Expenses Paid	\$ 19,000.00
Directors' Insurance	\$ 0.00	Project Permit Fees	\$ 1,200.00
Employee Expense	\$ 158.90	Rent	\$ 837.00
Field Supplies	\$ 0.00	Telephone	\$ 140.74
Investigating & Testing	\$ 0.00	Utilities-Web Hosting	\$ 0.00
Maintenance & Repair	\$ 76.10	Vehicle Expense	\$ 118.02
Miscellaneous Expense	\$245,383.76	Continuing Education	\$ 0.00

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Insurance	\$	0.00	Investigation & Testing	\$	0.00
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Bill for approval:

Professional Services	\$	10,647.50	Maintenance & Repair	\$	0.00
Project Costs	\$	4,740.00	Insurance	\$	0.00

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

CONTRACTS FOR PAYMENT:

CWF-2022-14		*PELL CREEK*
Kyle Reiner	North Hero 33 - Redwood	638 Water & Sediment Control Basins
EST Cost: \$68,100.30		EST Cost Share: \$51,075.23 (75%)
ACT Cost: \$71,203.00		ACT Cost Share: \$53,402.25 (75%)
		<u>CWF C/S: \$ 51,075.23 (71.7%)</u>
		Redwood SWCD \$ 2,327.02 (3.3%)

CWF-2022-15		*PELL CREEK*
Kyle Reiner	Ann 4 - Cottonwood	412 Grassed Waterways
EST Cost: \$105,777.00		EST Cost Share: \$79,332.75 (75%)
ACT Cost: \$118,227.00		ACT Cost Share: \$88,670.25 (75%)
		<u>CWF C/S: \$ 79,332.75 (61.1%)</u>
		Redwood SWCD \$ 9,337.50 (7.9%)

Netzke presented two cost share contracts for payment for Pell Creek - North Hero 33 – Redwood for a 638 Water & Sediment Control Basins, and Pell Creek – Ann 4 – Cottonwood for 412 Grassed Waterways. Motion by Crowley, seconded by Carter, to approve both Pell Creek CWF projects for payment as presented. Motion carried unanimously.

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

NEW CONTRACTS:

Gen. Fund Const. Grant-2023	Swedes Forest 18 – Redwood	410 Dam Restoration
Nick Lecy		
EST Cost: \$65,001.20		EST Cost Share: \$48,750.90 (75%)
		<u>Local Match: \$16,250.30</u>

Netzke presented a new cost share contract for approval: Swedes Forest 18 – Redwood - 410 Dam Restoration. Motion by Veerkamp, seconded by Thole, to approve the Swedes Forest 18 – Redwood - 410 Dam Restoration contract. Motion carried unanimously.

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EXECUTIVE DIRECTOR'S REPORT

AREA II

- **BWSR Academy** Netzke presented two sessions on October 22nd; the academy was well attended.
- **Fortier 8 Collapsed Trash Rack** Staff were informed by the owner that the trash rack on the project completed in July 2024 appeared to be collapsed. Upon inspection, this was indeed the condition. Engineer Tyler Conley contacted Haala Industries, the manufacturer, on October 29th about this failure which is believed to have stemmed from a faulty weld. An email with photos were provided to the company. It is anticipated that the trash rack will be replaced although the company's decision has not been received.
- **Alta Vista 27 WQ&S Grant** To accommodate the inability to extend the original grant agreement, BWSR was able to have the unspent grant funds returned prior to the RFP, and have Area II reapply for the same project. The cost-share will be 90/10 instead of 75/25 which will extend the local funds significantly. Final expenses entered into eLINK prior to returning \$245,369.76 included: \$19,000 for clearing and grubbing 2.4 acres of trees, \$1,200 for DNR Work in Public Waters Individual permit application, and \$1,282.50 for engineering. Application deadline is December 23, 2025 which allows us to review expected costs and update the prior application.
- **LQP Floodway RFP** Four proposals for engineering services were received on October 24th from Bolton & Menk, Houston Engineering, Barr Engineering, and Merjent. The Project Partners scored the RFPs individually, which were tabulated in a spreadsheet. They met virtually to discuss the proposals, the tabulated scores, and rank based on scores. A recommendation for an award will be made to the Area II Board at the next meeting.
- **Area II FY25 Audit** Netzke informed the board that Peterson Company Ltd. has started the audit for FY25, ended June 30th. A new auditor has been assigned who has been asking many questions regarding projects, unearned revenue, and procedures. Chairman Anderson also received a questionnaire which has not happened in previous years.

RCRCA

- **Cottonwood-Middle MN CWMP Update** Staff continue to work with BWSR to reconcile the grant expenditures. Once completed, the final reimbursement of \$25,300 (10% grant) will be made.
- **Cottonwood-Middle MN WBIF** Bruns and Netzke met virtually with auditor Michael Peterson to discuss QuickBooks and reporting the billable wage rates paid by the grant. Peterson's suggestion was for an adjusting entry from the WBIF Grant to RCRCA Income with an expense category called "WBIF Billable Rate Adjustment" for the difference

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between the actual paid wages and billable wages charged to the grant. Previous financial reports have been revised to reflect this change.

- **Redwood CWMP Update** The Steering Team and Policy Committee met on October 13th to address comments and plan the public hearing on November 10th at 1:00 PM. The Policy Committee will meet immediately following the hearing to address additional comments received, and to recommend submittal of the Plan to BWSR for approval. Resolutions from all MOA partners (*Lincoln, Lyon, Murray, Pipestone and Redwood Counties; Lincoln, Lyon, Pipestone and Redwood SWCDs; the cities of Marshall, Redwood Falls, and Ghent; Area II and RCRCA*) will need to be passed after the hearing and prior to submitting the Plan to BWSR. Templates of these resolutions will be provided to the partners by Netzke.

- **Lake Redwood CDF Use Agreement** We await the MMB Assistant Commissioner's approval to allow RCRCA and the City to execute the Use Agreement. RCRCA will return the remaining local funds to the City at the time of signing. MMB confirmed that this agreement is in their queue awaiting action.

MINNESOTA PAID LEAVE.

As instructed by the boards, Netzke checked into a compatible plan. In order to be eligible for the MetLife paid leave plan, Area II and RCRCA would have to applied by October 1st. MetLife also requires two other policies in addition to paid leave. MetLife advised to use the State's plan given the few employees that both organizations have. Discussion followed on allowing the employee to "top off" by using sick or vacation pay in addition to the paid leave benefit to match the usual weekly wage. To "top off" the paid leave benefit, the organization would need to know the benefit amount that the employee is receiving in order to add the sick/vacation time appropriately for the employee. Allowing intermittent leave was also discussed which would allow the employee to work during the Paid Leave time frame. The majority of the counties are allowing employees to "top off" the weekly payment and to work intermittently which benefits the employer and the employee by allowing them to keep up with some of the workload during their leave.

Area II: Motion by Thole, seconded by Wakefield, for Area II to utilize the State of Minnesota's Paid Leave plan, to allow employees to use earned sick or vacation time to "top off" the Paid Leave amount not to exceed the usual weekly pay, and to allow employees to work intermittently during their Paid Leave time. Motion carried unanimously.

RCRCA: Motion by Crowley, seconded by Anderson, for RCRCA to utilize the State of Minnesota's Paid Leave plan, to allow employees to use earned sick or vacation time to "top off" the Paid Leave amount not to exceed the usual weekly pay, and to allow employees to work intermittently during their Paid Leave time. Motion carried unanimously.

AREA II ENGINEER'S REPORT.

Alta Vista 27 Road Retention, Lincoln County. This project is progressing and in the stages of permit acquisition. As these permits are obtained, the tree removal portion of the

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project is being completed now for construction of the structure to follow next spring/summer. **Springdale 30 Road Retention (CSAH 20), Redwood County.** Bids were received for this road retention project that is being led by Redwood County. The low bid from Noomen Excavating LLC was for \$899,179.58 with the Engineer's Estimate of \$1,011,907.60. Construction is anticipated in the summer of 2026. **Norman 7 Dam Repair, Yellow Medicine County.** This is a repair and sediment removal project that was originally designed in 2020. The project consists of replacing the failing pipe and embankment structure. Additionally, the existing pond is set to be cleaned of sedimentation. Bids were opened October 8th with the low bid of \$165,683.60 from Noomen Excavating. Engineer's Estimate of cost is \$155,199.00. The landowner accepted this bid and is willing to contribute the additional local match that is being shared with the local watershed district. **North Hero 26 Grade Stabilization Repair, Redwood County.** This is a grade stabilization project that included pond excavation. Bids were opened October 1st. The low bid was \$83,369.98 by Dusty's Service and Repair. Engineer's Estimate of final cost is \$101,315.50. Construction is scheduled for the second week of November. **Sodus 9 Water & Sediment Control Basins, Lyon County.** Quotes were received on April 17, 2025. The low bid was received from Ryan West Excavation for \$129,298.24. The Engineer's Estimate was \$113,505.70. This project has been constructed, and as-built information will be submitted to NRCS for review upon their return to the office from furlough. Funding was provided by the Cottonwood-Middle MN WBIF in addition to federal EQIP funds. **Sodus 9 Grade Stabilization Repair, Lyon County.** This is a grade stabilization repair project. The project proposes reestablishing the berm elevation and reconstruction of the failing outlet structure. Final plans and specifications are nearly complete. **Alta Vista 34 Grade Stabilization Repair Project, Lincoln County.** Similarly to the previous project, this is a grade stabilization repair project. The project proposes reestablishing the berm elevation and reconstruction of the failing outlet structure. Final plans and specifications are nearly complete. **Monroe 8 Road Retention, Lyon County.** This is a proposed Road Retention project that involves a significant dip in a township haul road that is seeing increased truck traffic. Preliminary design calculations are promising that a road retention project is feasible. **Monroe 17 WSCBs, Lyon County.** This project was constructed in late 2023 and was determined to be out of compliance with NRCS design standards. As a result, the project was ineligible for payment with NRCS funds. In late October, repairs and retrofits as agreed to by NRCS were made to this project to bring it into compliance. Area II's engineering technician provided inspection services for the duration of the construction. Bolton & Menk has agreed to cover one-third of the repair cost (\$1,580). As-built information was compiled into a letter and supported with photos that will be submitted to the NRCS for review/approval upon their return to the office from furlough.

AREA II – JOINT POWERS AGREEMENT RENEWAL. Netzke emailed the renewal language (self-renewal language and withdrawal procedure) to the counties to review and approve. Lyon County has tabled the approval as some questions have been raised. The rest of the counties have approved the changes. Netzke will follow up with Lyon County to provide clarifications. Signatures will be obtained at the December 2025 meeting tentatively.

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AREA II – LQP FLOODWAY RFP. The Project Partners recommend awarding the contract to Barr Engineering for the Conceptual Design of the LQP Floodway. Barr had the highest scores from three of the four partners. Motion by Thole, seconded by Crowley, to offer the contract to Barr Engineering as recommended. Motion carried unanimously.

AREA II – YELLOW MEDICINE 1W1P RENEWAL (2026). Netzke informed the board that this pilot watershed plan is in the process of revising the plan for the second 10-year timeframe. With missing Stressor ID information, it has been difficult to determine if priority subwatersheds should be changed based on the progress made to date. With Area II not being a member of the Cottonwood-Middle Minnesota JPA as Area II is represented by the member counties, it was discussed whether Area II should withdraw from the Yellow Medicine's MOA. Quorum for meetings has sometimes been difficult and reducing the MOA membership would help with quorum issues. Consensus of the board is to revisit this issue in December with the required withdrawal procedure.

RCRCA – REDWOOD RIVER CWMP. Houston Engineering provided a \$19,900 estimate for additional services for the Benefits Estimator and Summary Tool (BEAST) Spreadsheet for \$7,900 and the MS4Front tracking software for implementation activities for \$12,000. The Policy Committee has recommended acceptance of this estimate to RCRCA as the Grantee. Netzke and Williams reported that these tools have worked very well for the CWMM-WBIF. Houston Engineering has prepared Amendment No. 1 for RCRCA approval and signature including the \$19,900 for additional services. Motion by Anderson, seconded by Carter, to accept the estimate and to authorize the Chairman to sign Amendment No. 1. Motion carried unanimously.

RCRCA – FY26 DRAFT BUDGET. Netzke presented a rough draft of the FY26 budget which includes the 3% COLA that was discussed with the board last month. The COLA fits into the budget based on the projected expenses and income for 2026. A revised budget will be brought back to the board for approval in December.

JANUARY 2026 MEETING DATE. The first Thursday of the month falls on January 1st. Normally, the members like to hold their first meeting prior to our first meeting of the year as this allows them to make appointments to the board. Discussion followed. RCRCA – Motion by Veerkamp, seconded by Wakefield, to reschedule the RCRCA meeting to Monday, January 5th at 9:00 AM at the Lyon County Government Center. Motion carried unanimously. Area II – Motion by Crowley, seconded by Johnson, to reschedule the Area II meeting for Monday, January 5th at 9:00 AM at the Lyon County Government Center. Motion carried unanimously.

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ADJOURNMENT. With no other business, Chairman Anderson and Chairman Johnson declared the meeting adjourned at 10:29 AM.

UPCOMING MEETINGS:

December Board Meeting	Thursday, Dec. 4, 2025	Redwood County Learning Center
January Board Meeting	Thursday, Jan. 5, 2026	Lyon Government Center

Larry Anderson, Area II Chairman	Date
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