1. Call to Order: The Red River Watershed Management Board (RRWMB) met on Tuesday, June 18, 2019 at the Ada Area Event Center, Ada, Minnesota. President John Finney called the meeting to order. Members present were Greg Holmvik, LeRoy Ose, Dan Money, Jason Braaten, Roger Mischel, and Linda Vavra.

Others present included:
- Robert Sip, Executive Director, RRWMB
- Nikki Swenson, Executive Assistant, RRWMB
- Nate Dalager, Engineer, HDR Engineering
- Blake Carlson, Engineer, WSN Engineering, Inc.
- Jerry Bents, Engineer, Houston Engineering, Inc. (HEI)
- Kevin Ruud, Administrator, Wild Rice Watershed District (WRWD)
- Myron Jesme, Administrator, Red Lake Watershed District (RLWD)
- Julie Goehring, South Basin Manager, Red River Basin Commission (RRBC)
- Morrie Lanning, Staff, Barr Engineering
- Danni Halverson, International Water Institute (IWI)
- Keith Weston, Executive Director, Red River Retention Authority (RRRA)
- Debra Walchuk, Red River Basin Coordinator, Natural Resource Conservation Service (NRCS)
- April Swenby, Administrator, Sand Hill River Watershed District (SHRWD)
- Roger Hansen, Manager, SHRWD
- Rita Albrecht, Regional Director, Minnesota Department of Natural Resources (DNR)
- Nathan Kestner, DNR
- Jim Ziegler, Regional Manager, Minnesota Pollution Control Agency (MPCA)
2. Meeting Additions and Adoption of Agenda: Mr. Finney asked for additions to the agenda and Mr. Sip indicated that he was not aware of any additions. Motion to approve the Agenda was made by Mr. Mischel and Seconded by Mr. Braaten, Upon vote, the motion Carried, 7-0.

3. Motion by Mr. Holmvik to go into a closed session at 9:35 AM for the purpose of receiving confidential legal advice related to an employment litigation matter with legal counsel present and via conference call, Seconded by Mr. Money. Upon vote, the motion Carried, 7-0. Mr. Ose made a Motion to conclude the closed session at 9:55 AM and to move back into the regular session, Seconded by Ms. Vavra. Upon vote, the motion Carried, 7-0.

4. Approval of Meeting Minutes: Motion by Mr. Holmvik to dispense with the reading of the draft minutes for May 21, 2019, Seconded by Mr. Braaten. Upon vote, the motion Carried, 7-0. Mr. Sip stated that there were two corrections needed on Page 7 of the draft meeting minutes and that Mr. Peterson’s name was in error under the two separate roll call votes regarding Resolutions 2019-09 and 2019-10 and that Mr. Mischel’s name should be inserted. A Motion by Mr. Money to approve the May 19, 2019 draft meeting minutes with the corrections, Seconded by Ms. Vavra, Upon vote, the motion Carried, 7-0.

5. Financial Reporting:
   A. Treasurer’s Report: Mr. Ose made a Motion to dispense with the reading of the Treasurer’s Report, Seconded by Mr. Mischel. Upon vote, the motion Carried, 7-0. Motion to approve the May 2019 Treasurer’s Report by Mr. Money, Seconded by Ms. Vavra. Upon vote, the motion Carried, 7-0.

   B. Review and Approval of Bills and Managers Vouchers: The bills presented for approval as of June 18, 2019, were as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Date</th>
<th>Memo</th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
<td>Arvig</td>
<td>06/06/2019</td>
<td>May 2019</td>
<td>236.05</td>
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<tr>
<td>Cardmember Services</td>
<td>06/10/2019</td>
<td>May Bill</td>
<td>331.64</td>
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<td>Dot.Com Connection</td>
<td>06/10/2019</td>
<td>May Website Services</td>
<td>210.00</td>
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<tr>
<td>Further</td>
<td>06/03/2019</td>
<td>Claim Reimbursement - Rob</td>
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<td>HDR Engineering, Inc.</td>
<td>06/14/2019</td>
<td>TSAC 5-9-2019 and TAC 5-15-2019</td>
<td>2,274.87</td>
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<td>Houston Engineering, Inc.</td>
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<td>TSAC 5-9-2019 and TAC 5-15-2019</td>
<td>2,425.10</td>
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<td>League of MN Cities Inc Trust P and C</td>
<td>06/05/2019</td>
<td>Workers Comp Coverage Premium 5/31/19 to 5/31/2020</td>
<td>1,117.00</td>
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<td>Logo 2 Promo</td>
<td>06/07/2019</td>
<td>Business Cards, Scratch Pads, Pins, and Sticky Notes</td>
<td>1,412.16</td>
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<td>Madison National Life Insurance Company, Inc.</td>
<td>05/28/2019</td>
<td>Short and Long-term Disability Insurance</td>
<td>119.29</td>
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<tr>
<td>Marco Technologies LLC</td>
<td>05/31/2019</td>
<td>Defective Black Toner</td>
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<tr>
<td>MN PEIP</td>
<td>06/07/2019</td>
<td>6/1/19 to 7/31/19 Coverage</td>
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<td>Moore Engineering, Inc.</td>
<td>06/14/2019</td>
<td>TAC May 15, 2019</td>
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<tr>
<td>Business Name</td>
<td>Date</td>
<td>Description</td>
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</tr>
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<td>-------------------------------</td>
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<td>------------------------------------------------------------------------------</td>
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<tr>
<td>Northwest Beverage</td>
<td>05/21/2019</td>
<td>Office Water</td>
<td>15.75</td>
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<tr>
<td>Office Supplies Plus</td>
<td>06/06/2019</td>
<td>Cups, Easels, 2 Cases of Paper, and Wastebaskets</td>
<td>316.90</td>
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<td>Ralph's Food Pride</td>
<td>06/06/2019</td>
<td>TSAC Meeting Snacks (Remaining Store Credit)</td>
<td>-7.84</td>
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<td>Regents of the Univ of MN</td>
<td>06/06/2019</td>
<td>March Conference Presentation</td>
<td>415.22</td>
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<tr>
<td>Robert Sip</td>
<td>06/17/2019</td>
<td>5/15/19 to 6/17/19 Reimbursement</td>
<td>792.72</td>
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<td>Smith Partners PLLP</td>
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<td>May Legal Services</td>
<td>3,254.32</td>
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<td>Verizon</td>
<td>06/06/2019</td>
<td>5/29/19 to 6/28/19</td>
<td>72.50</td>
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<td>Widseth Smith Nolting &amp; Assoc., Inc.</td>
<td>05/28/2019</td>
<td>Technical Advisory Committee Correspondence 2/27/19-4/24/19</td>
<td>165.00</td>
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<td>Wild Rice Watershed District</td>
<td>06/06/2019</td>
<td>Shared Equipment Expenses</td>
<td>240.45</td>
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<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td><strong>$18,287.61</strong></td>
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Mr. Braaten presented the bills and manager vouchers. **Motion** to approve and pay bills along with manager vouchers as presented by Ms. Vavra, **Seconded** by Mr. Ose. Mr. Sip stated that monthly Treasurers highlights will be developed and shared each month to highlight specific items of interest with the Managers. Upon vote, the motion **Carried**, 7-0. For further reference, copies of the bills approved are attached hereto in the Treasurer’s Report as Exhibit A.

C. **Review of Funding Commitments**: Mr. Sip distributed updated funding commitment sheets to the Managers, and he reviewed the Whitney Lake Project. Mr. Sip indicated that at the May 2019 RRWMB meeting, there was some confusion about the project and Mr. Money had asked for further clarification of the Project. Mr. Sip referred the Managers to a letter in the meeting packet provided by the Roseau River Watershed District. Mr. Sip and Mrs. Swenson stated that the adjustments made to the May 2019 funding commitments spreadsheet included a correction of amounts and sites for the Whitney Lake Project and the adjusted funding for the Goose Prairie Project that was approved at the May 2019 Board meeting.

6. **Funding Requests**:
   A. **Project Step Process Reports and Applications**: Mr. Sip stated that there were no applications this month.

   B. **Technical Advisory Committee (TAC) Recommendations**: Mr. Sip stated that the TAC has not recently met.

   C. **Other Requests for Funding**: Mr. Sip stated there were no new funding requests for today’s meeting.
7. RRWMB Ring Dike Program:
   A. Cost-share Policy: Mr. Sip referred the Managers to the board agenda item for this matter and stated that the Bois de Sioux Watershed District (BdSWD) had requested the RRWMB review its current cost-share policies related to ring dikes. Mr. Sip stated that in the past, the USDA NRCS had provided cost-share funds for engineering and related matters in addition to financial assistance for construction. Mr. Sip said that the current NRCS cost-share levels now cover construction only at $2.69 per cubic yard according to recent NRCS data and information. Mr. Sip mentioned that the board agenda item included an example from the BdSWD for a farmstead ring dike constructed by the BdSWD in 2002 and that it was adjusted to 2019 dollars.

   Mr. Sip indicated that Jamie Beyer of the BdSWD had inquired if the RRWMB could adjust the RRWMB share of funding for farmstead ring dikes since there are no funds available federally for construction. Mr. Bents provided additional clarifying comments about cost-share levels and RRWMB polices related to ring dikes. Board discussion was held, and Mr. Money indicated his recollection of the various funding sources currently and historically and if individual ring dike projects were eligible for federal funding. Mr. Money stated that regardless of the type of ring dike being constructed, the RRWMBs share never exceeded 25 percent. Mr. Money stated that the current RRWMB policies regarding ring dikes should remain in place and that no changes should be implemented, and the Managers affirmed.

   B. Deadlines for Estimates and Information Submittal: Mr. Sip stated that there have been several requests from four of the member watershed districts for five to ten ring dikes. Mr. Sip indicated that some of the ring dikes were new construction and others were for improvements or repairs to existing ring dikes. Mr. Van Offelen stated that some 1 Watershed 1 Plans have qualified the watershed districts for USDA EQIP funds under the new Regional Conservation Partnership Program. Mr. Ruud asked when the RRWMB would decide how much each watershed district would receive as the WRWD has a farmstead ring dike that is ready to be built, with the surveying completed and landowner ready for construction.

   Mr. Finney inquired about the costs associated with the ring dike being proposed by the WRWD and Mr. Ruud responded that the funding breakdown would be approximately $17,500 from the RRWMB, $37,500 from the State of Minnesota, and $17,500 would be split between the WRWD and the landowner. Mr. Jesme said the RLWD ring dike project activity would be most likely retrofit work, and he indicated that the RLWD does not have any ring dikes ready for construction. Mr. Holmvik made a Motion to allocate $17,500 to the WRWD for the farmstead ring dike discussed by Mr. Ruud according to the funding scenario presented, Seconded by Mr. Braaten. Upon vote, the motion Carried, 7-0. It was Manager consensus to use the remaining grant funds as first come first served as has been in the past.

8. Human Resources Committee Recommendations: Mr. Sip indicated that the RRWMB Human Resources Committee had recently met on June 3, 2019 to discuss several items and that the Committee was bringing forth recommendations for the following items:

   A. Red River Basin Coordinator Contract With MN DNR: Mr. Sip reviewed the previous contract with the DNR and provided a tracked changes version of the contract indicating the proposed changes to the document. Mr. Sip stated that the annual amount currently allocated of $28,000 by the RRWMB is proposed by the Committee to increase by $2,000 to a total of $30,000 per year.
Mr. Kestner spoke to the Managers that the changes made will allow more flexibility for the position and he thought the increase was justifiable related to the rate of inflation. Mr. Kestner provided additional details about the contract and how the funds would be utilized by the DNR for salary, travel costs, benefits, and related items. Mr. Kestner indicated that the permanent Red River Basin Coordinator had been hired and that Andrew Graham will be starting on July 10, 2019 and that he would be moving from Oregon.

Mr. Kestner also asked if the RRWMB would give approval to use some remaining FY2019 contract funds for moving expenses and he indicated that it would be approximately $3,000. The Managers held discussion and it was consensus that the remaining funds of $3,000 could be used for moving expenses as discussed by Mr. Kestner. Mr. Sip indicated that the RRWMB Human Resources Committee had discussed this matter and is recommending the increase in the contract from $28,000 to $30,000 annually. Mr. Braaten made a Motion to approve the Fiscal Year 2020-2022 contract with the DNR, with a minor spelling correction in the contract document, Seconded by Mr. Money. Upon vote, the motion Carried, 7-0.

B. Contract With Frenette Legislative Advisers (FLA): Mr. Sip stated that the RRWMB was still negotiating the terms, conditions, and scope of work with FLA and he distributed a draft contract that he and Ms. Frenette had been working on. Mr. Sip indicated that the current contract ends June 30, 2019 and that the final draft contract would be brought forth to the Managers at the July 2019 RRWMB meeting. Mr. Sip mentioned that the RRWMB Human Resources Committee had discussed this matter and is recommending an increase in the annual contract amount from $40,000 per year to $80,000 per year. Mr. Finney briefly asked about the Drainage Work Group and Mr. Sip pointed out that the conversation can continue further on the agenda. Mr. Money asked about the increase in funds being allocated to the contract amount and if there would be a change in services. Ms. Frenette explained that she has been working above and beyond her scope of services in the existing contract related to regulatory matters. Ms. Frenette and Mr. Sip provided the Managers with additional information about the contract and scope of services and indicated that this was an informational item at this time. The Managers held further discussion and no opposition was raised about the proposed increase in the contract amount.

C. Additional Staff Assistance – Intern Position: Mr. Sip provided an overview of the RRWMB Human Resources Committee recommendation of hiring an intern to assist with records retention and digital archiving of RRWMB records. Mr. Sip stated that an intern could also assist with communication and outreach during the summer months and possibly during holiday and spring breaks during the school year. Mr. Money had several questions about the Committee recommendations and Mr. Finney responded to the questions and he assured Mr. Money that all his questions that he had asked were discussed in detail at the Human Resources Committee meeting.

Mr. Finney explained that the Committee members discussed several options for additional assistance in the office and that the Committee did not take the discussion lightly. Ms. Vavra asked if the Managers would revisit this item every year or if it was a final decision. Mr. Sip stated that the decision was ultimately up to the Managers each year. Mr. Finney said that the 2020 budget will include a line item for intern salary at $10,000 and $12,220 for equipment as outlined in the board agenda item. Mr. Finney stated that it would be up to each Manager how they want to vote on the budget at the July 2019 meeting.
D. **Staff Compensation/Annual Cost of Living Adjustments:** Mr. Sip stated that the RRWMB Human Resources Committee discussed options related to annual pay adjustments. Based on the discussion at the June 3, 2019 Committee meeting, it was requested that staff bring additional information to the Managers at the June 18, 2019 RRWMB meeting related to Social Security Cost of Living Adjustments (COLA) received during the last five-year time period. Mr. Sip said that the average was 1.36 percent from 2014 to 2018 with a 44-year average (1975 – 2018) of 3.7 percent. Prior to 1975, Social Security benefit increases were set by federal legislation. The Managers reviewed information in the board agenda item that was developed by staff, including a proposal from Mr. Sip regarding COLAs and performance pay. Mr. Sip stated that his proposal was a 3.5 percent COLA plus 0 (zero) to 1.5 percent based on performance.

Mr. Finney stated the RRWMB Human Resources Committee recommendation was to use the Social Security COLA amount each year plus 2 (two) percent for the next three years starting January 1, 2020 and that performance adjustments be offered outside of this. Discussion was held regarding the various options. Mr. Money made a **Motion** to adopt the RRWMB Human Resources Committee recommendation of using the Social Security COLA amount each year plus 2 (two) percent for three years starting January 1, 2020 and then potentially additional pay based on performance at the end of each year, **Seconded** by Mr. Ose. Upon vote, the motion **Carried**, 7-0.

9. **2020 Operating Budget Preview:** Mr. Sip stated that this was an informational item only and that the RRWMB Budget and Finance Committee had met recently to discuss. Mr. Sip stated that the Committee would be meeting soon to finalize its recommendations for the operating budget and levy. Mr. Sip mentioned that the format of the budget is identical to the format of the monthly RRWMB Treasurers Report and that it accounts for all expenditures that the RRWMB incurs throughout the year. Mr. Sip highlighted some of the major changes in the draft budget and it was noted that the amount for the River Watch Program should be $150,000 due to the legislature increasing their funding to the Program and that the state funds are a match to the RRWMB allocated funds. The Managers held discussion about the amounts included for water quality projects and flood damage reduction projects in the draft budget and determined that $3,000,000 (three million) should be the amount listed each for water quality projects and flood damage reduction projects for a total of $6,000,000 (six million) for project funding. Mr. Sip distributed a pie chart illustrating the draft 2020 budget.

The Managers discussed the likelihood of receiving additional state funds and the need to spend down RRWMB reserves. Mr. Ose discussed how the RRWMB could fund projects such as the Black River Impoundment now and that the member watershed districts and the RRWMB may have to start funding at higher levels. Additional discussion was held regarding this matter and the Managers indicated the need to provide additional clarifying information in the public version of the 2020 budget by including the types of project funding and amounts allocated for each. Mr. Sip stated that in the public version last year, footnotes were used to provide clarity. Mr. Finney indicated that the Committee would take this information into consideration as they make their final recommendations for the July 2019 regular RWMB meeting.

10. **Drainage Work Group (DWG) Priority Discussion Items:** Mr. Sip and Ms. Frenette discussed the upcoming DWG schedule and priority discussion items. Mr. Finney inquired with how the RRWMB should proceed with providing input to the RRWMBs representatives on the DWG. Ms. Frenette shared additional information about the DWG, its new facilitator, and RRWMB representation on the DWG.
The Managers reviewed DWG membership and RRWMB representation on the DWG. Ms. Frenette stated that the RRWMB remained neutral on some DWG legislation this past session out of respect for a member watershed district. Ms. Frenette stated that the August 2019 RRWMB meeting would be a proper time to discuss how RRWMB member watershed districts are represented on the DWG to avoid future conflicts. Mr. Sip mentioned that the next DWG meeting would be July 11, 2019 in St. Paul.

11. **End of Session Legislative Report:** Ms. Frenette provided an overview of her report that was included in the meeting packet. Discussion was held regarding the lack of state bonding dollars and it was noted that while bonding funds were not received, the RRWMB still had a successful year. Ms. Frenette stated that the RRWMB would use the same process as last year related to using the RRWMB Legislative Committee and obtaining input from the member watershed districts on legislative priorities.

12. **2019 Flood – Aerial Flight:** Mr. Sip gave a presentation illustrating 2019 spring flooding from a flight he and Mrs. Swenson took with Mr. Ose on April 16, 2019. Mr. Sip stated that several hundred photos were taken during the flight, which have been shared in several presentations this spring. Mr. Sip said that the meeting packet also included a May/June 2019 weather update by the National Weather Service.

13. **Reports:**

   A. **Red River Basin Coordinator Report:** Mr. Sip indicated that Mr. Hemphill was unavailable to attend today’s meeting but that his report was included in the meeting packet.

   B. **Executive Director Report** – Mr. Sip mentioned that the 2018 annual financial audit was being finalized and that it may be presented in July or August 2019. Mr. Sip stated that the US Army Corps of Engineers (USACOE) have submitted final data and information to the RRWMB and several partners about completion of the Red River Basin Feasibility Study. Mr. Money had questions about the Study and the committees that were part of this effort. Mr. Bents provided additional information about the Study, the recent information that was submitted to the USACOE, and the need for a committee meeting to review the data and information. Mr. Sip provided a brief overview of the activities that would take place during the upcoming Minnesota Association of Watershed Districts summer tour.

   C. **Internal RRWMB Committees:** Mr. Sip stated that the RRWMB Budget and Finance Committee would meet June 26, 2019 at 3:30 pm at the Marriott Hotel and Convention Center in Moorhead, MN.

   D. **External Committees:** It was indicated that no RRWMB Managers had attended any external committee meetings.

   E. **Member Watershed Districts:** The member watershed districts in attendance gave brief updates about their activities the previous month.

14. **Agency and Partner Reports:** Mr. Sip indicated that several reports were included in this month’s meeting packet from the International Water Institute, USDA NRCS, and the Red River Retention Authority.

15. **Advisory Comments:** There were no advisory comments presented.
16. **Upcoming Meetings:** It was indicated that the next regular meeting will take place on Tuesday, July 16, 2019 and will be held at the joint RRWMB and WRWD conference room at the newly remodeled WRWD office building in Ada, MN at 9:30 am.

17. **Adjournment:** The meeting was adjourned by acclamation by Mr. Finney at 12:07 pm. Mr. Sip stated that lunch would be served onsite and that Mr. Lanning would be conducting a strategic planning session with the Managers at approximately 1:00 pm.

Respectfully Submitted,

LeRoy Ose  
Secretary

Nikki Swenson  
Executive Assistant