APPROVED MEETING MINUTES
RED RIVER WATERSHED MANAGEMENT BOARD MEETING
January 14, 2020
Marriott Hotel and Convention Center | Moorhead, Minnesota

1. **Call to Order:** The Red River Watershed Management Board (RRWMB) met on Tuesday, January 14, 2020 at the Marriott Hotel and Convention Center in Moorhead, Minnesota. President John Finney called the meeting to order. Members present were Greg Holmvik, LeRoy Ose, Dan Money, Jason Braaten, Bill Peterson (alternate for Roger Mischel), and Linda Vavra.

Others present included:
- Robert Sip, Executive Director, RRWMB
- Nikki Swenson, Executive Assistant, RRWMB
- Lisa Frenette, Legislative Liaison, RRWMB
- Andrew Graham, Red River Coordinator, Minnesota Department of Natural Resources (DNR)
- Kevin Ruud, Administrator, Wild Rice Watershed District (WRWD)
- Myron Jesme, Administrator, Red Lake Watershed District (RLWD)
- Nate Dalager, Engineer, HDR Engineering Inc.
- Tracy Halstensgard, Administrator, Roseau River Watershed District (RRWD)
- LeRoy Carriere, Manager, RRWD
- LeRoy Stumpf, Staff, Congressman Collin Petersons Office
- Joel Praska, Administrator, Middle Snake Tamarac Rivers Watershed District (MSTRWD)
- Blake Carlson, Engineer, WSN Engineering Inc.
- Keith Weston, Executive Director, Red River Retention Authority (RRRA)
- Debra Walchuk, Red River Basin Coordinator, Natural Resource Conservation Service (NRCS)
- Alan Lepp, District Conservationist, Natural Resource Conservation Service (NRCS)
- Cassie Ahmed, Area Engineer, NRCS
- Troy Daniell, State Conservationist, NRCS
- Jim Ziegler, Regional Manager, Minnesota Pollution Control Agency (MPCA)
- Kendra Olson, Attorney, Pemberton Law Firm
2. **Meeting Additions and Adoption of Agenda:** Mr. Money requested to add discussion about the Flood Damage Reduction Work Group (FDRWG) to the agenda. Mr. Finney asked that the FDRWG discussion be placed on the agenda after the presentation and discussion by Mr. Daniell. Mr. Sip indicated that Pemberton Law Firm staff would be late for the Closed Session as a result of icy road conditions and that the Closed Session could proceed once the attorney from Pemberton Law Firm arrived. A **Motion** to approve the agenda with the addition was made by Mr. Braaten and **Seconded** by Mr. Ose. Upon vote, the motion **Carried**, 7-0.

3. **Annual Board Organization:**
   
   **A. Election of Officers:**
   
   **President Election:** President Finney turned the meeting over to Vice-president Holmvik, who then asked for nominations for President of the Board. Mr. Ose nominated Mr. Finney for President. Nominations were called for three times by Mr. Holmvik, with no other nominations being made. Mr. Holmvik asked for a Motion to close nominations and to cast a unanimous ballot for Mr. Finney for President. A **Motion** to cease nominations and to cast a unanimous ballot for John Finney for President by Mr. Ose and **Seconded** by Mr. Braaten. Upon vote, the motion **Carried**, 7-0. Mr. Holmvik turned the meeting back over to Mr. Finney.

   **Vice-president Election:** Mr. Finney asked for nominations for Vice-president. Mr. Holmvik was nominated by Mr. Braaten for Vice-president. Nominations were called for three times for Vice-president by Mr. Finney, with no other nominations being made. A **Motion** to close nominations and to cast a unanimous ballot for Mr. Holmvik for Vice President was made by Mr. Money and **Seconded** by Mr. Braaten. Upon vote, the motion **Carried**, 7-0.

   **Treasurer Election:** Mr. Finney asked for nominations for Treasurer. Mr. Money nominated Mr. Braaten for Treasurer. Nominations were called for three times for Treasurer by Mr. Finney, with no other nominations being made. A **Motion** to close nominations and to cast a unanimous ballot for Mr. Braaten for Treasurer was made by Mr. Ose and **Seconded** by Ms. Vavra. Upon vote, the motion **Carried**, 7-0.

   **Secretary Election:** Mr. Finney asked for nominations for Secretary. Mr. Holmvik nominated Mr. Ose for Secretary. Nominations were called for three times for Secretary by Mr. Finney, with no other nominations being made. A **Motion** to close nominations and to cast a unanimous ballot for Mr. Ose for Secretary was made by Ms. Vavra and **Seconded** by Mr. Money. Upon vote, the motion **Carried**, 7-0.
B. **Resolutions:** Mr. Finney asked Mr. Sip to review each resolution prior to the vote and Mr. Sip indicated that he would provide brief remarks for each resolution.

- **Resolution to Approve 2020 Regular Meeting Dates:** Mr. Sip noted that the date on Resolution 2020-01 was inadvertently labeled as 2019-01 and the correction would be made. The RRWMB Managers considered the designation of the regular monthly meeting date and time at the regular board meeting held in Moorhead on Tuesday, January 14, 2020. Mr. Finney stated that he would like to start the regular meetings at 10:00 AM to allow more travel time for those managers traveling from a distance. On a **Motion** by Mr. Ose, **Seconded** by Mr. Braaten, and on a vote of 7 for and 0 against, the motion **Passed** to designate the third Tuesday of each month at 10:00 AM as the regular monthly meeting date and time for the RRWMB unless otherwise noted by Resolution 2020-01.

- **Resolution to Approve 2020 Regular Meeting Location:** Mr. Sip noted that the date on Resolution 2020-02 was inadvertently labeled as 2019-02 and the correction would be made. The RRWMB Managers considered the designation of Ada as the regular meeting location at the regular board meeting held in Moorhead on Tuesday, January 14, 2020. On a **Motion** by Ms. Vavra, **Seconded** by Mr. Money, and on a vote of 7 for and 0 against, the motion **Passed** to designate Ada for the monthly meeting location for the RRWMB unless otherwise noted by Resolution 2020-02.

- **Resolution to Approve 2020 Per Diem and Mileage Rate:** The RRWMB Managers considered the designation of per diem and mileage rates according to current IRS regulations; Minnesota Statutes 103D.315, subdivision 8; and current “Board Member Per Diem and Expense Reimbursement Policy” within the RRWMB Governing Documents at the regular board meeting held in Moorhead on Tuesday, January 14, 2020. On a **Motion** by Ms. Vavra, **Seconded** by Mr. Money, and on a vote of 7 for and 0 against, the motion **Passed** to designate per diem and mileage rates according to current IRS regulations; Minnesota Statutes 103D.315, subdivision 8; and current “Board Member Per Diem and Expense Reimbursement Policy” within the RRWMB Governing Documents by Resolution 2020-03.

- **Resolution Authorizing Deposit and Investment of Funds:** The RRWMB Managers considered the designation of the Internal Controls and Treasurers Policy Manual approved on August 21, 2018 and amended on April 16, 2019 to guide the deposit and investment of funds and overall management of financial resources of the RRWMB at the regular board meeting held in Moorhead on Tuesday, January 14, 2020. On a **Motion** by Ms. Vavra, **Seconded** by Mr. Braaten, and on a vote of 7 for and 0 against, the motion **Passed** to designate the Internal Controls and Treasurers Policy Manual approved on August 21, 2018 and amended on April 16, 2019 to guide the deposit and investment of funds and overall management of financial resources of the RRWMB by Resolution 2020-04.
• **Resolution to Retain Legal Counsel:** The RRWMB Managers considered the designation of legal counsel for the RRWMB and for continuation of a legal services agreement between Smith Partners PLLP and the RRWMB at the regular board meeting held in Moorhead on Tuesday, January 14, 2020. On a **Motion** by Mr. Braaten, **Seconded** by Mr. Holmvik, and on a vote of 7 for and 0 against, the motion **Passed** to designate Smith Partners PLLP as legal counsel for the RRWMB and according to the legal services agreement approved by the RRWMB in March 2018 by Resolution 2020-05.

• **Resolution to Conduct Annual Audit:** The RRWMB Managers considered the completion of an annual audit each year to ensure that internal controls and financial policies are being met according to the Internal Controls and Treasurers Policy Manual adopted on August 21, 2018 and amended on April 16, 2019 at the regular board meeting held in Moorhead on Tuesday, January 14, 2020. On a **Motion** by Ms. Vavra, **Seconded** by Mr. Ose, and on a vote of 7 for and 0 against, the motion **Passed** to conduct an annual audit each year to ensure that internal controls and financial policies are being met according to the Internal Controls and Treasurers Policy Manual adopted on August 21, 2018 and amended on April 16, 2019 by Resolution 2020-06.

For further reference, approved and signed copies of Resolutions 2020-01, 2020-02, 2020-03, 2020-04, 2020-05, and 2020-06 are attached hereto as Exhibit A.

C. **Review of Committee Appointments:** Mr. Sip requested the Managers review the current list of RRWMB Committees as listed in the meeting packet for any additions or corrections. Mr. Finney asked if there were any issues related to having a quorum for some of the Committees being that there are now seven Managers. Mr. Sip indicated to the Managers that all RRWMB Committee meetings are publicly noticed for specific discussions as recommended by RRWMB legal counsel. Mr. Finney asked the Managers for any changes to the Committees, and with no comments or requested changes, it was Manager consensus to leave the Committee list as is. Mr. Money stated that he would like to have Committee notes or meeting minutes be distributed and shared for all Committees moving forward. Mr. Sip stated that all Managers would now start receiving Committee meeting materials in 2020.

4. **Closed Session Pursuant to MN Statute 13D.05, Subpart 3(a):** Mr. Sip noted that Ms. Olson from Pemberton Law Firm arrived and that the Managers could now go into closed session. Ms. Olson provided instruction to the Managers for moving into the closed session. A **Motion** to proceed into closed session for the purpose of receiving confidential legal advice related to an employment litigation matter with legal counsel at 9:50 AM was made by Mr. Braaten, **Seconded** by Ms. Vavra. Upon vote, motion **Carried**, 7-0. A **Motion** to conclude the closed session and to return to regular open session at 10:34 AM by Ms. Vavra and **Seconded** by Mr. Braaten. Upon vote, motion **Carried**, 7-0
5. **Approval of Meeting Minutes**: Mr. Sip stated that there were some corrections requested to the minutes from December 17, 2019. Mr. Sip indicated that Theresa Ebbenga, Northwest Minnesota Regional Director from the DNR requested that the last sentence of Item 8 related to the 1998 Mediation Agreement be adjusted to read the following:

“The Managers held brief discussion and Mr. Money and Ms. Ebbenga indicated that once the recommendations are incorporated into an addendum, the draft addendum would then be brought to the RRWMB again”.

Mr. Sip mentioned that Ms. Ebbenga also had requested that the draft addendum provided in the meeting packet for the December 17, 2019 RRWMB meeting be adjusted. Specifically, Ms. Ebbenga indicated that Mr. Finney asked that the word “relevant” be removed from the recommendation in Part 3, Natural Resources Goals on Page 6 of the addendum. In addition, Ms. Ebbenga stated that Mr. Finney requested the words “that would pertain to flood damage reduction” be added to the end of the second sentence after the word “Basin”.

A **Motion** by Mr. Braaten to dispense with the reading of the minutes for December 17, 2019, **Seconded** by Mr. Money. Upon vote, the motion **Carried**, 7-0. After brief discussion, a **Motion** by Mr. Braaten to approve the December 17, 2019 meeting minutes with the proposed corrections, **Seconded** by Mr. Ose. Upon vote, the motion **Carried**, 7-0.

6. **Financial Reporting**:
   A. **Treasurer’s Draft Report – December 2019**: Mrs. Swenson provided an overview of the past month’s financial activities to the Managers. A **Motion** to approve the December 2019 Treasurer’s Report by Ms. Vavra, **Seconded** by Mr. Petersen. Upon vote, the motion **Carried**, 7-0.

   B. **Review and Approve Bills and Managers Vouchers**: The bills presented for approval as of January 14, 2020 were as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Date</th>
<th>Memo</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>AmeriPride Services</td>
<td>01/02/2020</td>
<td>Rug and Rags</td>
<td>51.74</td>
</tr>
<tr>
<td>Arvig</td>
<td>01/06/2020</td>
<td>Office Phone and Fax</td>
<td>160.70</td>
</tr>
<tr>
<td>Cardmember Services</td>
<td>01/09/2020</td>
<td>12/3/19 to 1/2/20 Statement</td>
<td>747.11</td>
</tr>
<tr>
<td>Dot.Com Connection</td>
<td>01/06/2020</td>
<td>December Website Service</td>
<td>120.00</td>
</tr>
<tr>
<td>Frenette Legislative Advisors</td>
<td>01/02/2020</td>
<td>3rd Quarter Payment</td>
<td>40,000.00</td>
</tr>
<tr>
<td>HDR Engineering, Inc.</td>
<td>01/09/2020</td>
<td>TAC Services</td>
<td>1,189.20</td>
</tr>
<tr>
<td>Indigo Signworks, Inc</td>
<td>12/27/2019</td>
<td>Awning</td>
<td>2,777.09</td>
</tr>
<tr>
<td>MN Life Insurance Company</td>
<td>12/23/2019</td>
<td>Life Insurance</td>
<td>10.00</td>
</tr>
<tr>
<td>MN PEIP</td>
<td>01/10/2020</td>
<td>2/1/20 to 2/29/20 Coverage</td>
<td>1,724.54</td>
</tr>
</tbody>
</table>
Northwest Beverage  12/16/2019  Office Water  17.50
Red Lake Watershed District  01/13/2020  Website Cost Share  1,500.00
Red Lake Watershed District  01/13/2020  Ring Dike Req 1 - Schaumburg and Threat  11,811.69
Red River Retention Authority  01/09/2020  First Half FY20 Allocation  21,500.00
Smith Partners PLLP  01/06/2020  December 2019 Legal Services  360.00
Super Market Foods  01/06/2020  Meeting refreshments  81.02
Verizon  01/06/2020  Cell Phone  72.64
Wild Rice Watershed District  01/03/2020  Cost Share  440.20

TOTAL  $82,776.47

A Motion to approve and pay bills along with Manager vouchers presented by Ms. Vavra, Seconded by Mr. Petersen. 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 B. Mr. Money indicated that he would like to have additional detail provided for the company credit card bill. Mrs. Swenson indicated that the bills are available for review by the Managers every month and that the folder with all bills was available at the meeting. Mr. Money provided additional comments and Mr. Sip stated that the additional detail could be provided each month moving forward in 2020.

C. Review Funding Commitments: Mrs. Swenson reviewed updates and provided the Managers with information about changes to the Funding Commitments.

D. Presentation by Bremer Bank Staff: Mr. Sip indicated to the Managers that Mr. Mueller had been invited to the meeting to review the financial holdings of the RRWMB and to share information about current CD interest rates. Mr. Mueller thanked the Managers for their continued business with Bremer Bank and he presented current CD rate information. Mr. Mueller stated that since CD interest rates have fallen in recent months, money market accounts are a proper financial tool to invest RRWMB financial resources. The Managers held brief discussion of investment tools and Mr. Finney thanked Mr. Mueller for his attendance.

E. CD Maturity: Mr. Sip indicated to the Managers that a CD would be maturing in later January 2020 and that the Managers would have to make an official decision about how to invest the funds currently in the CD. Based on current interest rate information from Mr. Mueller, the Managers decided to close the upcoming maturing CD and to transfer the funds into the RRWMB money market account at Bremer Bank. A Motion by Mr. Holmvik to close the CD upon maturity and to transfer the funds into the money market account at Bremer Bank, Seconded by Mr. Money. Upon vote, the motion Carried, 7-0.
The Managers requested that Mr. Sip contact Bremer Bank and inform them of the decision to move funds into the money market account. Mr. Jesme indicated that the Black River Impoundment Project and the City of Thief River Falls Westside Flood Damage Reduction Project were moving forward and that the bid process would soon be starting. Mr. Jesme indicated that Step III for the Black River Impoundment Project would be forthcoming and that costs have risen but that he would keep the Managers informed. Mr. Finney indicated that placing funds into the money market account would offer the RRWMB the fund liquidity needed to help member watershed districts meet local financial needs.

F. 2020 Auto Pay Vendors List: Mr. Sip referred the Managers to the agenda item and indicated that the Auto Pay Vendors list is reviewed annually by the Managers at the January meeting. Mrs. Swenson noted that the Arvig rent and internet, MN Life Insurance, MN PEIP, and Lisa Frenette were all removed from the list. Mrs. Swenson said that Cardmember Services for the company credit card was added. Brief discussion was held by the Managers and Mr. Ose made a Motion to approve the list, Seconded by Ms. Vavra. Upon vote, the motion Carried, 7-0.

G. RRWMB Executive Director Vacation Hours: Mr. Sip indicated that he was unable to use 60 hours of vacation due to fall harvest operations by December 31, 2019 and he requested that his surplus 60 hours be carried over to 2020. Mr. Holmvik made a Motion to approve carrying the 60 hours over to be used in 2020, Seconded by Mr. Ose. Upon vote, the motion Carried, 7-0.

7. Troy Daniell, State Conservationist, MN NRCS: Mr. Sip introduced Mr. Daniell to the Managers, who spoke to the Managers regarding current NRCS activities across Minnesota. Mr. Daniell indicated that the NRCS State Technical Committee has been adjusted and renewed and he also discussed a wide variety of water management issues being worked on at the local and regional level. Mr. Daniell discussed the Discovery Farms Program, his desire to work more closely with the Minnesota Agricultural Water Resources Center on this Program, and how the Program could potentially target more funding for implementation efforts by farmers and landowners.

Mr. Daniell provided additional updates and changes on NRCS Programs and some information about Farm Bill Programs. Mr. Daniell stated that the rulemaking process for the Farm Bill was lengthy and that changes have also been made to financial allocations for several programs. Mr. Money inquired about previous recommendations made by the State Technical Committee regarding the PL566 Program and Mr. Daniell stated that he would further review the matter to determine if the recommendations could be resubmitted for consideration. Mr. Daniell briefly mentioned upcoming interactions with the Minnesota Association of Soil and Water Conservation Districts (MASWCD) regarding water management issues. The Managers held brief discussion and Mr. Finney thanked Mr. Daniell for his attendance and discussion.
Mr. Weston suggested that he and Mr. Sip could be included in the upcoming MASWCD discussions. Ms. Frenette said that in 2019, there was a legislative effort to limit funding for Discovery Farms and that legislators had been invited to recent and upcoming hearings in the Red River Basin. Ms. Frenette made the connections to Discovery Farms with the discussion by Mr. Daniell and shed briefly discussed plans for a potential legislative hearing on watershed districts, flooding, and bonding needs in 2020 and as the session begins. Mr. Finney suggested that the discussion requested by Mr. Money about FDRWG activities could be held during Reports on the agenda and the Managers indicated approval.

8. Funding Requests:
   A. Project Step Process reports and applications: Mr. Sip stated that there were no applications this month.
   B. Technical Advisory Committee Recommendations (TAC): Mr. Sip stated that the TAC had not recently met and that there were no TAC recommendations this month.
   C. Other Requests for funding:
      • Red River Basin Commission Funding Requests and Contracts: Mr. Sip reminded the Managers about the annual allocation to the Red River Basin Commission (RRBC), which includes $15,000 for office rent. The Managers discussed this matter and Mr. Finney stated that this amount is matched by the Red River Joint Water Resource District in North Dakota. Mr. Finney asked if there was any objection to the rent payment and no objections were voiced by the Managers. Mr. Sip indicated that a funding agreement and scope of services would be forthcoming at the February 2020 regular meeting.

Mr. Sip indicated that the Managers had previously approved allocations to the RRBC for updates to the Long-term Flood Solutions and that a funding agreement and scope of services would be forthcoming at the February 2020 regular meeting. Mr. Finney stated that there will be a board meeting for the International Water Institute later in the day and that the RRWMB Managers were welcome to attend. Mr. Finney asked if there was any legislative information to share at the meeting and Mr. Sip and Ms. Frenette indicated that there was no new information to be discussed.

9. Reports:
   A. Red River Basin Coordinator Report: Mr. Graham indicated that he submitted a written report that was included in the meeting packet and he briefly discussed the March Conference, the upcoming FDRWG February 19, 2020 meeting, and the TAC quarterly meeting schedule. Mr. Graham discussed the modeling work connected to the Feasibility Study and he said that the Buffalo Red River Watershed District (BRRWD) and Sand Hill River Watershed District (SHRWD) are included in the scope of work. Mr. Graham stated that the overall amount paid by the RRWMB could be decreased if the BRRWD and SHRWD allocated funds to pay their individual shares.
Mr. Graham said that he had been in contact with the two watershed districts and the SHRWD responded and was curious if previous and recent funds paid to the RRWMB for the RRWMB tax could be counted towards their contribution. The Managers discussed this and determined that full credit could be given to the SHRWD and that no new allocation from the SHRWD would be needed. Regarding the BRRWD, the Managers took into consideration the length of time since the BRRWD left the RRWMB and determined that the BRRWD should be asked to pay $12,500 for their share of the modelling work and related activities. Mr. Graham indicated to the Managers that he could contact the SHRWD and BRRWD to inform them of the RRWMB discussion and it was Manager Consensus to have Mr. Graham proceed and to report back.

B. Executive Director Report: Mr. Sip indicated that the final approved Strategic Plan had been formatted, printed and distributed through the RRWMB email distribution list. Mr. Sip indicated that he will be starting 2020 with regular visits to all watershed districts and that he will share the Strategic Plan, legislative priorities, 2020 budgetary information, and the water quality funding process once approved by the Managers. Mr. Sip mentioned that he would like to focus on membership, updates to the Governing Documents, and finalization of the RRWMB Funding Strategy. Mr. Sip indicated that the RRWMB would have a booth at the trade show over the next three days at the RRBC conference and that the Strategic Plan would be further distributed at that event.

C. Internal RRWMB Committees: Mr. Sip indicated that no RRWMB internal committees had recently met and there were no new reports.

D. External Committees:
- FDRWG: Mr. Money provided an overview of FDRWG activities related to the addendum, possible updating of the signatories to the 1998 Mediation Agreement, and FDRWG operational and functional procedures. Mr. Money stated that the BRRWD and SHRWD have inquired about becoming signatories and that the Minnesota Department of Transportation (MNDOT) had been asked to start attending. Mr. Money stated that in addition to MNDOT, the Minnesota Department of Agriculture had joined a few years ago. The Managers held brief discussion and opted to hold additional discussion in the coming months.

10. Agency and Partner Reports:
   A. Member Watershed Districts: Mr. Sip indicated that no additional verbal or written reports were provided.

   B. International Water Institute: Mr. Sip indicated that a written report was included in the meeting packet.
C. Red River Retention Authority: Mr. Sip indicated that a written report was included in the meeting packet.

11. Upcoming Meetings: Mr. Finney indicated that the next regular RRWMB meeting will take place on February 18, 2020 and will be held at the RRWMB Office in Ada, MN at 10:00 AM.

12. Adjournment: There being no further business, the meeting was adjourned by acclamation at 12:01 PM.

Respectfully Submitted,

LeRoy Ose
Secretary

Nikki Swenson
Executive Assistant