

MINUTES OF MEETING OF MANAGERS
OF BUFFALO CREEK WATERSHED DISTRICT

The Managers of Buffalo Creek Watershed District met on the 24th day of February, 2015, at 1:00 P.M. at its regular meeting place in Suite 103, Glencoe City Center, 1107 11th Street E., Glencoe, MN, for its regular monthly business meeting.

The following members were present:

Donald Belter
Corey Henke
Larry Phillips
Larry Kramer
Matt Melberg

Also attending the meeting were:

Pete Kasal, Attorney
Charles Eberhard, Engineer

President Belter called the meeting to order and announced the first order of business was the consideration of the minutes of the regular meeting of the Board of Managers held on January 27, 2015. Upon motion of Manager Melberg, which motion was seconded by Manager Henke, by unanimous vote the Board of Managers approved the minutes of the meeting held on January 27, 2015.

President Belter next called upon Manager Phillips for the Treasurer's report. Manager Phillips presented a written report which outlined income and expenses as follows:

<u>SAVINGS:</u>	
C.B. #4206225	\$ 122,590.53
Adjustment	(2,500.00)
Rec'd: Interest	4.98
Carver County settlement	1.16
Kandiyohi County	21.30
Sibley County	21.46
McLeod County	1,138.44
Renville County	818.66
Renville County	<u>5.98</u>
	\$122,10 .51
LESS: Transfer to checking	(22,392.62)
Net funds held for McLeod Co. Ditch No. 33	445.00
Net grant funds for Marsh Project	<u>245.75</u>
FEBRUARY BALANCE	\$100,400.64

<u>CHECKING:</u>	
January balance	\$ 2,654.14
Deposit from savings	<u>34,201.87</u>
	\$ 36,856.01
LESS: Checks drawn	<u>22,282.77</u>
 FEBRUARY BALANCE	 \$14,573.24
 <u>PROJECT 79-2:</u>	
CD's #87812 starting balance	\$ 6,507.56
Interest to 12/28/2014 CD #87051	26.07
McLeod Co. Auditor/79-2 Fund	<u>22,130.66</u>
 TOTAL 79-2 Funds	 \$28,664.29

Upon motion of Manager Henke, which motion was seconded by Manager Melberg, by unanimous vote the Board of Managers approved the Treasurer's report.

President Belter next called upon Chris Otterness of Houston Engineering to report on the progress of the Marsh Water Project. Mr. Otterness directed the Board to Phase 3 of the proposed project, which includes developing timelines, setting priorities, and cost allocation. He submitted a written memo to the Board addressing the estimated project costs, schedule and the allocation of costs among landowners and the Watershed District. He noted that the initial phase of the project constitutes a stormwater wetland retention area, main stormsewer repairs, and acquisitions necessary. Addressing the timeline, he indicated that the process would start in the year 2015 and conclude with construction anticipated in 2016. He presented a total cost of the initial project at \$941,800.00. Project costs are to be allocated between the district-wide assessments and individual landowner assessments. He estimated that approximately \$463,000.00 would be allocated to district-wide assessments and \$478,800.00 to individual landowner assessments. The Watershed could potentially assess approximately \$152,000.00 per year district-wide, which would take approximately 4 years to equal the \$463,000.00 portion of the project. He noted that the MPCA loan of \$294,750.00 covers approximately ¾'s of the stormwater wetland retention basin cost, and those funds will be advanced as costs are incurred in the construction of that project. The potential landowner assessments of approximately \$478,800.00 would be spread across approximately 2,463 acres in the Watershed District, which is an average of approximately \$200.00 per acre.

Mr. Otterness noted that there are options for levying the assessment. The first option is to create a Water Management District and to charge individual landowners based on run-off generated. Every landowner in the Watershed would be charged regardless of distance from the ditch construction. The second alternative is to assess the costs on a benefit-assessment basis. The charge would be determined by the increase in property value of the individual landowners as a consequence of the drainage project. He noted that typically those landowners closer to the ditch project would have a higher assessment than those farther distant, and that it would be a more difficult process to determine the individual assessments.

Mr. Otterness advised the Board that there are numerous policy decisions to consider. One is whether to charge the City of Glencoe directly on a lump sum basis rather than individual landowners within the City limits. He noted that the Watershed District must consider whether it has funds to finance the project as it is constructed, and also to determine how many years a tax levy would be in place over the entire District in order to recoup the funds. Mr. Otterness recommended that the landowner assessment be based on a Water Management District creation rather than individual assessment. Creating the Water Management District would result in an assessment with much less complication and more equal treatment of all the landowners within the District. He also noted it would be necessary to amend the Watershed Overall Plan in order to include the Water Management District. In any event, the Board must determine the length of any assessment periods.

Mr. Otterness then described the next Board action would be to have a public information hearing followed by a public hearing. The project then must receive a formal order from the Board to proceed. After approval of the project the Board could initiate collection of charges against the individual landowners and also a district-wide assessment.

Upon motion of Manager Phillips, which motion was seconded by Manager Henke, by unanimous vote the Board of Managers moved to have a public information meeting on the Marsh Project on March 31 from 6:00-8:00 P.M. Upon motion of Manager Henke, which motion was seconded by Manager Phillips, by unanimous vote the Board of Managers moved to authorize Houston Engineering to amend the Watershed Overall Plan to include a Water Management District.

President Belter next called upon Engineer Eberhard to discuss the County Ditch No. 33 project. He presented a meeting agenda to the Board and a proposed Order for the preliminary hearing on this project, which meeting is scheduled for March 11 at 1:00 P.M. Following that meeting, the Board will be asked to approve the improvement project and move forward with the construction.

President Belter next called for the bills that had been presented to the Board since the last meeting. Manager Phillips reported bills that had been presented to the Board as follows:

Kasal Law Office – attorneys fees	\$ 381.28
Rinke Noonan – consulting fees	1,184.50
Bolton-Menk	5,642.50
U.S. Post Office	84.00
Dorsey Whitney	1,750.00
Eberhard Consulting – engineering fees	1,797.03
Mary Henke – secretarial	612.50
Linda Phillips – secretarial/accounting	117.40
Corey Henke – per diem & mileage	395.70
Donald Belter – per diem & mileage	190.25
Larry Phillips – per diem & mileage	250.87
Larry Kramer – per diem & mileage	118.70
Matt Melberg – per diem & mileage	92.25
Minnesota Viewers Association dues	<u>125.00</u>

\$12,741.98

Upon motion of Manager Kramer, which motion was seconded by Manager Henke, by unanimous vote the Board of Managers approved the above bills for payment.

President Belter next called for any new permits. Engineer Eberhard presented a permit application submitted by Zebra Ditch Association. The purpose of the application is to deepen an existing ditch. Upon motion of Manager Henke, which motion was seconded by Manager Kramer, by unanimous vote the Board of Managers accepted the application for a permit for consideration and designated it Application for Permit No. 2015-5. Following a recommendation by Engineer Eberhard to table the permit application, upon motion of Manager Henke, which motion was seconded by Manager Phillips, by unanimous vote the Board of Managers tabled Application for Permit No. 2015-5.

Engineer Eberhard next introduced an application for a permit submitted by Kurt Knutson of Collins Township. The permit application proposes the installation of tile lines. Upon motion of Manager Henke, which motion was seconded by Manager Kramer, by unanimous vote the Board of Managers accepted the application for a permit for consideration and designated it Application for Permit No. 2015-6. Engineer Eberhard recommended tabling the permit application pending the receipt of further information. Upon motion of Manager Henke, which motion was seconded by Manager Kramer, by unanimous vote the Board of Managers tabled Application for Permit No. 2015-6.

Engineer Eberhard next introduced an application for a permit submitted by the Renville County Highway Department regarding highway reconstruction in Osceola Township. Upon motion of Manager Phillips, which motion was seconded by Manager Kramer, by unanimous vote the Board of Managers accepted the application for a permit for consideration and designated it Application for Permit No. 2015-7. Engineer Eberhard recommended tabling pending further information. Upon motion of Manager Kramer which motion was seconded by Manager Henke, by unanimous vote the Board of Managers tabled Application for Permit No. 2015-7.

Engineer Eberhard next introduced an application for a permit submitted by Darwin Planning. The application proposes the installation of a 12-inch tile line. Upon motion of Manager Kramer, which motion was seconded by Manager Henke, by unanimous vote the Board of Managers accepted the application for a permit for consideration and designated it Application for Permit No. 2015-8. Engineer Eberhard again requested tabling the application pending further information. Upon motion of Manager Henke which motion was seconded by Manager Melberg, by unanimous vote the Board of Managers tabled Application for Permit No. 2015-8.

President Belter called upon Manager Henke for a report on the Eagle Lake Dam project. Manager Henke presented a slide presentation to the Board of the construction of the dam. The project has essentially been completed except for the extension of a channel into the lakebed of Eagle Lake and other small associated actions regarding the project.

There being no further business to come before the Board, upon motion duly made, seconded and unanimously carried, the Board of Managers adjourned the meeting until the next regular meeting of the Board of Managers on Tuesday, March 24, 2015 at 1:00 P.M. at its regular meeting place in Suite 103, Glencoe City Center, 1107 11th Street E., Glencoe, MN.

Matt Melberg, Secretary