Managers present: Dan DeBoer, Gary Pestorious, Brad Kramer, and Mick Delger

Managers absent: Al Bakken, Joe Pacovsky, and Mike Hanson

Chairman DeBoer called the Regular Meeting to order August 8, 2017 at 8:30 a.m. at the Albert Lea City Council Chambers, 221 East Clark Street, Albert Lea, MN 56007.

Chairman DeBoer opened a public hearing for the 2018 Administrative Levy. No comments were received. The public hearing was closed.

Chairman DeBoer opened a public hearing for the 2018 Debt Service Levy. No comments were received. The public hearing was closed.

Chairman DeBoer opened a public hearing for the 2018 Budgets. No comments were received. The public hearing was closed.

Manager Delger offered the following motion:

Move to approve the agenda extracting item 10i – Personnel Committee Update.

Manager Kramer seconded the motion.

After discussion, a vote was taken and the motion was unanimously approved.

Manager Pestorious offered the following motion:

Move to approve the June 2, 2017 Advisory Committee meeting minutes.

Manager Delger seconded the motion.

After discussion, a vote was taken and the motion was unanimously approved.

Manager Delger offered the following motion:

Move to approve the July 11, 2017 regular board meeting minutes.

Manager Kramer seconded the motion.

After discussion, a vote was taken and the motion was unanimously approved.

Manager Pestorious offered the following motion:

Move to approve the July 24, 2017 Best Value Training workshop minutes.

Manager Delger seconded the motion.

After discussion, a vote was taken and the motion was unanimously approved.
Manager Kramer offered the following motion:
   Move to approve the July 24, 2017 Budget workshop minutes.
Manager Pestorious seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Manager Delger offered the following motion:
   Move to approve the July 2017 Treasurer’s Report, subject to audit.
Manager Pestorious seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Manager Pestorious offered the following motion:
   Move to approve the July 2017 Project Fund Treasurer’s Report, subject to audit.
Manager Delger seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Laura Cunningham, Lakes Foundation Committee, gave an update:
   • A group of concerned citizens, members from the Lakes Foundation, City of Albert Lea staff, and a City Councilman collaborated to clean up fallen trees in the Brookside channel area.
   • Laura invited the public to attend the Albert Lea Floats event on August 12, 2017 from 12 p.m. – 4 p.m. at Golden Point Launch.
   • The next meeting has been scheduled for August 12, 2017 from 12 p.m. – 4 p.m. at the Albert Lea Floats event.

Andrew Bernau, Hill, Benda, Skov and Bernau gave an overview of the 2016 audit.

Manager Pestorious offered the following motion:
   Move to approve the 2016 audit.
Manager Delger seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Brett Behnke, District Administrator, discussed the auditor’s recommendation to write-off the Nelson cost-share contract from 2009.

Manager Pestorious offered the following motion:
   The Shell Rock River Watershed District has made all reasonable efforts to collect the following debts:
   1. Haim Azizy $152.23 12.22.15
   2. Everett Thompson $266.76 12-22-15
Further legal action or debt collection efforts would exceed any profit gained or received. Therefore, it is not in the public interest to pursue collection of these debts. I move to write-off these debts as allowed by applicable law and give the Shell Rock River Watershed staff authority to work with necessary professionals to properly write-off of the debt.

Manager Delger seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Brett Behnke, District Administrator, introduced Shannon Sweeney, Associate for David Drown Associates, Inc.

Shannon Sweeney discussed the issuance of bonds for the purpose of funding the initial phases of the Fountain Lake Restoration Project. He reported on the credit rating for the bond issue and the negotiation the sale of bonds. Resolution 2017-08 reaffirms the action taken at the last board meeting and awards the sale of the 2017A limited tax bonds.

Manager Pestorious offered the following motion:
Move to wave reading of Resolution 2017-08.
Manager Kramer seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Manager Pestorious offered the following resolution:
Move to approve Resolution 2017-08 as follows:

Resolution 2017-08

EXTRACT OF MINUTES OF A MEETING
OF THE BOARD OF MANAGERS OF THE
SHELL ROCK RIVER WATERSHED DISTRICT, MINNESOTA

HELD: AUGUST 8, 2017

Pursuant to due call and notice thereof, a regular or special meeting of the Board of Managers of the Shell Rock River Watershed District, Freeborn County, Minnesota, was duly called and held at City Hall, Council Chambers, Albert Lea, Minnesota on August 8, 2017, at 8:00 A.M., for the purpose of, in part, of authorizing the issuance and awarding the sale of $1,940,000 Limited Tax Bonds, Series 2017A.

The following members were present:
and the following were absent:

Member ___________________ introduced the following resolution and moved its adoption:

RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF $1,940,000 LIMITED TAX BONDS, SERIES 2017A, AND LEVYING A TAX FOR THE PAYMENT THEREOF

A. WHEREAS, the Shell Rock River Watershed District, Minnesota (the "District"), has heretofore determined and declared that it is necessary and expedient to issue $1,940,000 Limited Tax Bonds, Series 2017A (the "Bonds" or individually, a "Bond"), pursuant to Minnesota Statutes, Chapters 103D, as amended (the "Act") to finance the construction of the cost attributable to the basic water management features of the Fountain Lake Dredge Project component under proposed contract 1 (the "Project"); and

B. WHEREAS, all proceedings necessary to the undertaking and construction of the Project and the levy of ad valorem taxes on all taxable property within the District, which taxes are limited as provided in Minnesota Statutes, Section 103D.905, subdivision 3, to pay the cost of the Project (the "Proceedings") have been or will be duly and lawfully conducted pursuant to and in accordance with the provisions of the Act; and

C. WHEREAS, Freeborn County has petitioned for the levy of ad valorem taxing authority for the District not to exceed 0.00798 percent of estimate market value for a period not to exceed 15 consecutive years to pay a portion of the cost of the Project; and

D. WHEREAS, the District is a political subdivision of the State of Minnesota and is authorized and empowered by the provisions of the Act to issue the Bonds for the purpose of providing funds for payment of the costs of the Project, as provided in the Act. Under the Act, no election is required to authorize the issuance of the Bonds, and the Bonds shall not constitute an indebtedness of the District within the meaning of any constitutional or statutory provisions or limitations; and

E. WHEREAS, the District has retained David Drown Associates, Inc., in Minneapolis, Minnesota, as its independent municipal advisor for the sale of the Note and was therefore authorized to sell the Note by private negotiation in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9); and

F. WHEREAS, it is in the best interests of the District that the Bonds be issued in book-entry form as hereinafter provided;

NOW, THEREFORE, BE IT RESOLVED by the Board of Managers of the Shell Rock River Watershed District, Minnesota, as follows:

1. Acceptance of Offer. The offer of Robert W. Baird & Co., in Milwaukee, Wisconsin (the "Purchaser"), to purchase the Bonds in accordance with the terms and at the rates of interest hereinafter set forth, and to pay therefor the sum of $____________, plus interest accrued to settlement, is hereby accepted.
2. Bond Terms.

(a) Original Issue Date; Denominations; Maturities; Term Bond Option. The Bonds shall be dated August 1, 2017, as the date of original issue, shall be issued forthwith on or after such date in fully registered form, shall be numbered from R-1 upward in the denomination of $5,000 each or in any integral multiple thereof of a single maturity (the "Authorized Denominations") and shall mature on February 1 in the years and amounts as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$110,000</td>
<td>2027</td>
<td>$130,000</td>
</tr>
<tr>
<td>2020</td>
<td>110,000</td>
<td>2028</td>
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<td>2031</td>
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<tr>
<td>2024</td>
<td>125,000</td>
<td>2032</td>
<td>150,000</td>
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<tr>
<td>2025</td>
<td>125,000</td>
<td>2033</td>
<td>155,000</td>
</tr>
<tr>
<td>2026</td>
<td>130,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

As may be requested by the Purchaser, one or more term Bonds may be issued having mandatory sinking fund redemption and final maturity amounts conforming to the foregoing principal repayment schedule, and corresponding additions may be made to the provisions of the applicable Bond(s).

(b) Book Entry Only System. The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York or any of its successors or its successors to its functions hereunder (the "Depository") will act as securities depository for the Bonds, and to this end:

(i) The Bonds shall be initially issued and, so long as they remain in book entry form only (the "Book Entry Only Period"), shall at all times be in the form of a separate single fully registered Bond for each maturity of the Bonds; and for purposes of complying with this requirement under paragraphs 5 and 10 Authorized Denominations for any Bond shall be deemed to be limited during the Book Entry Only Period to the outstanding principal amount of that Bond.

(ii) Upon initial issuance, ownership of the Bonds shall be registered in a bond register maintained by the Bond Registrar (as hereinafter defined) in the name of CEDE
& CO., as the nominee (it or any nominee of the existing or a successor Depository, the "Nominee").

(iii) With respect to the Bonds neither the District nor the Bond Registrar shall have any responsibility or obligation to any broker, dealer, bank, or any other financial institution for which the Depository holds Bonds as securities depository (the "Participant") or the person for which a Participant holds an interest in the Bonds shown on the books and records of the Participant (the "Beneficial Owner"). Without limiting the immediately preceding sentence, neither the District, nor the Bond Registrar, shall have any such responsibility or obligation with respect to (A) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any ownership interest in the Bonds, or (B) the delivery to any Participant, any Owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any notice of redemption, or (C) the payment to any Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the principal of or premium, if any, or interest on the Bonds, or (D) the consent given or other action taken by the Depository as the Registered Holder of any Bonds (the "Holder"). For purposes of securing the vote or consent of any Holder under this Resolution, the District may, however, rely upon an omnibus proxy under which the Depository assigns its consenting or voting rights to certain Participants to whose accounts the Bonds are credited on the record date identified in a listing attached to the omnibus proxy.

(iv) The District and the Bond Registrar may treat as and deem the Depository to be the absolute owner of the Bonds for the purpose of payment of the principal of and premium, if any, and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to the Bonds, for the purpose of obtaining any consent or other action to be taken by Holders for the purpose of registering transfers with respect to such Bonds, and for all purpose whatsoever. The Bond Registrar, as paying agent hereunder, shall pay all principal of and premium, if any, and interest on the Bonds only to the Holder or the Holders of the Bonds as shown on the bond register, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to the principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid.

(v) Upon delivery by the Depository to the Bond Registrar of written notice to the effect that the Depository has determined to substitute a new Nominee in place of the existing Nominee, and subject to the transfer provisions in paragraph 10, references to the Nominee hereunder shall refer to such new Nominee.

(vi) So long as any Bond is registered in the name of a Nominee, all payments with respect to the principal of and premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, by the Bond Registrar or District, as the case may be, to the Depository as provided in the Letter of Representations to the Depository required by the Depository as a condition to its acting as book-entry Depository for the Bonds (said Letter of Representations, together with any replacement thereof or amendment or substitute thereto, including any standard procedures or policies referenced therein or applicable thereto respecting the procedures
and other matters relating to the Depository's role as book-entry Depository for the Bonds, collectively hereinafter referred to as the "Letter of Representations").

(vii) All transfers of beneficial ownership interests in each Bond issued in book-entry form shall be limited in principal amount to Authorized Denominations and shall be effected by procedures by the Depository with the Participants for recording and transferring the ownership of beneficial interests in such Bonds.

(viii) In connection with any notice or other communication to be provided to the Holders pursuant to this Resolution by the District or Bond Registrar with respect to any consent or other action to be taken by Holders, the Depository shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action; provided, that the District or the Bond Registrar may establish a special record date for such consent or other action. The District or the Bond Registrar shall, to the extent possible, give the Depository notice of such special record date not less than 15 calendar days in advance of such special record date to the extent possible.

(ix) Any successor Bond Registrar in its written acceptance of its duties under this Resolution and any paying agency/bond registrar agreement, shall agree to take any actions necessary from time to time to comply with the requirements of the Letter of Representations.

(c) Termination of Book-Entry Only System. Discontinuance of a particular Depository's services and termination of the book-entry only system may be effected as follows:

(i) The Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the District and discharging its responsibilities with respect thereto under applicable law. The District may terminate the services of the Depository with respect to the Bond if it determines that the Depository is no longer able to carry out its functions as securities depository or the continuation of the system of book-entry transfers through the Depository is not in the best interests of the District or the Beneficial Owners.

(ii) Upon termination of the services of the Depository as provided in the preceding paragraph, and if no substitute securities depository is willing to undertake the functions of the Depository hereunder can be found which, in the opinion of the District, is willing and able to assume such functions upon reasonable or customary terms, or if the District determines that it is in the best interests of the District or the Beneficial Owners of the Bond that the Beneficial Owners be able to obtain certificates for the Bonds, the Bonds shall no longer be registered as being registered in the bond register in the name of the Nominee, but may be registered in whatever name or names the Holder of the Bonds shall designate at that time, in accordance with paragraph 10. To the extent that the Beneficial Owners are designated as the transferee by the Holders, in accordance with paragraph 10, the Bonds will be delivered to the Beneficial Owners.

(iii) Nothing in this subparagraph (c) shall limit or restrict the provisions of paragraph 10.
(d) **Letter of Representations.** The provisions in the Letter of Representation are incorporated herein by reference and made a part of the resolution, and if and to the extent any such provisions are inconsistent with the other provisions of this resolution, the provisions in the Letter of Representation shall control.

3. **Purpose.** The Bonds shall provide funds for the construction of the Project. The total cost of the Project, which shall include all costs enumerated in Minnesota Statutes, Section 475.65, is estimated to be at least equal to the amount of the Bonds. Work on the Project shall proceed with due diligence to completion. The District covenants that it shall do all things and perform all acts required of it to assure that work on the Project proceeds with due diligence to completion and that any and all permits and studies required under law for the Project are obtained.

4. **Interest.** The Bonds shall bear interest payable semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing February 1, 2018, calculated on the basis of a 360-day year of twelve 30-day months, at the respective rates per annum set forth opposite the maturity years as follows:

<table>
<thead>
<tr>
<th>Maturity Year</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>2027</td>
</tr>
<tr>
<td>2020</td>
<td>2028</td>
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<td>2021</td>
<td>2029</td>
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<td>2024</td>
<td>2032</td>
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<tr>
<td>2025</td>
<td>2033</td>
</tr>
<tr>
<td>2026</td>
<td></td>
</tr>
</tbody>
</table>

5. **Optional Redemption.** All Bonds maturing February 1, 2026 and thereafter shall be subject to redemption and prepayment at the option of the District on February 1, 2025, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the maturities and the principal amounts within each maturity to be redeemed shall be determined by the District; and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the
6. **Bond Registrar.** Northland Trust Services, Inc., in Minneapolis, Minnesota, is appointed to act as bond registrar and transfer agent with respect to the Bonds (the "Bond Registrar"), and shall do so unless and until a successor Bond Registrar is duly appointed, all pursuant to any contract the District and Bond Registrar shall execute which is consistent herewith. The Bond Registrar shall also serve as paying agent unless and until a successor paying agent is duly appointed. Principal and interest on the Bonds shall be paid to the registered Holders (or record holders) of the Bonds in the manner set forth in the form of Bond and paragraph 12.

7. **Form of Bond.** The Bonds, together with the Bond Registrar's Certificate of Authentication, the form of Assignment and the registration information thereon, shall be in substantially the following form:

```
UNITED STATES OF AMERICA
STATE OF MINNESOTA
FREEBORN COUNTY
SHELL ROCK RIVER WATERSHED DISTRICT

R-_______ $_________

LIMITED TAX BOND, SERIES 2017A

<table>
<thead>
<tr>
<th>Interest Rate</th>
<th>Maturity Date</th>
<th>Date of Original Issue</th>
<th>CUSIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>___%</td>
<td>February 1,</td>
<td>August 1, 2017</td>
<td></td>
</tr>
</tbody>
</table>

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ________________________________ DOLLARS

THE SHELL ROCK RIVER WATERSHED DISTRICT, FREEBORN COUNTY, MINNESOTA (the "Issuer"), certifies that it is indebted and for value received promises to pay to the registered owner specified above, or registered assigns, in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above, unless called for earlier redemption, and to pay interest thereon semiannually on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing February 1, 2018, at the rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months) until the principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or, if no interest has been paid, from the date of original issue hereof. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the principal office of Northland Trust Services, Inc., in Minneapolis, Minnesota (the "Bond Registrar"), acting as paying agent, or any successor paying agent duly appointed by the Issuer. Interest on this Bond will be paid on each Interest Payment Date by check or draft mailed to the person in whose name this Bond is registered (the
"Holder" or "Bondholder") on the registration books of the Issuer maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any interest not so timely paid shall cease to be payable to the person who is the Holder hereof as of the Regular Record Date, and shall be payable to the person who is the Holder hereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given to Bondholders not less than ten days prior to the Special Record Date. The principal of and premium, if any, and interest on this Bond are payable in lawful money of the United States of America. So long as this Bond is registered in the name of the Depository or its Nominee as provided in the Resolution hereinafter described, and as those terms are defined therein, payment of principal of, premium, if any, and interest on this Bond and notice with respect thereto shall be made as provided in the Letter of Representations, as defined in the Resolution, and surrender of this Bond shall not be required for payment of the redemption price upon a partial redemption of this Bond. Until termination of the book-entry only system pursuant to the Resolution, Bonds may only be registered in the name of the Depository or its Nominee.

Optional Redemption. All Bonds of this issue (the "Bonds") maturing February 1, 2026 and thereafter are subject to redemption and prepayment at the option of the Issuer on February 1, 2025, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the maturities and the principal amounts within each maturity to be redeemed shall be determined by the Issuer; and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the paying agent and to each affected registered holder of the Bonds not more than sixty (60) days and not fewer than thirty (30) days prior to the date fixed for redemption.

Prior to the date on which any Bond or Bonds are directed by the Issuer to be redeemed in advance of maturity, the Issuer will cause notice of the call thereof for redemption identifying the Bonds to be redeemed to be mailed to the Bond Registrar and all Bondholders, at the addresses shown on the Bond Register. All Bonds so called for redemption will cease to bear interest on the specified redemption date, provided funds for their redemption have been duly deposited.

Issuance; Purpose. This Bond is one of an issue in the total principal amount of $1,940,000, all of like date of original issue and tenor, except as to number, maturity, interest rate, denomination and redemption privilege, issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota and pursuant to a resolution adopted by the Board of Managers on July 11, 2017 (the "Resolution"), for the purpose of providing money to finance construction of the cost attributable to the basic water management features of the Fountain Lake Dredge Project component under proposed contract 1 within the Issuer. This Bond is payable solely from amounts on hand in the Bond Fund, which amounts shall be obtained by an annual levy of a tax not to exceed the lesser of 0.048 percent of estimated market value of the District or $250,000, whichever is less and a levy not to exceed 0.00798 percent of
estimated market value for a period not to exceed 15 consecutive years. This Bond does not constitutes a general obligation of the Issuer and the Issuer has not pledged its full faith and credit to the payment thereof.

**Denominations; Exchange; Resolution.** The Bonds are issuable solely in fully registered form in Authorized Denominations (as defined in the Resolution) and are exchangeable for fully registered Bonds of other Authorized Denominations in equal aggregate principal amounts at the principal office of the Bond Registrar, but only in the manner and subject to the limitations provided in the Resolution. Reference is hereby made to the Resolution for a description of the rights and duties of the Bond Registrar. Copies of the Resolution are on file in the principal office of the Bond Registrar.

**Transfer.** This Bond is transferable by the Holder in person or by the Holder's attorney duly authorized in writing at the principal office of the Bond Registrar upon presentation and surrender hereof to the Bond Registrar, all subject to the terms and conditions provided in the Resolution and to reasonable regulations of the Issuer contained in any agreement with the Bond Registrar. Thereupon the Issuer shall execute and the Bond Registrar shall authenticate and deliver, in exchange for this Bond, one or more new fully registered Bonds in the name of the transferee (but not registered in blank or to "bearer" or similar designation), of an Authorized Denomination or Denominations, in aggregate principal amount equal to the principal amount of this Bond, of the same maturity and bearing interest at the same rate.

**Fees upon Transfer or Loss.** The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of this Bond and any legal or unusual costs regarding transfers and lost Bonds.

**Treatment of Registered Owners.** The Issuer and Bond Registrar may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except as otherwise provided herein with respect to the Record Date) and for all other purposes, whether or not this Bond shall be overdue, and neither the Issuer nor the Bond Registrar shall be affected by notice to the contrary.

**Authentication.** This Bond shall not be valid or become obligatory for any purpose or be entitled to any security unless the Certificate of Authentication hereon shall have been executed by the Bond Registrar.

**Qualified Tax-Exempt Obligation.** This Bond has been designated by the Issuer as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed, precedent to and in the issuance of this Bond, have been done, have happened and have been performed, in regular and due form, time and manner as required by law, and that this Bond, together with all other debts of the Issuer outstanding on the date of original issue hereof and the date of its issuance and delivery to the original purchaser, does not exceed any constitutional or statutory limitation of indebtedness.
IN WITNESS WHEREOF, the Shell Rock River Watershed District, Freeborn County, Minnesota, by its Board of Managers has caused this Bond to be executed on its behalf by the facsimile signatures of its Board Chair and its District Administrator, the corporate seal of the Issuer having been intentionally omitted as permitted by law.

Date of Registration: August 1, 2017
Registrable by: NORTHLAND TRUST SERVICES, INC.

Payable at: NORTHLAND TRUST SERVICES, INC.

BOND REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the Resolution mentioned within.

/s/ Facsimile ______________________________
Board Chair

NORTHLAND TRUST SERVICES, INC.
Minneapolis, Minnesota

Bond Registrar ______________________________
District Administrator

By: ______________________________
Authorized Signature
ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of survivorship and not as tenants in common
UTMA - ___________ as custodian for ______________

(Cust) (Minor)
under the _______________ Uniform Transfers to Minors Act
(State)

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto
___________________________________________________ the within Bond and does hereby
irrevocably constitute and appoint _________________ attorney to transfer the Bond on the
books kept for the registration thereof, with full power of substitution in the premises.

Dated: ___________________ Notice: The assignor’s signature to this assignment must

__________________________________ correspond with the name as it appears upon the face

______________________________ of the within Bond in every particular, without

Signature Guaranteed: alteration or any change whatever.

__________________________________

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm
having a membership in one of the major stock exchanges or any other "Eligible Guarantor
Institution" as defined in 17 CFR 240.17 Ad-15(a)(2).

The Bond Registrar will not effect transfer of this Bond unless the information
concerning the transferee requested below is provided.

Name and Address: ____________________________________________

__________________________________________________________

__________________________________________________________

(Include information for all joint owners if the Bond is held by joint account.)
8. **Execution.** The Bonds shall be in typewritten form, shall be executed on behalf of the District by the signatures of its Board Chair and District Administrator and be sealed with the seal of the District; provided, as permitted by law, both signatures may be photocopied facsimiles and the corporate seal has been omitted. In the event of disability or resignation or other absence of either officer, the Bonds may be signed by the manual or facsimile signature of the officer who may act on behalf of the absent or disabled officer. In case either officer whose signature or facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of the Bonds, the signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery.

9. **Authentication.** No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless a Certificate of Authentication on such Bond, substantially in the form hereinabove set forth, shall have been duly executed by an authorized representative of the Bond Registrar. Certificates of Authentication on different Bonds need not be signed by the same person. The Bond Registrar shall authenticate the signatures of officers of the District on each Bond by execution of the Certificate of Authentication on the Bond and by inserting as the date of registration in the space provided the date on which the Bond is authenticated, except that for purposes of delivering the original Bonds to the Purchaser, the Bond Registrar shall insert as a date of registration the date of original issue of August 1, 2017. The Certificate of Authentication so executed on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution.

10. **Registration; Transfer; Exchange.** The District will cause to be kept at the principal office of the Bond Registrar a bond register in which, subject to such reasonable regulations as the Bond Registrar may prescribe, the Bond Registrar shall provide for the registration of Bonds and the registration of transfers of Bonds entitled to be registered or transferred as herein provided.

Upon surrender for transfer of any Bond at the principal office of the Bond Registrar, the District shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration (as provided in paragraph 9) of, and deliver, in the name of the designated transferee or transferees, one or more new Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount, having the same stated maturity and interest rate, as requested by the transferor; provided, however, that no Bond may be registered in blank or in the name of "bearer" or similar designation.

At the option of the Holder, Bonds may be exchanged for Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount and stated maturity, upon surrender of the Bonds to be exchanged at the principal office of the Bond Registrar. Whenever any Bonds are so surrendered for exchange, the District shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration of, and deliver the Bonds which the Holder making the exchange is entitled to receive.

All Bonds surrendered upon any exchange or transfer provided for in this resolution shall be promptly canceled by the Bond Registrar and thereafter disposed of as directed by the District.
All Bonds delivered in exchange for or upon transfer of Bonds shall be valid obligations of the District evidencing the same debt, and entitled to the same benefits under this resolution, as the Bonds surrendered for such exchange or transfer.

Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the Bond Registrar, duly executed by the Holder thereof or the Holder's attorney duly authorized in writing.

The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of any Bond and any legal or unusual costs regarding transfers and lost Bonds.

Transfers shall also be subject to reasonable regulations of the District contained in any agreement with the Bond Registrar, including regulations which permit the Bond Registrar to close its transfer books between record dates and payment dates. The Finance Director is hereby authorized to negotiate and execute the terms of said agreement.

11. Rights Upon Transfer or Exchange. Each Bond delivered upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

12. Interest Payment; Record Date. Interest on any Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond is registered (the "Holder") on the registration books of the District maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any such interest not so timely paid shall cease to be payable to the person who is the Holder thereof as of the Regular Record Date, and shall be payable to the person who is the Holder thereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given by the Bond Registrar to the Holders not less than ten days prior to the Special Record Date.

13. Treatment of Registered Owner. The District and Bond Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of principal of and premium, if any, and interest (subject to the payment provisions in paragraph 12) on, such Bond and for all other purposes whatsoever whether or not such Bond shall be overdue, and neither the District nor the Bond Registrar shall be affected by notice to the contrary.

14. Delivery; Application of Proceeds. The Bonds when so prepared and executed shall be delivered by the District Administrator to the Purchaser upon receipt of the purchase price, and the Purchaser shall not be obliged to see to the proper application thereof.

15. Funds. Minnesota Statutes, Section 103D.905, establishes certain funds of the District, including a bond fund (the "Bond Fund"), and a construction or implementation fund (the "Construction Fund"). There are hereby created in each such fund a special account relating to the Bonds designated as set forth below, to be administered and maintained by the District
Administrator as a bookkeeping account separate and apart from all other accounts maintained in
the official financial records of the District. The Bond Fund and Construction Fund and the
special accounts therein shall be maintained in the manner herein specified until all of the Bonds,
and interest thereon, have been fully paid. There shall be established and maintained in the funds
the following two (2) separate accounts, to which shall be credited and debited all income and
disbursements of the funds as hereinafter set forth. In such records there shall be established and
maintained accounts of the funds for the purposes and in the amounts as follows:

(a) A Construction Account in the Construction Fund to which there shall be credited
the proceeds of the sale of the Bonds, less capitalized interest. From the Construction Account
there shall be paid all costs and expenses of making the Project, including the cost of any
construction contracts heretofore let and all other costs incurred and to be incurred of the kind
authorized in Minnesota Statutes, Section 475.65; and the moneys in the Construction Account
shall be used for no other purpose except as otherwise provided by law; provided that the
proceeds of the Bonds may also be used to the extent necessary to pay interest on the Bonds due
prior to the anticipated date of commencement of the collection of taxes herein levied or
covenanted to be levied; and provided further that if upon completion of the Project there shall
remain any unexpended balance in the Construction Account, the balance shall be transferred to
the Debt Service Account.

(b) A Debt Service Account in the Bond Fund, to which shall be irrevocably
appropriated and pledged and shall be credited to the Debt Service Account: (i) all collections of
taxes herein or hereafter levied for the payment of the Bonds; (ii) capitalized interest in the
amount of $___________ (together with interest earnings thereon and subject to such other
adjustments as are appropriate to provide sufficient funds to pay interest due on the Bonds on or
before February 1, 2018); (iii) all funds remaining in the Construction Account after completion
of the Project and payment of the costs thereof; (iv) all investment earnings on funds held in the
Debt Service Account; and (v) any and all other moneys which are properly available and are
appropriated by the governing body of the District to the Debt Service Account. The Debt
Service Account shall be used solely to pay the principal and interest on the Bonds and any other
bonds of the District hereafter issued by the District and made payable from the Debt Service
Account as provided by law.

No portion of the proceeds of the Bonds shall be used directly or indirectly to acquire
higher yielding investments or to replace funds which were used directly or indirectly to acquire
higher yielding investments, except (1) for a reasonable temporary period until such proceeds are
needed for the purpose for which the Bonds were issued and (2) in addition to the above in an
amount not greater than the lesser of five percent of the proceeds of the Bonds or $100,000. To
this effect, any proceeds of the Bonds and any sums from time to time held in the Construction
Account or Debt Service Account (or any other District account which will be used to pay
principal or interest to become due on the bonds payable therefrom) in excess of amounts which
under then applicable federal arbitrage regulations may be invested without regard to yield shall
not be invested at a yield in excess of the applicable yield restrictions imposed by said arbitrage
regulations on such investments after taking into account any applicable "temporary periods" or
"minor portion" made available under the federal arbitrage regulations. Money in the
Construction Account shall not be invested in obligations or deposits issued by, guaranteed by or
insured by the United States or any agency or instrumentality thereof if and to the extent that
such investment would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code").

16. **Tax Levy; Coverage Test.** For the prompt and full payment of the principal of and interest on the Bonds, as such payments respectively become due, the District hereby covenants to levy an annual tax in the amount required to pay the principal of and interest on the Bonds, not exceeding the lesser of 0.048 percent of taxable market value of the District or $250,000 and a levy not to exceed 0.00798 percent of estimated market value, and irrevocably appropriates the collections of such taxes to the Bond Fund describe in Section 15 hereof for payment of the Bonds. In order to produce aggregate amounts not less than 5% in excess of the amounts needed to meet when due the principal and interest payments on the Bonds, subject to the limitation referred to in the preceding sentence, ad valorem taxes are hereby levied on all taxable property in the District, the taxes to be levied and collected in the following years and amounts:

<table>
<thead>
<tr>
<th>Years of Tax Levy</th>
<th>Years of Tax Collection</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>See Attached Tax Levy Schedule</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The tax levies shall be irrepealable so long as any of the Bonds are outstanding and unpaid, provided that the District reserves the right and power to reduce the levies from other legally available funds, in accordance with the provisions of Minnesota Statutes, Section 475.61.

17. **Continuing Disclosure.** The District is the sole obligated person with respect to the Bonds. The District hereby agrees, in accordance with the provisions of Rule 15c2-12 (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, as amended, and a Continuing Disclosure Undertaking (the "Undertaking") hereinafter described to:

(a) to provide or cause to be provided to the Municipal Securities Rulemaking Board, by filing at www.emma.msrb.org, (i) at least annually, its audited financial statements for the most recent fiscal year, and (ii) notice of the occurrence of certain events with respect to the Bonds in not more than ten (10) business days after the occurrence of such event, in accordance with the Undertaking; and

(b) its covenants pursuant to the Rule set forth in this paragraph and in the Undertaking is intended to be for the benefit of the Holders of the Bonds and shall be enforceable on behalf of such Holders; provided that the right to enforce the provisions of these covenants shall be limited to a right to obtain specific enforcement of the City's obligations under the covenants.

The Board Chair and District Administrator, or any other officer of the District authorized to act in their place (the "Officers") are hereby authorized and directed to execute on behalf of the District the Undertaking in substantially the form presented to the Board of Managers subject to such modifications thereof or additions thereto as are (i) consistent with the
requirements under the Rule, (ii) required by the Purchaser of the Bonds, and (iii) acceptable to the Officers.

18. **Defeasance.** When all Bonds have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this resolution to the registered holders of the Bonds shall, to the extent permitted by law, cease. The District may discharge its obligations with respect to any Bonds which are due on any date by irrevocably depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full; or if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Bond Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The District may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a suitable banking institution qualified by law as an escrow agent for this purpose, cash or securities described in Minnesota Statutes, Section 475.67, Subdivision 8, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, without regard to sale and/or reinvestment, to pay all amounts to become due thereon to maturity or, if notice of redemption as herein required has been duly provided for, to such earlier redemption date.

19. **Compliance With Reimbursement Bond Regulations.** The provisions of this paragraph are intended to establish and provide for the District's compliance with United States Treasury Regulations Section 1.150-2 (the "Reimbursement Regulations") applicable to the "reimbursement proceeds" of the Bonds, being those portions thereof which will be used by the District to reimburse itself for any expenditure which the District paid or will have paid prior to the Closing Date (a "Reimbursement Expenditure").

The District hereby certifies and/or covenants as follows:

(a) Not later than sixty days after the date of payment of a Reimbursement Expenditure, the District (or person designated to do so on behalf of the District) has made or will have made a written declaration of the District's official intent (a "Declaration") which effectively (i) states the District's reasonable expectation to reimburse itself for the payment of the Reimbursement Expenditure out of the proceeds of a subsequent borrowing; (ii) gives a general and functional description of the property, project or program to which the Declaration relates and for which the Reimbursement Expenditure is paid, or identifies a specific fund or account of the District and the general functional purpose thereof from which the Reimbursement Expenditure was to be paid (collectively the "Project"); and (iii) states the maximum principal amount of debt expected to be issued by the District for the purpose of financing the Project; provided, however, that no such Declaration shall necessarily have been made with respect to: (i) "preliminary expenditures" for the Project, defined in the Reimbursement Regulations to include engineering or architectural, surveying and soil testing expenses and similar prefatory costs, which in the aggregate do not exceed twenty percent of the "issue price" of the Bonds, and (ii) a de minimis amount of Reimbursement Expenditures not in excess of the lesser of $100,000 or five percent of the proceeds of the Bonds.
Each Reimbursement Expenditure is a capital expenditure or a cost of issuance of the Bonds or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Reimbursement Regulations.

The "reimbursement allocation" described in the Reimbursement Regulations for each Reimbursement Expenditure shall and will be made forthwith following (but not prior to) the issuance of the Bonds and in all events within the period ending on the date which is the later of eighteen months after payment of the Reimbursement Expenditure or one year after the date on which the Project to which the Reimbursement Expenditure relates is first placed in service, but not more than three years after the date of the Reimbursement Expenditure.

Each such reimbursement allocation will be made in a writing that evidences the District's use of Bond proceeds to reimburse the Reimbursement Expenditure and, if made within 30 days after the Bonds are issued, shall be treated as made on the day the Bonds are issued.

Provided, however, that the District may take action contrary to any of the foregoing covenants in this paragraph upon receipt of an opinion of its Bond Counsel for the Bonds stating in effect that such action will not impair the tax-exempt status of the Bonds.

Certificate of Registration. The District Administrator is hereby directed to file a certified copy of this resolution with the County Auditor of Freeborn County, Minnesota, together with such other information as the Auditor shall require, and to obtain the County Auditor's certificate that the Bonds have been entered in the County Auditor's Bond Register and the tax levy required by law has been made.

Records and Certificates. The officers of the District are hereby authorized and directed to prepare and furnish to the Purchaser, and to the attorneys approving the legality of the issuance of the Bonds, certified copies of all proceedings and records of the District relating to the Bonds and to the financial condition and affairs of the District, and such other affidavits, certificates and information as are required to show the facts relating to the legality and marketability of the Bonds as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the District as to the facts recited therein.

Negative Covenant as to Use of Proceeds and Improvements. The District hereby covenants not to use the proceeds of the Bonds or to use the Project, or to cause or permit them to be used, or to enter into any deferred payment arrangements for the cost of the Project, in such a manner as to cause the Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

Tax-Exempt Status of the Bonds; Rebate. The District shall comply with requirements necessary under the Code to establish and maintain the exclusion from gross income under Section 103 of the Code of the interest on the Bonds, including without limitation requirements relating to temporary periods for investments, limitations on amounts invested at a yield greater than the yield on the Bonds, and the rebate of excess investment earnings to the United States.
For purposes of qualifying for the exception to the federal arbitrage rebate requirements for governmental units issuing $5,000,000 or less of bonds, the District hereby finds, determines and declares that (1) the Bonds are issued by a governmental unit with general taxing powers, (2) no Bond is a private activity bond, (3) ninety-five percent (95%) or more of the net proceeds of the Bonds are to be used for local governmental activities of the District (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the District), and (4) the aggregate face amount of all tax exempt bonds (other than private activity bonds) issued by the District (and all subordinate entities thereof, and all entities treated as one issuer with the District) during the calendar year in which the Bonds are issued and outstanding at one time is not reasonably expected to exceed $5,000,000, all within the meaning of Section 148(f)(4)(D) of the Code.

24. Designation of Qualified Tax-Exempt Obligations. In order to qualify the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the District hereby makes the following factual statements and representations:

   (a) the Bonds are issued after August 7, 1986;

   (b) the Bonds are not "private activity bonds" as defined in Section 141 of the Code;

   (c) the District hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code;

   (d) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the District (and all entities treated as one issuer with the District, and all subordinate entities whose obligations are treated as issued by the District) during this calendar year 2017 will not exceed $10,000,000;

   (e) not more than $10,000,000 of obligations issued by the District during this calendar year 2017 have been designated for purposes of Section 265(b)(3) of the Code; and

   (f) the aggregate face amount of the Bonds does not exceed $10,000,000.

The District shall use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designation made by this paragraph.


26. Official Statement. The Official Statement relating to the Bonds prepared and distributed by Drown is hereby approved and the officers of the District are authorized in connection with the delivery of the Bonds to sign such certificates as may be necessary with respect to the completeness and accuracy of the Official Statement.
27. **Severability.** If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

28. **Headings.** Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

The motion for the adoption of the foregoing resolution was duly seconded by member ____________________________ and, after a full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

Whereupon the resolution was declared duly passed and adopted.

___________________________  ____________________________
Dan DeBoer     Mitchell Delger
Board Chairman    Board Secretary
STATE OF MINNESOTA
COUNTY OF FREEBORN
SHELL ROCK RIVER WATERSHED DISTRICT

I, the undersigned, being the duly qualified and acting District Administrator of the Shell Rock River Watershed District, Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the Board of Managers duly called and held on the date therein indicated, insofar as the minutes relate to considering proposals and awarding the competitive negotiated sale of $1,940,000 Limited Tax Bonds, Series 2017A.

WITNESS my hand on August 8, 2017.

________________________________
District Administrator
EXHIBIT A

TAX LEVY SCHEDULE

[To be supplied by David Drown Associates, Inc.]
I, the undersigned, being the duly qualified and acting County Auditor of Freeborn County, Minnesota, DO HEREBY CERTIFY that on the date hereof, there was filed in my office a certified copy of a resolution adopted on August 8, 2017 by the Board of Managers of the Shell Rock River Watershed District, Minnesota, authorizing the issuance of $1,940,000 Limited Tax Bonds, Series 2017A (the "Bonds"), and levying a tax for the payment thereof, together with full information regarding the Bonds for which the tax was levied; the Bonds have been entered in my Bond Register; and the tax levy required by law has been made.

WITNESS my hand and the seal of the County Auditor on August _____, 2017.

________________________________
County Auditor
(SEAL)
Manager Kramer seconded the resolution.

After discussion, a roll call vote was taken:
Manager Delger – Yes
Manager Kramer – Yes
Manager Pestorious – Yes
Manager DeBoer – Yes

The resolution passed.

Manager Delger offered the following motion:
Move to approve the 2018 Administrative Levy and Certify the Administrative Levy to the Freeborn County Auditor-Treasurer.
Manager Pestorious seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Manager Delger offered the following motion:
Move to approve the 2018 Debt Service Levy and Certify the Debt Service Levy to the Freeborn County Auditor-Treasurer.
Manager Kramer seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Manager Pestorious offered the following motion:
Move to approve the 2018 Administrative Budget.
Manager Delger seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Manager Delger offered the following motion:
Move to approve the 2018 Project Budget.
Manager Kramer seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Manager Pestorious offered the following motion:
Move to approve the 2017 Committee List as presented.
Manager Kramer seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Phil Wacholz, Civil/Environmental Engineer for the City of Albert Lea, gave an update on the Stables Project including starting construction in 2018, funding, annexation process, and petitioning of the residents.

Courtney Christensen, Resource Technician, gave an update on contracts for the Targeted Watershed Projects.

Manager Delger offered the following motion:
Move to approve the contract with Todd and Melissa Christensen.
Manager Pestorious seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Manager Pestorious offered the following motion:
  Move to approve the contract with Steven Jepson.
Manager Kramer seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Manager Pestorious offered the following motion:
  Move to approve the contract with Dave Wessling.
Manager Delger seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Manager Kramer offered the following motion:
  Move to approve the contract with Central Landscaping.
Manager Pestorious seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Courtney Christensen continued her discussion with an explanation of the Letter of Understanding between the SRRWD and the University of Minnesota for Targeted Watershed Projects.

Manager Delger offered the following motion:
  Move to approve Letter of Understanding between the SRRWD and the University of Minnesota.
Manager Kramer seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Courtney Christensen gave an update on the Lessard-Sams Outdoor Heritage Council (LSOHC) grant including Habitat Restoration Projects Phase VI and VII. The SRRWD will testify in front of the Council on August 23, 2017.

Andy Henschel, Director of Field Operations, discussed the Natural Resource Technology (NRT) additional budget request not to exceed $25,000.00 for the Scope of Work on the Fountain Lake Restoration Project.

Manager Pestorious offered the following motion:
  Move to approve Natural Resource Technology (NRT) Additional Budget Request.
Manager Kramer seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Andy Henschel continued his discussion by explaining the Frattalone change order for Cell 1 of the Confined Disposal Facility (CDF). The change order would modify the substantial completion/ final completion date and decrease in cost incurred by the District.

Manager Pestorious offered the following motion:
  Move to approve Frattalone Change Order.
Manager Delger seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.
Manager Delger offered the following motion:

Move to approve the August 1, 2017 Administration Claims as follows:

**Shell Rock River Watershed District**

**Unpaid Bill Detail**

**Aug. 1, 2017**

<table>
<thead>
<tr>
<th><a href="#"><strong>Brett Behnke</strong></a></th>
<th>Mileage</th>
<th>2.21 Administrator Travel</th>
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Manager Pestorious seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Manager Pestorious offered the following motion:

Move to approve June Project Fund Disbursements as follows:

**Project Fund- Shell Rock River Watershed District**

**Unpaid Bill Detail**

August 1, 2017

**Freeborn-Mower Cooperative Services**

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$ 881.00
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<th>Invoice #s</th>
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Total: $57,127.58
Manager Kramer seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Manager Pestorious offered the following motion:
   Move to adjourn the meeting.
Manager Delger seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.