Managers present: Gary Pestorious, Brad Kramer, Joe Pacovsky and Al Bakken

Managers absent: Dan DeBoer, Mike Hanson and Mick Delger

Vice-Chairman Pestorious called the Regular Meeting to order June 12, 2018 at 8:30 a.m. at the Albert Lea City Council Chambers, 221 East Clark Street, Albert Lea, MN 56007.

Manager Pacovsky offered the following motion:

Move to approve the consent agenda:

- Minutes of the May 8, 2018 SRRWD Monthly Board Meeting
- Minutes of the May 8, 2018 SRRWD Workshop
- May 2018 Treasurer’s Report Subject to Audit
- May 2018 Project Fund Treasurer’s Report Subject to Audit
- Authorize Payment of Claims
- Authorize Payment of Project Fund Disbursements

Manager Kramer seconded the motion.

On a roll call vote, the following managers voted in favor of said motion: Kramer, Pacovsky, Bakken, and Pestorious. Vice-Chairman Pestorious declared the motion passed.

Manager Bakken offered the following motion:

Move to approve the agenda with additions: Motion to approve booster pump parts purchase and motion to approve $10,000 grant application on behalf of the Lakes Foundation.

Manager Pacovsky seconded the motion.

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

Public Forum – Dan Johnson spoke on behalf of the Hayward community. He asked why the Hayward community is helping to pay for dredging on Fountain Lake and various questions regarding the District’s dredge. District Administrator Andy Henschel reiterated that clean water is everybody’s responsibility. He discussed the Fountain Lake restoration project, where the money is coming from, and answered questions regarding the dredge.

Brian Hensley, Lakes Foundation President, reviewed:

- Lakes Foundation meetings scheduled for June 27th, July 25th, and August 22nd at 4:00 pm at the Convention and Visitors Bureau.
- Environmental Committee meeting scheduled for August 9th at the Edgewater Bay Pavilion.
- Albert Lea Floats scheduled for August 11th at Frank Hall Park.
- Lakes Foundation fundraising letter will be mailed later this week.
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- Lakes Foundation will host an informational meeting regarding the vision for Albert Lea Lake.
- Lakes Foundation, together with the Shell Rock River Watershed District, applied for a grant for a public dock on Bridge Avenue.

Andy Henschel, Administrator, discussed the District office lease with Earl Neist.
- Current lease agreement is up on July 1, 2018. District has done their due diligence and researched comparable office/workshop locations and lease prices. New lease agreement would be long term: 10 year with option for additional 5 years. The District would continue to pay the taxes. The District would have the first option to buy the building if Earl Neist decided to sell.

Manager Kramer offered the following motion:
  Move to approve District office lease agreement.
Manager Pacovsky seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Andy Henschel discussed District office upgrades:
- The building facility fund would be used to upgrade the District office with new lighting, carpeting, heating, air conditioning, and conference room.

Manager Kramer offered the following motion:
  Move to approve District office upgrades not to exceed $40,000 in compliance with procurement contracting statutes.
Manager Pacovsky seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Andy Henschel continued with a discussion about electronic devices for the SRRWD Board of Managers.
- The District would purchase refurbished, Apple iPads for the board of managers to use for SRRWD work instead of printing costly packets. A policy has been drafted for the use of the iPads.

Manager Bakken offered the following motion:
  Move to approve electronic device policy.
Manager Pacovsky seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Manager Pacovsky offered the following motion:
  Move to approve electronic device purchase.
Manager Kramer seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Andy Henschel continued with information regarding the Owen’s land purchase.
- Titles issues were found on 1.62 acres of the full 45.7 acre property. SRRWD
legal team is working to resolve the issues. In order to keep the projects involved moving forward, the District will purchase 1.62 acres with District funds. Once the issues are resolved, the money will be reimbursed through the grant source, Lessard Sams Outdoor Heritage Council (LSOHC).

Manager Bakken offered the following motion:
Move to approve Owen’s land purchase.
Manager Kramer seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Andy Henschel continued by discussing the District’s dredge lease.
- The District’s dredge has been stored at Albert Lea Diesel. The lease term ended June 1, 2018. The extended lease would be on a month-to-month basis until November 30, 2018 for $250 per month.

Manager Kramer offered the following motion:
Move to extend dredge storage lease.
Manager Pacovsky seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Andy Henschel informed the board of managers about recent insurance issues.
- The District received an audit by Cincinnati Insurance resulting in a policy increase of over $13,000. The District questioned the increase and was told the increase was due to large subcontractor contracts and the building of dams. After further discussions, the District is looking into alternate insurance providers.

Andy Henschel gave legislative update.
- LSOHC Phase VII funding for $1.4 million was approved. Legislative-Citizen Commission on Minnesota Resources (LCCMR) funding for $300,000 was approved. Language affecting Total Maximum Daily Load (TMDL), Watershed Restoration and Protection Strategy (WRAPS) and One Watershed One Plan did not pass.

Andy Henschel gave a Fountain Lake Restoration project update.
- The community celebration to kick off dredging in Edgewater Bay was well attended. Dredging contractor, JF Brennan, expects to extend the pipeline from land into the water, install safety buoys, and begin dredging this week.

Andy Henschel explained the booster pump upgrade.
- The District would purchase the wet suction liner for the one pump that JF Brennan is using. The District only needs to purchase the equipment and JF Brennan will install the equipment.

Manager Kramer offered the following motion:
Move to approve booster pump parts purchase.
Manager Pacovsky seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Andy Henschel gave additional information regarding the previously discussed grant application with the Lakes Foundation.

- This grant is offered through the Freeborn County Community Foundation. Because the Lakes Foundation is not eligible for a grant from this Foundation, the Shell Rock River Watershed District is applying on the Lake’s Foundation behalf. The top project priority for the Lakes Foundation is the installation of a public usage dock for short term boat docking along Bridge Avenue in Albert Lea.

Manager Kramer offered the following motion:

Move to approve $10,000 grant application on behalf of the Lakes Foundation.
Manager Bakken seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Courtney Christensen, Resource Technician, discussed the service agreement with Barr Engineering not to exceed $40,000 for the wetland restorations on the second Pickerel Lake wetland restoration project.

Manager Kramer offered the following motion:

Move to approve Barr Engineering Service Agreement.
Manager Pacovsky seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Courtney Christensen explained the construction contract required from the funding source, Board of Water and Soil Resources (BWSR) Targeted Watershed, for the previously mentioned Pickerel Lake wetland restoration.

Manager Pacovsky offered the following motion:

Move to approve construction contract with Pheasants Forever.
Manager Bakken seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Courtney Christensen explained the details of the easement with Janis Owens and Richard B Jensen Etal. This easement included moving the driveway on the property so the landowners would have access to the remainder of their land without impacting the wetland.

Manager Pacovsky offered the following motion:

Move to approve Resolution 2018-19 as follows:

Resolution 2018-19
BWSR Targeted Watershed Owens Wetland Restoration Easement Approval
WHEREAS, The Shell Rock River Watershed District Board of Managers (“Board of Managers”) pursues the mission of implementing reasonable and necessary improvements to the water-related and other natural resources within its boundaries;

WHEREAS, The Shell Rock River Watershed District (the “District”) is charged with implementing the Shell Rock River Watershed District Watershed Management Plan (the “Plan”);

WHEREAS, the District approved Resolution 2016-14, on July 26, 2016, becoming the legal sponsor of the BWSR Targeted Watershed Grant and to implement the projects necessary to fulfill the required obligations;

WHEREAS, on October 10, 2017, Resolution 2017-12 initiated the BWSR Targeted Watershed Owens Wetland Restoration Project no. 2017-03;

WHEREAS, the District has pursued a comprehensive watershed approach to reduce sedimentation and improve water quality including filter strips, rock inlets, nutrient management systems, water and sediment basin installations, rough fish management practices, installation of fish barriers, septic system inspections, stream bank and ditch restoration projects and the installation of rain gardens.

THEREFORE be it hereby resolved that the Shell Rock River Watershed District:

Sec. 1: Accepts the Easement Agreement with Janis Owens and Richard B. Jensen Etal as presented by SRRWD staff and authorizes the Chairman of the Board and Secretary to execute the Easement Agreement and any other necessary documents;

Sec. 2: Authorizes the Staff, Chairman of the Board and Secretary to execute all documents and expend all funds necessary to complete the terms of the Easement Agreement.

Date: June 12, 2018

Manager Kramer seconded the resolution.

On a roll call vote, the following managers voted in favor of said motion: Kramer, Pacovsky, Bakken, and Pestorious. Vice- Chairman Pestorious declared the motion passed.

Courtney Christensen gave an overview of the Headwaters Streambank Habitat Restoration Aquatic Management Areas (AMA) project. The LSOHC funded project involves streambank restoration around the Albert Lea Lake dam property.

Manager Kramer offered the following motion:

Move to approve Resolution 2018-20 as follows:

Resolution 2018-20
Headwaters Streambank Restoration (AMA) Project
INITIATE PROJECT
2018-03
WHEREAS, The Shell Rock River Watershed District Board of Managers (“Board of Managers”) pursues the mission of implementing reasonable and necessary improvements to the water-related and other natural resources within its boundaries;

WHEREAS, The Shell Rock River Watershed District (the “District”) is charged with implementing the Shell Rock River Watershed District Watershed Management Plan (the “Plan”);

WHEREAS, project goals and objectives set forth in the Plan include:

- Improve water quality and clarity in Shell Rock River
- Improve and enhance waterfowl habitat
- Increases fisheries habitat
- Conserve the topsoil and hold the soil on the land
  - Reduce soil loss due to concentrated flow during storm events
  - Reduce sediment delivery to surface waters
- Control and prevent erosions along lake shore and restore severely damaged shoreline areas
- Minimize flood damage to property and preserve the function of the floodplain

WHEREAS, the District has pursued a comprehensive watershed approach to reduce sedimentation and improve water quality including filter strips, rock inlets, nutrient management systems, water and sediment basin installations, rough fish management practices, installation of fish barriers, septic system inspections, stream bank and ditch restoration projects and the installation of rain gardens.

THEREFORE be it hereby resolved that the Shell Rock River Watershed District:

Sec. 1: Initiates “Project No. 2018-03 Headwaters Streambank Restoration (AMA)Project”
Sec. 2: Authorizes District Staff to negotiate appropriate professional services agreements to promote and complete Headwaters Streambank Restoration (AMA)Project efforts.
Sec. 3: Authorizes District Staff and the District’s attorney to negotiate with area landowners for any necessary easement or fee title acquisition, subject to approval by the Board.
Sec. 4: Authorizes District Staff to conduct work as needed to present this project to the Board for review and public hearing as required by law.

Manager Pacovsky seconded the motion.
On a roll call vote, the following managers voted in favor of said motion: Kramer, Pacovsky, Bakken, and Pestorious. Vice-Chairman Pestorious declared the motion passed.
Courtney Christensen gave an overview of the School Section, Halls, and Sugar Lakes Fish Community Reclamation. This LSOHC funded project will benefit habitat and carp management.

Manager Kramer offered the following motion:

Move to approve Resolution 2018-21 as follows:

Resolution 2018-21
School Section, Halls, and Sugar Lakes Fish Reclamation
INITIATE PROJECT
2018-04

WHEREAS, The Shell Rock River Watershed District Board of Managers ("Board of Managers") pursues the mission of implementing reasonable and necessary improvements to the water-related and other natural resources within its boundaries;

WHEREAS, The Shell Rock River Watershed District (the "District") is charged with implementing the Shell Rock River Watershed District Watershed Management Plan (the "Plan");

WHEREAS, project goals and objectives set forth in the Plan include:

- Improve water quality and clarity in School Section, Halls, and Sugar Lakes
- Improve and enhance waterfowl habitat
- Improves fisheries habitat
- Reduce and manage rough fish populations
- Employ lake management techniques to restore and improve aquatic vegetation in the lakes

WHEREAS, the District has pursued a comprehensive watershed approach to reduce sedimentation and improve water quality including filter strips, rock inlets, nutrient management systems, water and sediment basin installations, rough fish management practices, installation of fish barriers, septic system inspections, stream bank and ditch restoration projects and the installation of rain gardens.

THEREFORE be it hereby resolved that the Shell Rock River Watershed District:

Sec. 1: Initiates “Project No. 2018-04 School Section, Halls, and Sugar Lakes Fish Reclamation”

Sec. 2: Authorizes District Staff to negotiate appropriate professional services agreements to promote and complete School Section, Halls, and Sugar Lakes Fish Reclamation efforts.

Sec. 3: Authorizes District Staff and the District’s attorney to negotiate with area landowners for any necessary easement or fee title acquisition, subject to approval by the Board.

Sec. 4: Authorizes District Staff to conduct work as needed to present this project to the Board for review and public hearing as required by law.
Manager Pacovsky seconded the motion. On a roll call vote, the following managers voted in favor of said motion: Kramer, Pacovsky, Bakken, and Pestorious. Vice-Chairman Pestorious declared the motion passed.

Courtney Christensen gave an overview of the Pickerel Lake Stream Stabilization project funded through a BWSR Targeted Watershed grant.

Manager Kramer offered the following motion:

Move to approve Resolution 2018-22 as follows:

Resolution 2018-22
BWSR Targeted Watershed Pickerel Lake Stream Stabilization Project
Bid Award

WHEREAS, The Shell Rock River Watershed District Board of Managers (“Board of Managers”) pursues the mission of implementing reasonable and necessary improvements to the water-related and other natural resources within its boundaries;

WHEREAS, The Shell Rock River Watershed District (the “District”) is charged with implementing the Shell Rock River Watershed District Watershed Management Plan (the “Plan”);

WHEREAS, project goals and objectives set forth in the Plan include:

- Increase fisheries habitat
- Improve water quality and clarity in Pickerel Lake
- Improve and enhance waterfowl habitat
- Control and prevent erosion along lake shore and restore severely damaged shoreline areas
- Maintain efficient system and reduce transport of sediment, nutrients and pesticides into surface waters through the drainage systems
- Minimize flood damage to property and preserve the function of the floodplain
- Restore and retain water upstream throughout the watershed
- Preserve existing rural and urban wetlands and encourage restoration and enhancement

WHEREAS, the District approved Resolution 2016-14, on July 26, 2016, becoming the legal sponsor of the BWSR Targeted Watershed Grant and to implement the projects necessary to fulfill the required obligations;

WHEREAS, On October 10, 2017, the District initiated the BWSR Targeted Watershed Pickerel Lake Stream Stabilization by Resolution 2017-10;

WHEREAS, The Project Plan was forwarded to the Board of Water and Soil Resources and Department of Natural Resources for their review and comment. DNR comments were received by letter dated October 27, 2017 and BWSR comments were received November 10, 2017;
WHEREAS, On October 10, 2017, by Resolution 2017-13, the Board of Managers approved the specifications for the Project (the “Final Project Plan”);

WHEREAS, a public hearing was held on November 14, 2017 to review the project plan;

WHEREAS, following bid advertising for The Project, the bid opening was held on June 1, 2018;

WHEREAS, five bids were submitted ranging between the amounts of $82,765.50 and $144,926.00, for the completion of the Project pursuant to the bid specifications;

WHEREAS, the lowest bidder was disqualified due to lack of required bid documents;

WHEREAS, following the bid opening for the Project, the engineer, Barr Engineering, reported a bid tabulation of the responsible bidders and letter recommendation dated June 5, 2018 (the “Bid Tabulation”);

WHEREAS, the Bid Tabulation identified Rachel Contracting, Inc. as the lowest responsible bidder in the best interests of the District for the Project;

WHEREAS, the Board of Managers having reviewed the Project Plan, and has determined that approval of the Project Plan will further the objectives of the Plan;

THEREFORE, the Board of Managers hereby finds that the proposed BWSR Targeted Watershed Pickerel Lake Stream Stabilization has the ability to promote the public interest and welfare in conformity with the watershed management plan as set forth above.

NOW THEREFORE, be it hereby Resolved that the Shell Rock River Watershed District hereby:

Section 1: The Contract is awarded to Rachel Contracting, Inc. as the lowest responsible bidder in the best interests of the District; and

Section 2: The staff, the Chairman of the Board of Managers, and the Secretary are authorized to sign all contracts and documents necessary to proceed with the Project.

Approved by the Board of Managers of the Shell Rock River Watershed District on the 12th day of June, 2018.

Manager Pacovsky seconded the motion.
On a roll call vote, the following managers voted in favor of said motion: Kramer, Pacovsky, Bakken, and Pestorious. Vice-Chairman Pestorious declared the motion passed.

Courtney Christensen explained the grant application process for One Watershed, One Plan. Within the Memorandum of Agreement (MOA), the SRRWD will be appointed as the fiscal agent and day to day contact for the One Watershed, One Plan.
Manager Bakken offered the following motion:

Move to approve Resolution 2018-23 as follows:

**Resolution 2018-23**

**Shell Rock River Watershed District**

**Entering into Memorandum of Agreement and Board of Water and Soil Resources Grant Application for One Watershed, One Plan**

**WHEREAS**, the Minnesota Board of Water and Soil Resources (“BWSR”) has developed policies for the coordination and development of comprehensive watershed management plans, also known as One Watershed, One Plan, consistent with Minnesota Statutes, Chapter 103B.801, Comprehensive Watershed Management Planning Program;

**WHEREAS**, on May 8, 2018, by Resolution 2018-18, the Board of Managers provided support for the One Watershed, One Plan Project for the Shell Rock River and Winnebago River Planning Area;

**WHEREAS**, Freeborn County, Freeborn County Soil and Water Conservation District (“SWCD”), and the City of Albert Lea have passed similar resolutions in support of the One Watershed, One Plan Project;

**WHEREAS**, Faribault County and the Faribault County Soil and Water Conservation District, have opted out;

**WHEREAS**, a Memorandum of Agreement (“MOA”) will be needed between the members of the Shell Rock River Watershed and Winnebago Watershed Planning Area for the One Watershed, One Plan;

**WHEREAS**, the SRRWD, Freeborn County, Freeborn County SWCD, and the City of Albert Lea intend to enter into a MOA naming the SRRWD as the fiscal agent for the One Watershed, One Plan for the Shell Rock River and Winnebago River Planning Area;

**WHEREAS**, within the MOA the SRRWD will be appointed as the fiscal agent for the One Watershed, One Plan and be the day to day contact for the Shell Rock River and Winnebago River Planning Area;

**WHEREAS**, on April 2, 2018, the BWSR released a Request for Proposal for One Watershed, One Plan program funding to create a comprehensive watershed management plans (“RFP”);

**WHEREAS**, the SRRWD, as the fiscal agent, intends to respond to the RFP to apply for One Watershed, One Plan program funding for the Shell Rock River and Winnebago River Planning Area;

**WHEREAS**, the response to the RFP must be submitted on or before July 2, 2018;
WHEREAS, the SRRWD has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capabilities to ensure adequate acquisition, maintenance, and protection of the proposed funding;

WHEREAS, the SRRWD has not violated any federal, state, or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest, or other unlawful or corrupt practices; and

WHEREAS, upon approval and receipt of One Watershed, One Plan program funding, the SRRWD certifies that it will comply with all applicable laws and regulations as stated in the contract agreement.

NOW, THEREFORE, BE IT RESOLVED:

1. That the SRRWD may enter into a MOA with Freeborn County, Freeborn County SWCD, and the City of Albert Lea in pursuant of One Watershed, One Plan;

2. That the SRRWD may act as the fiscal agent for the One Watershed, One Plan for the Shell Rock River and Winnebago River Planning Area;

3. That the SRRWD, as the fiscal agent for the One Watershed, One Plan for the Shell Rock River and Winnebago River Planning Area, is hereby authorized to execute such documents and agreements, as are necessary, to implement the One Watershed, One Plan and pursue program funding.

Date: June 12, 2018

Manager Kramer seconded the motion. On a roll call vote, the following managers voted in favor of said motion: Kramer, Pacovsky, Bakken, and Pestorious. Vice- Chairman Pestorious declared the motion passed.

Scott Christenson, Conservation Technician, explained the Pickerel Lake Site 12 restoration project.

Manager Pacovsky offered the following motion:

Move to approve Resolution 2018-24 as follows:

Resolution 2018-24
Pickerel Lake Site 12 Wetland Restoration
INITIATE PROJECT
2018-05

WHEREAS, The Shell Rock River Watershed District Board of Managers (“Board of Managers”) pursues the mission of implementing reasonable and necessary improvements to the water-related and other natural resources within its boundaries;
WHEREAS, The Shell Rock River Watershed District (the “District”) is charged with implementing the Shell Rock River Watershed District Watershed Management Plan (the “Plan”);

WHEREAS, project goals and objectives set forth in the Plan include:

- Maintain water quality and clarity in Pickerel Lake
- Improve and enhance waterfowl habitat
- Prevent further erosion on lakeshore habitat
- Improve and enhance game fish habitat

WHEREAS, the District has pursued a comprehensive watershed approach to reduce sedimentation and improve water quality including filter strips, rock inlets, nutrient management systems, water and sediment basin installations, rough fish management practices, installation of fish barriers, septic system inspections, stream bank and ditch restoration projects and the installation of rain gardens.

THEREFORE be it hereby resolved that the Shell Rock River Watershed District:

Sec. 1: Initiates “Project No. 2018-05 Pickerel Lake Site 12 Wetland Restoration”
Sec. 2: Authorizes District Staff to negotiate appropriate professional services agreements to promote and complete Pickerel Lake Site 12 Wetland Restoration efforts.
Sec. 3: Authorizes District Staff and the District’s attorney to negotiate with area landowners for any necessary easement or fee title acquisition, subject to approval by the Board.
Sec. 4: Authorizes District Staff to conduct work as needed to present this project to the Board for review and public hearing as required by law.

Manager Bakken seconded the motion.
On a roll call vote, the following managers voted in favor of said motion: Kramer, Pacovsky, Bakken, and Pestorious. Vice-Chairman Pestorious declared the motion passed.

Scott Christenson informed the board of managers that Freeborn County issued a Request for Proposals (RFP) to prevent the spread of Aquatic Invasive Species (AIS) in Freeborn County.

Manager Bakken offered the following motion:
Move to apply for Freeborn County AIS Funding.
Manager Pacovsky seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

During manager discussion items, Vice-Chairman Pestorious made himself available after the meeting to answer any questions from the public.

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