

**Shell Rock River Watershed District
Regular Meeting Minutes
March 9, 2021**

Managers present via teleconference: Gary Pestorious, Al Bakken, Joe Pacovsky, Dan DeBoer, and Mick Delger

Managers absent: Brad Kramer and Mike Hanson

Chairman Delger called the regular meeting to order on March 9, 2021 at 8:30 a.m. via teleconference as provided by Minnesota Statute 13D.021 Sub. 1. All SRRWD staff and board members can hear one another, the meeting is recorded and streamed live via www.shellrock.org and Facebook, and all votes are taken by roll call.

Manager DeBoer offered the following motion:

Move to approve the consent agenda.

Manager Pestorious seconded the motion.

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

Manager Pestorious offered the following motion:

Move to approve the agenda with addition: Motion to approve engineering contract for the Miller Tract Property.

Manager Pacovsky seconded the motion.

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

Administrator Andy Henschel provided an overview of the Minnesota Pollution Control Agency (MPCA) Clean Water Partnership Loan Agreement. The District applied for the 10-year/zero interest loan in February as a means to improve cash flow for the Fountain Lake Restoration Project. The District was recently approved for the maximum loan award of \$1 million dollars.

Manager Pestorious offered the following motion:

Move to introduce Resolution 2021-04 as follows:

**Resolution 2021-04
Clean Water Partnership Project Loan**

BE IT RESOLVED by the Shell Rock River Watershed District Board that it hereby designates Andy Henschel, District Administrator as Project Representative for the implementation of the Fountain Lake Restoration Project.

The Project Representative shall have the authority to represent the Shell Rock River Watershed District in all Project matters that do not specifically require action by the Board.

BE IT FURTHER RESOLVED by the Shell Rock River Watershed District Board of Managers that, as Project Sponsor and a Loan Sponsor, the District enters into the attached Minnesota Clean Water Partnership Project Loan Agreement along with the Minnesota Pollution Control Agency to conduct the Fountain Lake Restoration Project.

BE IT FURTHER RESOLVED by the Shell Rock River Watershed District Board that the District Administrator, Andy Henschel be authorized to execute the attached Minnesota Clean Water Partnership Project Loan Agreement for the above referenced Project on behalf of Shell Rock River Watershed District as Project Sponsor and Loan Sponsor.

BE IT FURTHER RESOLVED by the Shell Rock River Watershed District Board that Andy Henschel, District Administrator be authorized to execute loan disbursement requests for the above referenced project to the Minnesota Pollution Control Agency on behalf of the Organization.

Manager DeBoer seconded the motion.

On a roll call vote, the following managers voted in favor of said resolution: Pestorius, Bakken, Pacovsky, DeBoer, and Delger. Chairman Delger declared the resolution passed.

Administrator Henschel explained some of the criteria for the MPCA Clean Water Partnership loan including a general obligation note and opinion regarding the District's finances.

Manager Pestorius offered the following motion:

Move to approve contract with Dorsey & Whitney to perform a general obligation note and opinion regarding the District's finances for the MPCA Clean Water Partnership loan program. Contract not to exceed \$5,000.00.

Manager Pacovsky seconded the motion. On a roll call vote, the following managers voted in favor of said motion: Pestorius, Bakken, Pacovsky, DeBoer, and Delger. Chairman Delger declared the motion passed.

Administrator Henschel provided a bonding update for the Fountain Lake Restoration project. The Minnesota Department of Natural Resource (DNR) requested that the District begin the permit process for phase 3 of the project. Representative Peggy Bennett requested a hearing for the project. Administrator Henschel will testify virtually before the House Capital Investment Committee after the board meeting.

Administrator Henschel informed the Board of Managers that a contractor for the Pickerel Lake Site 12 project did not comply with road restrictions. The Pickerel Lake Township came to an agreement with the contractor.

Administrator Henschel explained the winterkill on Pickerel Lake. The DNR will restock the lake this spring.

Administrator Henschel discussed the proposed solar farm east of Hayward. The farm will produce 150 megawatts of power and officials hope to begin construction by early fall 2022. The District was asked to write a letter of support for the project as the ground covers will aid with soil and water retention. Officials expect to focus on a pollinator-friendly cover that can be mowed. The cover will be installed as soon as the project is completed.

Manager Bakken offered the following motion:

Move to approve writing a letter of support for the Hayward Solar Project.

Manager DeBoer seconded the motion. On a roll call vote, the following managers voted in favor of said motion: Pestorius, Bakken, Pacovsky, DeBoer, and Delger. Chairman Delger declared the motion passed.

Project/Program Manager, Courtney Phillips, provided some background on the Pickerel Lake Property option agreement. The landowners approached the District in regard to the sale of their property. If purchased, the property would be permanently protected. Grant funding for the purchase of the property has been secured in Lessard-Sams Outdoor Heritage Council (L-SOHC) SRRWD Habitat Restoration Program Phase 7. The roughly 56-acre property is located east of Pickerel Lake and south of Albert Lea.

Manager DeBoer offered the following motion:

Move to introduce Resolution 2021-03 as follows:

Resolution 2021-3
Enter into Pickerel Lake Property (Belshan)
Option Agreement

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, Thomas and Janice Belshan, the landowners (the “Landowners”), approached the District in regard to their sale of the Pickerel Lake Property (the “Property”) to the District. This Property would be permanently protected if purchase by the District;

WHEREAS, the District staff recommends entering into an Option Agreement with the Landowners; and

WHEREAS, funding for the purchase of this Property has been secured in L-SOHC SRRW Habitat Restoration Program, Phase VII Grant allocation. The District will follow all requirements set forth in Appendix E of the grant agreement.

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

1. Authorizes an option agreement with Thomas and Janice Belshan; and

2. Authorizes District staff to execute all documents and record with Freeborn County Recorder's Office.

Manager Pestorious seconded the motion.

On a roll call vote, the following managers voted in favor of said resolution: Pestorious, Bakken, Pacovsky, DeBoer, and Delger. Chairman Delger declared the resolution passed.

Courtney continued with a motion to award a quote to seed the Miller Tract Property. This property is located east of Alden and north of Interstate 90 in the County Ditch 54 system. The restoration work is funded through multiple phases of the LSOHC Habitat Restoration Project. The District, in collaboration with the U.S. Fish and Wildlife Service (USFWS), will seed the roughly 130- acre property with native seeds. Two quotes were received: Shooting Star Native Seed \$90,440.00 and Minnesota Native Landscapes \$101,663.21.

Manager Pacovsky offered the following motion:

Move to award quote to Shooting Star Native Seed to seed Miller Tract Property.

Manager Bakken seconded the motion.

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

Courtney continued with another motion regarding engineering on the Miller Tract. Due to the complex infrastructure onsite and grant funds that need to be spent, the project was split into phases. Phase 1 will involve the private drainage system and Phase 2 will involve the County drainage system. The District received two quotes for engineering services for Phase 1 and the lowest was from ISG for \$26,900.00.

Manager Bakken offered the following motion:

Move to award ISG engineering service agreement for Phase 1 of the Miller Tract Program.

Manager Pacovsky seconded the motion.

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

Courtney discussed two property contracts for improvement projects on the outlet of judicial ditch 9 near Pickerel Lake. This project is funded through the Board of Waters and Soil Resources (BWSR) Targeted Watershed.

Manager DeBoer offered the following motion:

Move to approve Gitta Trust Property Contract.

Manager Pestorious seconded the motion.

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

Manager DeBoer offered the following motion:

Move to approve Fisher Property Contract.

Manager Bakken seconded the motion.

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

Courtney provided an update on the One Watershed, One Plan. The Steering Committee has been working on the Implementation Table to prioritize projects. Once complete, a draft of the table will be available for review by other committees and agencies.

No reports were provided from the Board of Managers.

The Board of Managers did not have any additional items they wanted to discuss.

Administrator Henschel reminded the Board of Managers that the next board meeting has been scheduled for April 13, 2021.

Manager Pacovsky offered the following motion:

Move to adjourn the meeting.

Manager Pestorious seconded the motion.

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