

**Shell Rock River Watershed District
Regular Meeting Minutes
June 8, 2021**

Managers present: Gary Pectorious, Al Bakken, Brad Kramer and Mick Delger

Managers present via teleconference: Joe Pacovsky

Managers absent: Dan DeBoer and Mike Hanson

Chairman Delger called the regular meeting to order on June 8, 2021 at 8:30 a.m. All SRRWD staff and board members could hear one another, the meeting was recorded and streamed live via www.shellrock.org and Facebook, and all votes were taken by roll call.

No comments were received during the Public Forum portion of the meeting.

Manager Kramer offered the following motion:

Move to approve the consent agenda as presented.

Manager Pacovsky seconded the motion.

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

Manager Kramer offered the following motion:

Move to approve the agenda with addition: 5d Resolution 2021-14 Bonding Fund Application.

Manager Pectorious seconded the motion.

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

Administrator Henschel discussed the disposal or sale of unused property that was donated to the District in the sale of the 257 acre property. The 4.13-acre parcel is located south of the Albert Lea Lake dam and includes a house, garage, lean-to, windmill, steel roofing, and miscellaneous items of wood, tin, and other above-ground structural components and debris that are unused by the SRRWD. There is also gravel on the property that is excess to the District.

Manager Bakken offered the following motion:

Move to introduce Resolution 2021-11 as follows:

Resolution 2021-11

Disposal or Sale of Unused Property on Headwaters Property

WHEREAS, the Shell Rock River Watershed District Board of Managers ("Board of Managers") pursues the mission of improving water quality within its boundaries;

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

WHEREAS, the SRRWD owns property known as the Headwaters Property (the "Property");

WHEREAS, the Property was purchased as part of Headwater Land Purchase and the individual residing in the home has since passed away;

WHEREAS, upon the Property is a house, garage, lean-to, and miscellaneous items of wood, tin, and other above-ground structural components and debris that are unused by the SRRWD nor fits its planned use of the Property;

WHEREAS, some items including the garage, windmill, and steel roofing may have value to another and the SRRWD desires to sell any items of value consistent with applicable law;

WHEREAS, there is gravel on the Property that is excess to the SRRWD, but may have value to others and the SRRWD will seek to sell the gravel consistent with Minnesota law;

WHEREAS, other outbuildings and debris have no value and need to be removed and disposed of;

WHEREAS, the SRRWD seeks to sell and/or dispose all unused items on the Property, as the interests of the SRRWD require and consistent with applicable law, including the house, garage, lean-to, windmill, gravel, and other miscellaneous unused property and convert the asset into funds to be put into future projects; and

WHEREAS, the SRRWD will pursue the sale and/or the disposal of the excess property consistent with applicable laws and in the interests of the SRRWD. NOW THEREFORE, be it hereby resolved by the SRRWD:

Section 1: The SRRWD finds the house, garage, lean-to, windmill, gravel, and miscellaneous items on the Headwaters Property are excess property not used by the SRRWD; and

Section 2: The staff, the Chairman of the Board of Managers, and the Secretary are authorized to pursue sale or disposal of the property consistent with applicable laws.

Manager Kramer seconded the motion.

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

Administrator Henschel continued by discussing the Confined Disposal Facility (CDF). The CDF was constructed to hold dredge slurry as part of the Fountain Lake Restoration Project. There is excess clay material on site and the SRRWD has received inquiries to sell the material.

Manager Pestorious offered the following motion:

Move to introduce Resolution 2021-12 as follows:

Resolution 2021-12

CDF Site Disposal of Clay

WHEREAS, the Shell Rock River Watershed District Board of Managers ("Board of Managers") pursues the mission of improving water quality within its boundaries;

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

WHEREAS, the SRRWD owns property known as the CDF Site (the "Property")

WHEREAS, the Property was purchased for the construction of CDF (Confined Disposal Facilities) to hold dredge slurry as part of the Fountain Lake Restoration Project;

WHEREAS, upon the Property is excess clay material that is unused by the SRRWD nor fits its planned use of the Property;

WHEREAS, the SRRWD has received inquiries to sell the clay material;

WHEREAS, the SRRWD seeks to sell the clay material as excess and unused property and convert the asset into funds to be put back into SRRWD projects; and

WHEREAS, the SRRWD will pursue sale of the excess property consistent with applicable laws and in the interests of the SRRWD.

NOW THEREFORE, be it hereby resolved by the SRRWD:

Section 1: The SRRWD finds the clay material on the CDF Site is excess property not used by the SRRWD; and

Section 2:

The staff, the Chairman of the Board of Managers, and the Secretary are authorized to pursue sale of the clay material consistent with applicable laws and in the interests of the SRRWD.

Manager Kramer seconded the motion.

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

Administrator Henschel discussed funding for the Fountain Lake Restoration Project. The District requested \$7.5 million to complete the project, Phase 2 – Main Bay (East Basin), Bancroft Creek, and parts of Bancroft Bay. In case the Minnesota Legislature does not pass the current bonding bill, the District will apply for the Minnesota Management and Budget (MMB) for financial assistance, plus inflation, for 2022.

Manager Kramer offered the following motion:

Move to apply for Minnesota Management and Budget.

Manager Pacovsky seconded the motion.

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

Manager Bakken offered the following motion:

Move to introduce Resolution 2021-14 as follows:

Resolution 2021-14
Bonding Fund Application

WHEREAS, The Shell Rock River Watershed District Board of Managers (“Board of Managers”) pursues the mission of improving water quality 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”);

BE IT RESOLVED that the Shell Rock River Watershed District (hereinafter referred to as “Authorized Official” or “District”) acts as legal sponsor for the project contained in the 2022 Bonding Request application for Fountain Lake Sediment Dredging (the “Project”) to be submitted on June 18, 2021 and that Authorized Official is hereby authorized to apply to the State of Minnesota (the “State”) for funding of this Project on behalf of the District.

BE IT FUTHER RESOLVED that the District has the legal authority to apply for financial assistance, and the institutional, managerial and financial capability to ensure adequate acquisition, maintenance and protection of the proposed Project.

BE IT FURTHER RESOLVED that the District has not violated any Federal, State, or local laws pertaining to fraud bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED that upon approval of the application by the State, the Authorized Official may enter into an agreement with the State for the above-referenced Project, and that the District certifies that it will comply with all applicable laws and regulations as stated in the contract agreement.

NOW, THEREFORE BE IT RESOLVED that Andy Henschel, Administrator for the Shell Rock River Watershed District, is hereby authorized to execute such agreements as are necessary to implement the project on behalf of the District.

I CERTIFY THAT the above was adopted by the Board of Managers of the Shell Rock River Watershed District on June 8, 2021.

Manager Pestorius seconded the motion.

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

Administrator Henschel discussed the sale of the Country Club Property. The District lacks data regarding the condition of the sanitary sewer. This data would be helpful for potential buyers.

Manager Pestorius offered the following motion:

Move to contract with Empire Pipe Services to Clean, Televis/Inspect the Sanitary Sewer on the County Club Property.

Manager Kramer seconded the motion.

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

Administrator Henschel provided an update regarding the Fountain Lake Restoration Project. The dredging contractor, J.F. Brennan Company Inc., is still dredging in the middle of the lake due to Minnesota Department of Natural Resources (DNR) best practices to allow for fish spawning. Also, an abandoned 3 inch pipeline was discovered while dredging. After lots of research, no agencies have any information regarding the pipeline. Administrator Henschel discussed options including removing the pipeline at the District's expense or leaving the pipeline and dredging around it. The contractor will calculate costs and the Board of Managers will discuss further at the next board meeting. Furthermore, the contractor has reached a natural clay lake bottom in an area while dredging. Per permitting, the contractor will stop dredging and make up the volume in a different area of the lake. More information will be brought to the Board of Managers at the next board meeting.

Administrator Henschel provided a legislative update. Rep. Peggy Bennett and Sen. Gene Dornick continue to support the District's request for bonding. As previously discussed, the District will apply for the MMB in case the bonding bill does not pass this year.

Administrator Henschel introduced the SRRWD summer intern, Hunter Rigg. Hunter comes to us from the Quad Cities, IL. He graduated from the University of Wisconsin-Whitewater with his Bachelors of Science degree. He majored in geography with an emphasis in geology and a minor in history. He is interested in hydrogeology and enjoys water monitoring.

Project/Program Manager, Courtney Phillips, provided some background on the Miller Tract Wetland Restoration. Phase 1, currently underway, includes the creation of wetland basins from private tile modifications. The SRRWD contracted with ISG to engineer Phase 1 of the project and Jensen Excavating and Trucking LLC to complete the work. Phase 2 of the project will focus on the public drainage system. The SRRWD will again contract with ISG for engineering. The proposal value totals \$72,060 but the Topographic Survey of \$7,500 will be removed from Phase 2 Scope of Services and be moved to Phase 1.

Manager Pacovsky offered the following motion:

Move to Award Engineering Services for Miller Tract Wetland Restoration Part 2 to ISG for \$64,560.00

Manager Kramer seconded the motion.

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

Courtney continued by discussing the Shell Rock River Project plan. The Aquatic Management Area (AMA) portion will include the construction of multiple Best Management Practices (BMPs) including six rock riffle structures and seven different area of tree revetments. These BMPs will combat over-widening and narrow the channel. The portion near the Panicum Prairie will include the installation of toe wood to protect the streambanks from erosion. The 60% plans have been sent to the DNR, who are the property owners, and the Board of Water and Soil Resources (BWSR) for review and comment. The SRRWD will move forward with permitting. The project is expected to go out for bid in August.

Courtney continued by handing out and discussing the Lessard-Sams Outdoor Heritage Council (LSOHC) grant for the Shell Rock River Watershed Habitat Restoration Program. To date, the SRRWD has received \$17 million dollars from the LSOHC, not including Phase 11. Administrator Henschel highlighted completed projects and thanked the SRRWD staff.

Courtney concluded with an update on the One Watershed, One Plan (1W1P). Due to employee turnover, the 1W1P contract moved from RESPEC to ISG. The novation of contract and contingency allow for the transition and costs.

Technical Specialist, Scott Christenson, provided some background on the Bancroft Property. The sandy and steep parcel, which bisects Bancroft Creek and Freeborn County drainage system 65, will be purchased using funds from the LSOHC Habitat Restoration Project, Phase 9. The property will be permanently protected.

Manager Kramer offered the following motion:

Move to introduce Resolution 2021-13 as follows:

Resolution 2021-13
Bancroft Property
Option Agreement Execution

WHEREAS, on September 22, 2020, the Shell Rock River Watershed District entered into an option agreement to purchase real estate owned by Gregory Mark Ristau and Tammy Jo Liska as Trustees of the Cordelia G. Olson Revocable Trust, (the “Landowners”),

WHEREAS, the Original Option Agreement was recorded as Document A-547848 in the Office of the Freeborn County Recorder, on March 25, 2021;

WHEREAS, funding for the acquisition of the Bancroft Property was approved by the Lessard-Sams Outdoor Heritage Council;

WHEREAS, the District received an appraisal establishing the appraised value of the Bancroft Property at Five hundred Eighty Eight Thousand Five hundred (\$588,500);

WHEREAS, the Board of Managers now desires to exercise the Option Agreement and complete the purchase of the real estate.

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

1. Authorizes Exercise of the Option granted in the Option Agreement dated September 22, 2020; and
2. Authorizes District staff to execute all documents properly exercisable by District staff to facilitate and affect this purchase of real estate.

Manager Pestorious seconded the motion.

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

During Manager's Items, Manager Pacovsky and Courtney Phillips discussed the previous Lakes Foundation/Citizen Advisory Committee meeting. The group received funds back from the Albert Lea Sportsman's Club and will plan an Albert Lea Floats event in the near future. More information will be shared when it becomes available.

Administrator Henschel reminded the Board of Managers that the next board meeting has been scheduled for July 13, 2021. At this meeting, two managers will be appointed or reappointed to the SRRWD Board of Managers. The election of officers will take place too and subcommittees will be discussed. A Personnel Committee will be scheduled in the near future as well.

Manager Bakken 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, Kramer, Bakken, Pacovsky, and Delger. Chairman Delger declared the motion passed.