Managers present: Dan DeBoer, Mick Delger, Gary Pestorious, Brad Kramer, Al Bakken, and Joe Pacovsky

Managers absent: Mike Hanson

Chairman Delger called the Regular Meeting to order November 12, 2019 at 8:30 a.m. at the Albert Lea City Council Chambers, 221 East Clark Street, Albert Lea, MN 56007.

Chairman Delger opened a public hearing to review the Lower Twin Lake Fish Barrier. Norman Bangert, 70678 154th St. Albert Lea, MN 56007, spoke in opposition to three beaver dams located below the outlet of the lake. These dams are affecting the water level and impacting agricultural fields upstream. Virgil Schewe, 15243 700th Ave. Albert Lea, MN 56007, similarly spoke in opposition to the beaver dams. Technical Specialist, Scott Christenson, explained that Department of Natural Resources (DNR) permits are needed to remove the dams and provided the landowners with DNR contact information.

Manager DeBoer offered the following motion:

Move to approve the consent agenda as follows:

a. Minutes of the October 8, 2019 SRRWD Monthly Board Meeting
b. October 2019 Treasurer’s Report Subject to Audit
c. October 2019 Project Fund Treasurer’s Report Subject to Audit
d. Authorize Payment of Claims
e. Authorize Payment of Project Fund Disbursements

Manager Pacovsky 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 agenda with no addition, corrections or deletions.

Manager Bakken seconded the motion.

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

Administrator Andy Henschel provided a Minnesota Association of Watershed Districts (MAWD) legislative update regarding the proposed general levy increase. Rural watershed district have not increased general fund levy since 2001. The unchanged $250,000 annual budget has ultimately diminished capacity to be able to provide match dollars required when applying for grants to build the projects and activities desired and vetted by local citizens.
Manager DeBoer offered the following motion:
Move to introduce Resolution 2019-19 as follows:

Resolution 2019-19
Shell Rock River Watershed District
Regarding the General Operating Levy

WHEREAS, the Shell Rock River Watershed District (SRRWD) generates revenue through a general operating levy as authorized for watershed districts under Minnesota Statute 103D.901 subdivision 1. This Statute caps each watershed district’s levy at 0.048% of the estimated market value (EMV) or $250,000, whichever is less, regardless of the size or tax capacity of each district;

WHEREAS, if the levy was only limited to the 0.048% EMV cap, SRRWD would be allowed to levy $886,412 in 2020, but instead is limited to $250,000;

WHEREAS, the $250,000 limit authorized by the legislature in 2001 is equal to $361,000 in today’s dollars and that amount does not take into account the additional workload created for watershed districts by new state water management programs over the past 19 years;

WHEREAS, the SRRWD uses the general levy to not only fund operational expenses such as rent, equipment, and supplies, it also uses the money to pay for staff time and laboratory analysis to monitor our lakes and streams for water quality issues, conduct community education and outreach activities, prioritize the best location for best management practices, and will be needed to implement activities planned for and documented in the new statewide One Watershed One Plan initiative;

WHEREAS, the SRRWD must also use this levy when it wants to construct pollution or flood reduction projects or to provide match dollars for state or federal implementation grants to build these same projects;

WHEREAS, the SRRWD has successfully brought in $33,830,836 in grants while only taxing $3,815,402 locally from 2004 to 2018. This represents $8.86 of additional funds coming into the district for every $1 taxed. Over the course of the last 14 years, this means the SRRWD, for each of the approximately 157,440 acres in the SRRWD, taxed $24.23 per acre and in return brought in $214.88 per acre in outside funding;

WHEREAS, an unchanged $250,000 annual budget has ultimately diminished capacity to be able to provide match dollars required when applying for grants to build the projects and activities desired and vetted by its local citizens;

WHEREAS, the SRRWD is fiscally responsible, yet the current significant SRRWD projects legitimize the requested increase;

WHEREAS, the Minnesota Association of Watershed Districts (MAWD) assists districts with legislation that is needed by its members to provide adequate service to its residents;
NOW, THEREFORE, BE IT RESOLVED that the SRRWD asks MAWD members to support an increase in SRRWD’s general operating levy cap from $250,000 to an amount not to exceed $500,000.

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

Administrative Henschel introduced the upcoming Reel Paddling Film Festival. The event will be held in May, 2020, and feature the world's best canoeing, kayaking, whitewater, SUP and kayak fishing films at over 120 venues around the world, including Albert Lea.

Manager Pacovsky offered the following motion:
Move to approve co-sponsorship for the Reel Paddling Film Festival – May 2020 – not to exceed $1,000.00.
Manager Pestorious seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Administrator Henschel explained that the SRRWD will be asking the Minnesota legislature for an additional $7.5 million in 2020 in order to complete Phase 3 of the project (Main Bay East Basin, Bancroft Creek and parts of Bancroft Bay). The SRRWD hosted the House Capital Investment Committee on October 21, 2019 at 4:30PM and discussed the Fountain Lake Restoration Project and the need for additional funding. A Senate hearing has been scheduled for early 2020.

Administrator Henschel provided an update on the Fountain Lake Restoration Project. Dredging has ceased in Edgewater Bay and the dredge will be removed from the lake for another project. The dredge will return in spring to finish portions of Edgewater Bay. The dredge will then move to the Main Bay and Dane’s Bay. Completion of Confined Disposal Facility (CDF) cells 2&3 were delayed due to rain. The SRRWD is working with the contractor, Veit, to focus on cell 2 and/or additional room in cell 1 for the beginning of the dredging season in 2020.

Project/Program Manager, Courtney Phillips, provided updates:

- One Watershed, One Plan process continues, including a recent Steering Committee meeting dedicated to ranking issue statements. A meeting is scheduled for later today and the committee will discuss future conditions and 10-year goals. An Advisory Committee meeting is scheduled for December.
- Regarding Credit Trading, a second technical team meeting with state agencies was held and policy issues were discussed. The Pioneer Park project is being used for a mock trade. The project is a partnership between the SRRWD and the city of Albert Lea. A meeting in St. Paul has been planned to meet with assistant commissioners and agency staff to remind them of initiatives and to clear any roadblocks before the project is complete.
- The Wasmefen Wetland Restoration project is underway. Jensen Excavating has completed a large portion of the scraping and berms construction. Final berm work, tile breaks, and tile reroutes are scheduled for mid-November.
Courtney Phillips provided information regarding the Mud Lake Property. Funded by the Lessard-Sams Outdoor Heritage Council (LSOHC) Phase 5, the District will purchase the property (approximately 23 acres) and donate it to the DNR. This will add to the Magaksica WMA that is already in place. This project will improve the management capability of the Mud Lake Basin and offer permanent protection and habitat projection.

Manager Pacovsky offered the following motion:

Move to introduce Resolution 2019-20 as follows:

**Resolution 2019-20**

**Mud Lake Property**

**Option Agreement Execution**

WHEREAS, the Shell Rock River Watershed District Board of Managers (“Board of Managers”) entered into an Option Agreement dated March 19, 2019, recorded as Document A-536850 in the Office of the Freeborn County Recorder, to purchase real estate;

WHEREAS, at the request of the landowner, the Board of Managers entered into an Amended Option Agreement dated May 14, 2019, recorded as Document A-537559 in the Office of the Freeborn County Recorder;

WHEREAS, the Amended Option Agreement dated May 14, 2019 authorized the Board of Managers to use a Contract for Deed to facilitate the purchase of the real estate;

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

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

1. Authorizes Exercise of the Option granted in the Option Agreement dated March 19, 2019, as amended on May 14, 2019;
2. Authorizes Execution of the Contract for Deed as included in the May 14, 2019 Amended Option Agreement;
3. Authorizes District staff to execute all documents properly exercisable by District staff to facilitate and affect this purchase of real estate; and
4. Authorizes District staff to make non-material changes to all documents in an effort to facilitate and affect this purchase of real estate.

Manager DeBoer seconded the motion.
On a roll call vote, the following managers voted in favor of said resolution: DeBoer, Kramer, Pacovsky, Bakken, Pestorious, and Delger. Chairman Delger decaled the resolution passed.
Technical Specialist, Scott Christenson, provided additional information regarding the Lower Twin Lake Fish Barrier. Several beaver dams are located at the outlet of Lower Twin Lake on a designated Wildlife Management Area (WMA). A permit is required for the removal of the dams. Scott provided contact information for concerned citizens. Project plans were sent to DNR and BWSR for review. Due to low gradient changes, an alternative rock berm fish barrier, was engineered for the project. This natural and low maintenance barrier has been used extensively in Iowa. Timing on this project is critical as LSOHC funding deadline is June 30, 2020.

Manager Pestorious offered the following motion:

Move to introduce Resolution 2019-21 as follows:

Resolution 2019-21
Lower Twin Lake Fish Barrier
Phase #1 Plan 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, project goals and objectives set forth in the Plan include:

- Install fish barrier
- Improve water quality and clarity in Lower Twin Lake
- Reduce and manage the rough fish population
- Employ lake management techniques to restore and improve aquatic vegetation
- Improve and enhance waterfowl habitat

WHEREAS, On July 14, 2015, the District initiated Lower Twin Fish Barrier by Resolution 2015-08;

WHEREAS, the Board of Managers having reviewed the Project Plan Phase #1, and has determined that approval of the Project Plan will further the objectives of the Plan;

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, the Board of Managers hereby finds that the Project has the potential to promote the public interest and welfare, is practicable, and conforms to the watershed management plan as set forth above.

NOW THEREFORE, be it hereby Resolved that the Shell Rock River Watershed District:
Sec. 1: Approves the Project Plan Phase #1 dated October 30, 2019 as presented by WSB & Associates; and
Sec. 2: Authorizes District staff to conduct work as needed to present this project to the Board for final review and public hearing as required by law.

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

Manager Pacovsky offered the following motion:
Move to introduce Resolution 2019-22 as follows:

Resolution 2019-22
Lower Twin Lakes Fish Barrier Part 1
Establishment
Project - 2015-03

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, 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.

WHEREAS, On July 14, 2015, the District initiated the Lower Twin Lakes Fish Barrier Project by Resolution 2015-07;

WHEREAS, The Project Plan was forwarded to the Board of Water and Soil Resources (BWSR) and Department of Natural Resources (DNR) for their review and comment. Comments were received from BWSR by letter dated October 30, 2019;

WHEREAS, On November 12, 2019, by Resolution 2019-21, the Board of Managers approved the specifications for phase #1 of the Project(Final Project Plan for phase #1);

WHEREAS, a public hearing was held on November 12, 2019 to review the project plan;
THEREFORE, the Board of Managers hereby finds that the proposed Lower Twin Lakes Fish Barrier Part 1 Project has the ability to promote the public interest and welfare in conformity with the watershed management plans as set forth above.

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

Sec. 1: Establishes “Project No. 2015-03 Lower Twin Lakes Fish Barrier #1”,
Sec. 2: Authorizes District Staff to complete the Project set forth in the Final Project Plan for phase #1;
Sec. 3: Authorizes District Staff and the District’s attorney to obtain bids; request for approvals and enter into any other agreement or contracts necessary to complete the project

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

Scott Christenson explained that the Lower Twin Fish Barrier was initially budgeted for an electrical barrier. Due to the alternative, a rock berm barrier, there is a reduced cost. The remainder of the grant dollars can be used for downstream enhancements.

Manager Bakken offered the following motion:  
Move to approve Lower Twin Lake Fish Barrier Stream Enhancement Easements – Part 2 – and authorize District staff to make non-material changes to easements.
Manager Pacovsky seconded the motion.  
After discussion, a vote was taken and the motion was unanimously approved.

Manager Bakken offered the following motion:  
Move to support the agricultural community by requesting the SRRWD to send a letter to the DNR to remove beaver dams and return the lake level on Lower Twin Lake.
Manager DeBoer seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Manager Delger reminded citizens to Adopt-a-Drain. The City of Albert Lea may offer an incentive to citizens who sign up. More information to come.

Upcoming meetings were discussed.

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