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

Managers absent: Mike Hanson

Chairman Pestorious called the Regular Meeting to order September 11, 2018 at 8:30 a.m. at the Albert Lea City Council Chambers, 221 East Clark Street, Albert Lea, MN 56007.

Chairman Pestorious opened a public hearing for the 2019 Administrative Levy. No comments were received. The public hearing was closed.

Chairman Pestorious opened a public hearing for the 2019 Debt Service Levy. No comments were received. The public hearing was closed.

Chairman Pestorious opened a public hearing for the 2019 Administrative and Project Fund Budgets. No comments were received. The public hearing was closed.

Manager Bakken requested that the Dredge Committee meeting minutes be removed from the consent agenda and corrected. Correction includes replacing the word ‘approved’ with ‘recommended.’

Manager Kramer offered the following motion:

Move to approve the consent agenda as follows:

- Minutes of the August 15, 2018 SRRWD Monthly Board Meeting
- Minutes of the July 25, 2018 Citizen Advisory Committee Meeting
- August 2018 Treasurer’s Report Subject to Audit
- August 2018 Project Fund Treasurer’s Report Subject to Audit
- Authorize Payment of Claims
- Authorize Payment of Project Fund Disbursements

Manager Pacovsky seconded the motion.

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

Manager DeBoer offered the following motion:

Move to approve agenda with changes and additions:

- Approve Dredge Committee meeting minutes with correction
- Delete ‘Rebid’ to 9e Motion to Reject all Fountain Lake Wetland Bank Project Bids
- Add 9e-2 – Resolution 2018-29 Fountain Lake Wetland Bank Project Contract Award
- Add Motion to Table 11a – Resolution 2018-33 Upper Twin Lake Project Bid Award
- Add 11b Motion to Rebid Upper Twin Lake Project - October 1, 2018

Manager Kramer seconded the motion.

After discussion, a vote was taken and the motion was unanimously approved.
Manager Bakken offered the following motion:
  Move to approve Dredge Committee minutes with correction.
Manager Delger seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Public Forum – No comments were received.

Brian Hensley, Lakes Foundation President, emphasized the committee’s fundraising efforts and invited the public to attend their next meeting on September 19, 2018 at 4:00 pm at the Convention and Visitors Bureau.

Manager Delger offered the following motion:
  Move to approve the 2019 Administrative Levy and Certify the Administrative Levy to the Freeborn County Auditor-Treasurer.
Manager Bakken seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Manager DeBoer offered the following motion:
  Move to approve the 2019 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 Delger offered the following motion:
  Move to approve the 2019 Administrative Budget.
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 approve the 2019 Project Budget.
Manager Kramer seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Administrator Henschel explained the Fountain Lake Wetland Bank project. This project will create a wetland bank at the old Country Club site for the purpose of compensating for unavoidable impacts to wetlands during projects, specifically the construction of cells 2&3 of the Confined Disposal Facility. Because the lowest bid submitted was 30% higher than the engineer’s estimate, the SRRWD will reject all the bids.

Manager Delger offered the following motion:
  Move to reject Fountain Lake Wetland Bank Project bids.
Manager Pacovsky seconded the motion.
After discussion, a vote was taken and the motion was unanimously approved.

Administrator Henschel explained that the Fountain Lake Wetland Bank project contract exceeds $25,000 but not $175,000; therefore, the contract may be made by obtaining two or more quotations. Two quotes by direct negotiation were received, for $129,831.15 and $149,048.85, for the completion of the project.
Manager Kramer offered the following motion:

Move to introduce Resolution 2018-29 as follows:

Resolution 2018-29
Fountain Lake Wetland Bank Project
CONTRACT AWARD

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 "Management Plan");
WHEREAS, following MN Statute 2016, section 471.345, subdivision 3,(2018) two quotes by direct negotiation were received, for $129,831.15 and $149,048.85, for the completion of the Project pursuant to the Project specifications;

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 by the Shell Rock River Watershed District:

Section 1: The Contract is awarded to Bennett & Sons Sand and Gravel with the lowest quote and in the best interests of the District pursuant to the terms of the Contract; 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.

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

Administrator Henschel gave an update on the Fountain Lake Restoration project. Dredging in Edgewater Bay is expected to wrap up for the year in early October as sediment pulled from the lake bottom works its way to the fill point for the confined disposal facility. JF Brennan, the dredging company hired to complete phase one of the Fountain Lake project, has dredged over 200,000 cubic yards of sediment of a bid contract that specified no more than 300,000 cubic yards would be put into CDF cell one. The dredge will be winterized but will stay in the lake. Regarding CDF cells 2&3, construction will begin this fall due to compaction needed on the berm areas where peat soils were found.

Resource Technician, Courtney Phillips, provided an update on the One Watershed, One Plan (1W1P). In early July, the District submitted a grant for $188,000 on behalf of One Watershed, One Plan planning group of Freeborn County, Freeborn SWCD, the City of Albert for the implementation of the Shell Rock and Winnebago 1W1P. The BWSR Board approved funding the grant request. A kickoff meeting has been scheduled in early November. A Policy Committee will be formed and a member of the SRRWD board is required to sit on this committee.

Courtney Phillips continued with a credit trading update. The Legislative-Citizen Commission on Minnesota Resources (LCCMR) appropriated $300,000 for credit trading to the SRRWD. The SRRWD is in the process of completing an Request for Proposals (RFP) for credit trading consultants and
engineers. The RFP will be released in September and awarded in November. The plan needs to be finalized by July 2020.

Courtney Phillips provided an update on the Phase 8 Habitat Restoration proposal with the Lessard-Sams Outdoor Heritage Council. The District requested $3,887,100 in total funding for 7 projects. The hearing went well and allocations amounts to the legislature will be recommended in October.

Scott Christenson provided an update on the Upper Twin Lake Pump Station project. Because no bids were received, the SRRWD would like to table the bid award resolution. The project will be redid in October.

Manager Pacovsky offered the following motion:

Move to table Resolution 2018-33- Upper Twin Lake Project Bid Award.

Manager Kramer seconded the motion.

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

Manager Kramer offered the following motion:

Move to rebid the Upper Twin Lake Project.

Manager Pacovsky seconded the motion.

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

Scott Christenson provided an update on the fish population in Albert Lea and Fountain Lakes. The Department of Natural Resource (DNR) assessments showed an extreme increase in black bullhead numbers with catch that more than quadrupled from the last DNR assessment in 2015. Common carp netted more than doubled during the same time period. The lake has also seen a substantial decline in walleye and yellow perch. Of native fish assessed, black crappies and orange-spotted sunfish showed increases from the last survey. DNR assessments in Fountain Lake show a black bullhead number increase, a solid black crappie population and a low common carp population. Christenson said netting surveys conducted did not bring in young carp. He also noted community members are catching fish out of the dredge cuts. In Pickerel Lake, Christenson said 2017 sampling showed reductions in phosphorus compared to 2007. The District will conduct electrofishing surveys to update the biomass estimates in Fountain Lake.

Administrator Henschel scheduled a dredge committee meeting on September 20, 2018 and recommended a workshop on December 13, 2018.

Manager Bakken reported that there is not a dock at the new Pickerel Lake landing. He requested that the SRRWD look into this project.

Manager Kramer offered the following motion:

Move to adjourn the meeting.

Manager DeBoer seconded the motion.

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