Managers present: Dan DeBoer, Joe Pacovsky, Gary Pestorious, Bruce Haugsdal and Mick Delger

Managers absent: Al Bakken and Mike Hanson

Chairman DeBoer called the special meeting to order May 16, 2017 at 8:30 a.m. at the Albert Lea City Council Chambers, 221 East Clark Street, Albert Lea, MN 56007.

Manager Haugsdal offered the following motion:

Move to approve agenda with the following corrections and additions:

- Remove agenda item 3.
- Switch the order of agenda items 5 and 6.
- Agenda item 5 will stay a bond discussion with the possibility of taking action via a resolution.

Manager Pestorious seconded the motion.

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

Chairman DeBoer opened a public forum at 8:31 a.m. to review the Fountain Lake Restoration Project plan and comments received.

Brad Haugen, 18893 800th Ave., Hayward, MN 56043 questioned how the SRRWD would protect the water from contamination with sandy soil lining the Confined Disposal Facility (CDF). Secondly, he questioned what the SRRWD will do to protect the main body of the lake from contaminants by the landfill. Andy Henschel, Director of Field Operations, discussed the extensive soil borings done at the CDF to ensure the clay lining would reduce the effects of seepage. He also noted that when the sediment is pumped to the CDF it will act as its own layer on the bottom of the site and the water weir will then take the water out. In addition, the Minnesota Department of Natural Resources (DNR) issued the SRRWD a Dam Safety Permit thus reiterating the fact that the site can hold the sediment safely. Regarding Bancroft Bay, there are no tier 3 contaminates in the lake so the sediment does not need to be landfilled. Depending on agency review and funding, Bancroft Bay could be included in Phase III of the Fountain Lake Restoration Project. Attorney Matt Benda gave a brief history Fountain Lake Restoration Project and clarified the purpose of today’s public hearing.
Laura Cunningham, 1204 Cedar Ave., Albert Lea, MN, 56007 shared a story about a recent experience she had talking to students about water clarity and water quality. She thanked the board for their efforts and supports the dredging project.

Andy Henschel, Director of Field Operations, explained the process of initiating the Fountain Lake Restoration Project, specifically sending the project plan to the Board of Water and Soil Resources (BWSR) and DNR for comment. BWSR did respond with comments on May 1, 2017. These comments were included in the agenda packet. Natural Resource Technology (NRT) responded on behalf of the SRRWD. The response was included in the agenda packet. The SRRWD did not receive any comments from the DNR at the time of the board meeting.

Manager Haugsdal offered the following resolution:

Move to approve Resolution 2017-05 as follows:

Resolution 2017-05
FOUNTAIN LAKE RESTORATION - DREDGE CONTRACT NO. 1
PROJECT NO. 2013-02
ESTABLISHMENT ORDER

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”);

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

Implement rehabilitation that improves water quality and clarity in Fountain Lake;
Employ lake management techniques to restore and improve aquatic vegetation;
Consolidation, removal and stabilization of lake bottom sediments;
Control of rough fish populations;
Enhancement of aesthetic values;
To reduce water and wind erosion;
Reduce soil loss during storm events; and
Reduce sediment delivery to surface waters.

WHEREAS, in 2005, Albert Lea voters overwhelmingly approved a .5% sales tax to fund local water projects;

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
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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, the District initiated the Fountain Lake Restoration Project, Resolution 2013-02, on January 8th, 2013;

WHEREAS, the District has identified numerous Project goals and objectives from the Plan that are accomplished by the Project;

WHEREAS, Minnesota Session Laws 2014, Chapter 295, Section 2, subdivision 3 appropriated $7,500,000 from the general fund for a grant to the SRRWD for sediment removal and cleanup of Fountain Lake, including engineering, design, permitting, and land acquisition for deposit of removed sediment;

WHEREAS, the District established the first component of the Fountain Lake Restoration Project on July 12, 2016, for the construction of the Confined Disposal Facilities by Resolution 2016-13;

WHEREAS, on April 4th, 2017 the Freeborn County Commissioners approved a Petition of Freeborn County for the completion of the Dredge Contract 1 Component of the Fountain Lake Restoration Project as provided for under Minn. Stat. 103D.705, subd. 2;

WHEREAS, the District retained the engineering firm of Natural Resources Technology and the Board of Managers was presented with an engineering proposal for the dredging of Fountain Lake Contract No. 1 dated April 6th, 2017 from Natural Resources Technology (the “Project Plan”);

WHEREAS, on April 11th, 2017, by Resolution 2017-02, the Board of Managers initiated Project 2013-02, Fountain Lake Restoration - Dredge Contract No. 1 (the “Project”) and approved the specifications for the Project Plan;

WHEREAS, the Project Plan was forwarded to the Board of Water and Soil Resources and the Department of Natural Resources for their review and comment by letters dated April 12th, 2017;

WHEREAS, the Board of Managers received, reviewed, and considered comments from the Board of Water and Soil Resources regarding the Project Plan;

WHEREAS, no comments were received from the Department of Natural Resources;

WHEREAS, a public hearing was held on May 16th, 2017 to review the Project Plan; and

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

THEREFORE, the Board of Managers hereby finds that the Project has the potential to promote the public interest and welfare, is practicable, conforms to the watershed management plan as set forth above and Minn. Stat. 103D, and will result in benefits that will be greater than the cost of implementation of the Project.
NOW THEREFORE, be it hereby Resolved that the Shell Rock River Watershed District:

Sec. 1: Establishes “Project 2013-02, Fountain Lake Restoration - Dredge Contract No. 1”;

Sec. 2: Authorizes District staff to complete the Project as set forth in the Project Plan; and

Sec. 3: Authorizes the District staff to obtain bids, requests for approvals, and enter into any other agreements or contracts necessary to complete the Project.

Approved by the Board of Managers of the Shell Rock River Watershed District on the 16th day of May, 2017.

Manager Pestorious seconded the resolution.
After discussion, a roll call vote was taken.

Manager Delger
Manager Haugsdal
Manager Pacovsky
Manager Pestorious
Manager DeBoer

Brett Behnke, District Administrator, introduced the bond discussion. Attorney Matt Benda explained that the bond derived from discussions with Freeborn County regarding them petitioning the SRRWD for the Fountain Lake Restoration Project which then allowed the SRRWD to utilize a provision of 103D to issue a bond supported by a property tax levy. The process for the issuance of tax supported bonds if authorized to proceed by the SRRWD was discussed. Passing the resolution would initiate David Drown Associates, Inc. to start or prepare the bond process. After discussion, resolution was not introduced.

Manager Haugsdal 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.