MINUTES OF MEETING OF MANAGERS
OF BUFFALO CREEK WATERSHED DISTRICT

The Managers of Buffalo Creek Watershed District met on the 26th day of July, 2016, at 8:00 P.M. at its regular meeting place at Suite 103, Glencoe City Center, 1107 11th Street E., Glencoe, MN, for its regular monthly business meeting.

The following members were present: Donald Belter
Corey Henke
Larry Phillips
Matt Melberg

Also attending the meeting were: Pete Kasal, Attorney
Charles Eberhard, Engineer

President Belter called the meeting to order and announced the first order of business was the consideration of the minutes of the regular meeting of the Board of Managers held on June 28, 2016. Upon motion of Manager Henke, which motion was seconded by Manager Melberg, by unanimous vote the Board of Managers approved the minutes of the regular meeting held on June 28, 2016.

President Belter next called upon Manager Phillips for the Treasurer’s report. Manager Phillips presented a written report which outlined income and expenses as follows:

SAVINGS:
C.B. # 4206225. $ 26,564.72
Rec’d: Interest 2.01
Sibley County 2,277.73
McLeod County 40,738.23
Renville County 55,920.78
Kandiyohi County 1,935.96

$127,439.43

LESS: Transfer to checking (16,947.31)
JD Branch “M” (183.00)
JD Branch “M” (2,868.00)
McLeod County Ditch No. 33 (1,387.00)
Marsh Creek Water Project (10,611.07)

JULY BALANCE $ 95,443.06

CHECKING:
June balance $ 1,000.00
Deposit from savings 16,947.31
Transfer from savings – JD Branch “M” 3,051.00
Transfer from savings – Marsh Water Project 10,611.07
Transfer from savings – Co. Ditch 33 1,387.00
LESS: Checks drawn

$32,996.38
(31,996.38)

JULY BALANCE
$ 1,000.00

PROJECT 79-2:
McLeod County Auditor/79-2 Fund

$22,310.57

Upon motion of Manager Henke, which motion was seconded by Manager Melberg, by unanimous vote the Board of Managers approved the Treasurer’s report.

President Belter next called for the bills that had been presented to the Board since the last meeting. Manager Phillips reported bills that had been presented to the Board as follows:

Kasal Law Office – attorneys fees $  699.79
Rinke Noonan 3,444.50
Olson & Sons – Co. Ditch 33 1,562.72
Bolton Menk 1,232.00
Eberhard Consulting – engineering fees 1,894.74
Linda Phillips – secretarial/accounting 129.12
Corey Henke – per diem & mileage 263.88
Donald Belter – per diem & mileage 165.12
Larry Phillips – per diem & mileage 155.40
Matt Melberg – per diem & mileage 229.92
TOTAL $ 9,777.19

Upon motion of Manager Melberg, which motion was seconded by Manager Henke, by unanimous roll call vote the Board of Managers approved the above bills for payment.

President Belter next called for agenda item – Permit No. 2016-10, previously submitted by the U.S. Fish & Wildlife Service. Upon motion of Manager Henke, which motion was seconded by Manager Melberg, by unanimous vote the Board of Managers took the permit application off the table. It was noted that the adjacent landowners to the U.S. Fish & Wildlife parcel had been notified by letter of the pending application. One adjacent landowner, Charles Driver, appeared personally at the meeting. Engineer Eberhard advised that the land owned by the U.S. Fish & Wildlife Service is divided by two watersheds. He stated that the previous owner had drained the entire parcel into Judicial Ditch No. 4, and that part of that drainage was not previously assessed into Judicial Ditch No. 4. He advised that he doesn’t think the Board has the authority to approve a permit which would drain the entire parcel into Judicial Ditch No. 4 and that the owner needs to apply to Judicial Ditch No. 4 for authority for drainage into that watershed before the Board could approve it. A representative of U.S. Fish & Wildlife was advised of the Board’s dilemma and encouraged to contact legal counsel with regard to how to resolve this issue. Upon motion of Manager Henke, which motion was seconded by Manager Melberg, by unanimous vote the Board of Managers tabled Application for Permit No. 2016-10.
Engineer Eberhard next presented an application for a permit submitted by Brian Jungclaus. Upon motion of Manager Phillips, which motion was seconded by Manager Melberg, by unanimous vote the Board of Managers accepted the permit application for consideration and designated it Application for Permit No. 2016-16. Engineer Eberhard explained to the Board that the applicant wants to extend a 15-inch tile line to drain approximately 99 acres. He said that he had some concerns with the size of the line and the grade at which it was going to be placed, and recommended that the permit be approved for a 12-inch line at .13 grade. After discussion, it was moved by Manager Henke, which motion was seconded by Manager Melberg, to approve Permit No. 2016-16, with the limitation that it be a 12-inch tile line and .13 grade.

Engineer Eberhard introduced an application for a permit submitted by Randy Kramer. Upon motion of Manager Henke, which motion was seconded by Manager Melberg, by unanimous vote the Board of Managers accepted the permit application for consideration and designated it Application for Permit No. 2016-17. Engineer Eberhard explained that the applicant is requesting to re-install an 8-inch line which had been damaged by road improvements. Upon motion of Manager Phillips, which motion was seconded by Manager Melberg, by unanimous vote the Board of Managers approved Permit No. 2016-17 subject to the applicant obtaining the required easements and township approval.

President Belter next called for agenda item – Permit No. 2016-13, an application previously submitted by the City of Stewart. Upon motion of Manager Henke, which motion was seconded by Manager Melberg, by unanimous vote the Board of Managers removed Permit No. 2016-13 from the table. Engineer Eberhard advised the Board he has not received any response to his request for further information regarding the permit application and also noted that he had information that the project may be delayed. Upon motion of Manager Henke, which motion was seconded by Manager Melberg, by unanimous vote the Board of Managers denied Application for Permit No. 2016-13.

The Board next discussed Permit No. 2016-14, an application previously submitted by the Zebra Ditch Association. Upon motion of Manager Melberg, which motion was seconded by Manager Henke, by unanimous vote the Board of Managers, removed Permit No. 2016-14 from the table. It was explained to the Board that the applicant seeks to move dirt from a ditch clean-out to adjacent property. Upon motion of Manager Henke, which motion was seconded by Manager Melberg, by unanimous vote the Board of Managers approved Permit No. 2016-14.

The Board next considered Permit No. 2016-15, an application previously submitted by Randall Thalmann and which sought a ditch clean-out. Engineer Eberhard advised the Board that he had viewed the area and noted that the land affected by the permit application is not owned by the applicant. He advised the Board that he wants the correct owner of the property to make the formal application. It was determined that no further action would be required until an amended application is received.

President Belter next called for agenda item – Marsh Water Project. Engineer Eberhard reported that the wetland assessments for the project had been approved by McLeod County.
The Board next considered agenda item - Ditch 79-2 violation. Manager Henke reported that the landowner is preparing a petition seeking to opt into the drainage system.

President Belter next called for items of new business. Engineer Eberhard provided a copy of a petition he had received that day from the City of Glencoe regarding drainage on the east side of Glencoe. He advised no action to be taken until a proper review of the petition could be made.

President Belter announced the next order of business was the consideration of the proposed Budget for the year 2017. A general discussion was held by the Managers concerning the budget categories and any changes that might need to be made from the 2016 Budget, including the Marsh Water Project ad valorem assessment. After discussion, Manager Henke offered the following resolution and moved its adoption:

RESOLVED, that the Board of Managers of Buffalo Creek Watershed District adopt the following proposed Budget for the year 2017:

Audit expense $2,000.00
Dues to Minnesota Watershed Assn. 2,500.00
Salaries of Managers, per diem & mileage 20,000.00
Bond premiums & insurance, including
  workers compensation 5,000.00
Legal expenses 25,000.00
Engineering expenses 35,000.00
Newspaper notices & office expenses 3,000.00
Routine stream maintenance 30,000.00
Special projects 72,000.00
Marsh Water Project ad valorem assessment 152,100.00

TOTAL $346,600.00

BE IT FURTHER RESOLVED, that Buffalo Creek Watershed District hold a public hearing on the proposed Budget as required by Minnesota Statutes §103D.911 on the 23rd day of August, 2016 at 7:30 P.M. at its offices at Suite 103, Glencoe City Center, 1107 11th Street E., Glencoe, MN; and

BE IT FURTHER RESOLVED, that Attorney Pete Kasal prepare the proper notice and arrange for publication of said notice in one newspaper of general circulation in each county in which Buffalo Creek Watershed District extends, once each week for 2 consecutive weeks, the last publication which will be at least 2 days before the hearing.
Manager Melberg seconded the motion. The question was on the adoption of the proposed Budget for the year 2017 and for a public hearing to be held thereon, and there being four “Yea’s” and no “Nay’s” as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donald Belter</td>
<td>Yea</td>
</tr>
<tr>
<td>Larry Phillips</td>
<td>Yea</td>
</tr>
<tr>
<td>Corey Henke</td>
<td>Yea</td>
</tr>
<tr>
<td>Matt Melberg</td>
<td>Yea</td>
</tr>
</tbody>
</table>

The resolution was declared carried.

President Belter informed the Board that it would be appropriate to determine the District’s tax levy for 2017. The Board of Managers then discussed the question of how much the Board should levy for the year 2017. After discussion, Manager Henke offered the following resolution and moved its adoption:

RESOLVED, that Buffalo Creek Watershed District levy $346,600.00 upon all taxable property in Buffalo Creek Watershed District located in the Counties of McLeod, Renville, Kandiyohi, Sibley and Carver, State of Minnesota, for the purpose of paying the administrative expenses of the District as provided by Minnesota Statutes §103D.905, Subd. 3., and also the Marsh Water Project ad valorem assessment in the amount of $152,100.00.

Manager Melberg seconded the motion. Upon vote there were four “Yea’s” and no “Nay’s” as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donald Belter</td>
<td>Yea</td>
</tr>
<tr>
<td>Larry Phillips</td>
<td>Yea</td>
</tr>
<tr>
<td>Corey Henke</td>
<td>Yea</td>
</tr>
<tr>
<td>Matt Melberg</td>
<td>Yea</td>
</tr>
</tbody>
</table>

The resolution was declared carried.

President Belter reconvened the final hearing on County Ditch No. 33. Upon motion of Manager Henke, which motion was seconded by Manager Melberg, by unanimous vote the Board of Managers approved the Findings and Final Order Establishing Drainage Project for the improvement of if McLeod County Ditch No. 33 in the form as previously drafted and attached hereto.

There being no further business to come before the Board, upon motion duly made, seconded and unanimously carried, the Board of Managers adjourned the meeting until the annual budget hearing on August 23, 2016 at 7:30 P.M. and the next regular meeting of the Board of Managers on August 23, 2016 at 8:00 P.M. at its regular meeting place at Suite 103, Glencoe City Center, 1107 11th Street E., Glencoe, MN.

Matt Melberg, Secretary