



**TITLE:** REGULAR MONTHLY BOARD  
MEETING MINUTES

**DATE:** SEPTEMBER 5, 2025

## 1. ATTENDANCE:

Chairman Stuart Christian called the September 4, 2025, meeting to order at 8:00 AM at the District Office. Other managers attending were Don Andringa, Clayton Bartz, Craig Engelstad and Shawn Brekke. Staff members present included April Swenby – Administrator and Donna Bjerk – Administrative Assistant. Others in attendance included Zach Herrmann - Houston Engineering.

## 2. APPROVAL OF THE AGENDA:

A **Motion** was made by Manager Andringa to approve the agenda as presented, **Seconded** by Manager Bartz. **The Motion was carried.**

## 3. MINUTES:

A **Motion** was made by Manager Bartz to approve minutes for the regular board of managers meeting on August 7, 2025. **Seconded** by Manager Andringa. **The Motion was carried.**

A **Motion** was made by Manager Andringa to approve minutes for the Public Hearing on Project #27 held on August 22, 2025 pending legal review, **Seconded** by Manager Bartz. **The Motion was carried.**

## 4. FINANCIAL REPORT:

A **Motion** was made by Manager Andringa to approve the August treasurer's reports as presented, **Seconded** by Manager Brekke. **The Motion was carried.**

The managers reviewed their expense reports and reported on activities for the month. The following bills were reviewed.

Anders Valley Publishing	323.52
April J. Swenby	94.82
Brandner Printing	135.00
Erskine Echo	436.00
Fertile Hardware Hank	16.24
First Community Credit Union	388.14
Garden Valley Telephone Company	992.14
H2Over Viewers	34,330.77
Heier Township	1,265.00
Houston Engineering	92,567.30
Liberty Township	1,265.00
Otter Tail Power Company	139.98
Sarah Wise	222.82
Schmitz Builders, Inc.	259,779.40
Shawn Brekke (Vendor)	676.06
Tunheim Construction, LLC.	269,399.72
Wild Rice Electric	48.56
Willard Swenby Construction	11,648.00

**TOTAL****673,728.47**

Two additional bills were presented: Lacey Berhow for \$125 and the City of Fertile for \$60.10.

A **Motion** was made by Manager Brekke to approve and pay the bills to be paid with a total of \$673,913.57 **Seconded** by Manager Andringa. **The Motion was carried.**

Swenby stated that a large portion of the expenses this month will be reimbursed through WBIF dollars and HSEM dollars.

**3. BUDGET HEARING:**

A **Motion** was made by Manager Andringa to recess the regular meeting at 8:30 AM and open the budget hearing, **Seconded** by Manager Brekke. **The Motion was carried.** The budget hearing was called to order at 8:30 AM by Chairman Christian. Chairman Christian opened the hearing for discussion. The budget for 2026 was presented as follows:

<b>Income</b>	
HOMESTEAD/AG CREDIT (HACA)	3,500.00
INTEREST INCOME	50,000.00
REIMBURSED EXPENSE	350.00
TAX LEVY INCOME	250,000.00
<b>Total Income</b>	<b>303,850.00</b>
<b>Expense</b>	
EMPLOYEE TRAVEL EXPENSES	8,000.00
CAPITAL IMPROVEMENTS	48,650.00
WEB-SITE	3,000.00
MISC	200.00
MEETING EXPENSE	1,000.00
BUILDING MAINTENANCE/OCCUPANCY	13,000.00
COMPUTER EXPENSE	15,000.00
DUES-MEMBERSHIP	4,000.00
EDUCATION	4,000.00
FURNITURE-EQUIP	15,000.00
MANAGER EXPENSE	20,000.00
OFFICE OPERATIONS	18,000.00
PAYROLL EXPENSES	125,000.00
PAYROLL TAXES	8,000.00
PROF SERVICES	20,000.00
PUBLICITY	1,000.00
<b>Total Expense</b>	<b>303,850.00</b>

Three petitions (from Polk County) to fund basic water management, water quality and erosion, and water studies education and agency support in accordance with M.S.A. 103D.905, Subd. 3, were displayed and presented.

There were no attendees with comments or questions on the budget as advertised.

A **Motion** was made by Manager Brekke to adjourn the budget hearing at 8:36 AM and reconvene the regular meeting at 8:36 AM, **Seconded** by Manager Andringa. **The Motion was carried.**

**5. ADMINISTRATOR REPORT:**

**Kittleson Diversion Jurisdiction:** Polk County has accepted responsibility for the ¼ mile North of the county road along the Kittleson Diversion and has verified that this is the jurisdiction of Polk County Ditch 95. Based on received, original ditch records from Polk County, Ditch 95 includes 1,000' +/- into the MnDNR land. Additionally, the viewers report for County Ditch 95 indicates that the SE1/4 of the SW1/4 of Section 16 has a R/W payment larger than “typical”, presumably this to be for the added acreage for the 1,000 (+/-) channel. Neither Polk County nor the watershed has any records of this being transferred to the Sand Hill River Watershed District. Manger Englestad presented an e-mail that he had received from Polk County that showed a map indicating that this stretch was SHRWD Ditch 31. Neither Swenby nor Herrmann found any records nor knew of any records that showed the district had a Ditch 31. Swenby said that they were working with Rich Sanders who is the ditch authority for Polk County and had acknowledged in writing that this 1,000' +/- into the MnDNR land was Polk County jurisdiction but given the information Manager Engelstad presented, she would reach out again, and ask the two Polk County representatives to address and provide any transfer documents. She stated she was uncomfortable recommending any work in this stretch and assessing the SH Ditch taxpayers without verification that this 1,000' +/- into the MnDNR land is apart of the SH Ditch's responsibility and not another system.

**MnDOT 10-year plan (CHIP):** Swenby provided an updated version of the map MnDOT shared during an in-person meeting between Swenby and Herrmann about proposed MnDOT projects proposed within the watershed district. Projects that are in the first 4 years of this plan would be considered programmed – meaning the project is scoped and funding is allocated to the project. The projects identified in the later years are less defined or fixed in terms of scope, funding or year so those details often change. MnDOT District 2 is typically scoping projects 5 years out which is when they really start to dive into drainage needs. They have asked for feedback or have asked if the district sees an opportunity to address any drainage issues and/or partner on drainage improvements. Managers were asked to review and let Swenby know if they have any feedback by next week.

**Project #27:** The annual meeting was held August 22, 2025. The public hearing held August 22 was recessed and will reconvene today at 10 AM.

Swenby reported that a FHM grant was applied for and the district received confirmation of receipt. Swenby is also working through details with the Corp of Engineers on a program that may have merit. A 50/50 feasibility study is needed and thereafter it is a 35/65 cost share. Swenby has gathered documents of origination as a preliminary request to a feasibility study to gather an opinion of the likelihood that this project would have a chance of being funded and she is waiting to hear back from the Corp of Engineers for the next steps. If this were to move forward, the 35% local share can come from state dollars like LSOHC, assessments, or MnDNR if ever granted. Swenby provided information on this program (Continuing Authorities Program) to the managers.

**Maintenance Awards:** Quote packages for construction on the Mn 102 Boundary, Ulseth culvert north of PC # 41, Ditch 119 cleaning, & Liberty Township Road repair were all dispersed to local contractors. A deadline was set for September 9<sup>th</sup> to receive quotes. (The overflows on Project # 17 will be added as a change order to the awarding bidder). As of lately a culvert repair on Project #20 was brought to staffs' attention, so after that is inspected and if it warrants repair, that will likely be an additional change order.

**Building Project:** Concrete parking lot modifications were made. Manager Christian and Manager Andringa (Chairman and Vice-Chairman) both met with the contractors and agreed to move forward with the recommendations. Due to a conflict of interest Swenby did not partake in recommendations or the approval to move forward. Additional billing for the modifications were about \$12,000 (see the bills to be paid). The ceiling was insulated, ceiling tile placed, concrete poured, doors installed, finishing plumbing completed, bathrooms tiled. Swenby would like to plan an open house in October/November possibly following the monthly board meeting if everything is complete. Cabinetry and office furniture will not be done until this winter.

**Building Rent:** Swenby has explored renting the office spaces to two different entities – one was an ag financial group, and one was an ag insurance group. One is very interested and came and toured the site. Swenby is looking for rent amounts and direction from the board for what they'd like to charge for rent. The interested entity has asked for information to bring forward in a proposal. Swenby asked for board consensus regarding a fair rent with the perks (wifi, copier usage, electricity, heat, cleaning, snow removal, meeting room). The managers asked Swenby to research rent amounts for business frontage in our area and bring that back to the board at the next meeting. She will also look through records to see what prior boards proposed when considering rent to the Red River Watershed Management Board in 2018. Manager Andringa asked if there were privacy concerns sharing office space with outside entities. Swenby did not see concerns, as everything is public information. Each individual has their own office. Swenby thought that there would be benefit of

revenue for office rental if suitable renters can be found that that prior boards had considered rental space when working with the architect on the design.

**Existing Building Repairs:** Exterior window/door painting will be scheduled. Swenby is still awaiting a 2<sup>nd</sup> contractor to provide an estimate for the existing building brick and stone. The building was deep cleaned. Audience board room furniture was delivered and was able to be put to use at the project team meeting.

**Project Team:** The Project Team met August 14 and Swenby provided the notes from the meeting. The Project Team would like more board direction on snow removal in the channel in the spring and has asked the board to define the expectations of the Project Team for this role. The managers discussed at length the pros and cons for including items such as this and incorporating it in an operations plan tied to a large-scale capital improvement project. It was also discussed at length prior attorney recommendations, 103E maintenance obligations, original intent of the project, feasibility of removing ice and snow, safety for contractors, costs for removing ice and snow, cost benefits for handling spring runoff this way vs. a major construction project, and the challenges landowners face west of Highway 9 with spring runoff. The managers also discussed the favorability of all assessed landowners for incorporating this type of work using the maintenance fund. Staff shared with the managers that at a Project Team level there were varying opinions regarding the removal of snow in the channel. One cautioned that removing the insulation of snow could possibly make things worse if temperatures froze after the removal and created ice jams and ultimately create a liability to the district.

Manager Brekke asked Herrmann about the opportunity to continue the Sand Hill Ditch westerly to the Red River, rather than outletting into the historic Sand Hill River Channel. Brekke commented that this could be a high flow channel that would allow for additional floodwater to divert directly to the Red River. Herrmann speculated that the concept could be feasible based on elevations and would likely require significant erosion control at the outlet into the Red River. Additional work would be required to analyze the potential flood impacts caused by the concept, specifically along the Red River between the new outlet and current outlet of the Sand Hill River. Also, if the intent of the high flow channel to the Red River is to mitigate potential impacts from alternatives further upstream, additional consideration would be needed to evaluate how impacts upstream could be effectively mitigated prior to flows reaching the high flow channel. No direction was given to proceed with the additional analysis at this time.

Manager Englestad asked Herrmann what his opinion is regarding the breakouts that have happened in 2022 and 2023 and asked if Herrmann felt it was a coincidence that they happened right after where the riffles stop. Herrmann said it was his opinion that it is likely a coincidence. Herrmann added that it was his opinion that the channel incision is likely a major factor. Additionally, west of Highway 9 there are no shelter belts and the grade line shifts dramatically at that location. Manager Englestad asked if additional riffles would help, stating it is his opinion that the riffles add to the channel staying open during the winter due to the energy they create. Herrmann had the opinion that the landscape was too flat for additional riffles to be effective in that manner. Herrmann also added that 2022 and 2023 were very unique and unusual years.

It was asked if landowners were to petition the district, would that be more effective in manager action? Swenby stated that while there is a petition process in the drainage code (MN 103E.715) for landowners to work through for requests, in the past the district hasn't received a petition for maintenance needs because staff evaluates all reports for maintenance. Staff has the responsibility of evaluating the need and ensuring funding allows for the needs for drainage system and also must consider what the system is designed for and its original intent in the original construction plans. As far as Swenby is concerned the way she manages repair requests and the way that the district has historically operated regarding maintenance issues, a landowner's request of "just asking" serves the same purpose as a petition and the board has the authority to act at anytime based on the request that has already been asked by a landowner. Swenby acknowledged that this request is unique because this isn't a classic maintenance item under MN103E and isn't a typical maintenance request that we'd normally see on district systems for repair.

A **Motion** was made by Manager Brekke to direct the project team to not include snow removal and to not make snow removal contingent for the recommendation of a capital improvement project, **Seconded** by Manager Bartz. **The Motion was carried.** The project team should work toward the goals that were outlined in the Purpose and Need Statement that was approved by the Board of managers.

Staff asked the board to direct them on a landowner's request for the removal of snow in the channel along the Sand Hill Ditch. A **Motion** was made by Manager Brekke to not change the official position of the district regarding spring snow/ice in legal ditch systems which is that the ditch system does not categorize this work as a maintenance responsibility of the ditch and the ditch's assessed area, **Seconded** by Manager Bartz. **The**

**Motion was carried.** The managers are not opposed to allowing landowners to self-remove ice/snow in areas that protect their structures if their structures are at risk.

The Project Team was favorable to modification to the Bear Park structure. MnDNR reached out separately and would like to pursue this even if the Project Team does not deem it as part of this project. Manager Engelstad asked if there may be an avenue of opportunity for reducing culvert sizes and raising roads in select/strategic areas and highlighted one from a permit 20-006 in Garden Township. Herrmann acknowledged that he remembered that permit. He gave the opinion that if directed by the board, reducing culvert sizes may warrant a discussion on a revision of district culvert policies. Factors to consider may be enforcement and favorability for restricting culvert sizes among landowners within the district. Herrmann stated that there may be merit if there were many but it was his opinion that it would take a substantial amount of instances like this to “move the needle”.

Herrman and Swenby met with the Corp of Engineers to discuss funding to see if there was a way to partner with them in parallel to the FEMA disaster funds that have been allocated to the Sand Hill Ditch in 2022. The route suggested is 1135 funding (information was provided to the managers) which is a 25/75 cost share up to \$20 million. However, this takes time and requires a feasibility study at a 50/50 cost share. Swenby has completed the paperwork to move forward to get on the list for a feasibility study next fall. If the district is selected, managers can choose at that time to move forward with a study or not. Swenby is also exploring options of congressional dollars for this project instead of moving through the 1135 program. Congressional allocations are typically a 35/65 cost share. Another option that she is working on is a “Planning Assistance to States and Tribes” funding opportunity for some additional work on this project to prepare for any possible congressional funding, in the hopes that the more shovel ready the district is, the more appetizing the project would be for earmarked money. Swenby has asked the district’s contact from the Corp of Engineers to attend the next project team meeting in November. She has also reached out the MnDNR to see about interest in a LSOHC grant for any local cost shares that exceed the 1135 threshold. Herrmann and Swenby will be meeting with them next week.

**FEMA Disaster 2022:** The time extension was applied for at the state level and at the FEMA level. Swenby has asked for an extension through December of 2027. Due to the timelines for parallel funding, it is looking like it’s unfeasible to use this funding allocation towards a the project team’s efforts. Swenby has asked Herrmann to work on a repair plan that will complement any capital improvements made in the channel through the project team effort and has asked for this to be completed by the end of September as FEMA has asked for a plan/timeline. Herrmann stated that his office has started this plan and hopes to have something by the end of September. His goal is to make sure that we aren’t moving dirt twice, should a capital improvement project happen later down the road.

**One Watershed One Plan:** The steering team met August 12. Interviews were done and project footage taken. The steering team granted approval of work to evaluate outlet on Project # 5 with leftover funds. Swenby gave Herrmann direction to evaluate the outlet and develop a plan. Herrmann stated that his team will be working this, this fall, and would like to have a plan ready to present to the board this winter.

**Planning ahead:** Mn Watershed’s annual conference is December 3 – 5 at Grand View Lodge in Nisswa, MN. Manager Andringa plans to attend. Other managers will get back to Swenby by the end of the month if they’d like to attend. Swenby was asked to present at this conference on “successful on-the-ground project and the involvement of your board in the process from conception to implementation.” Swenby plans to present on the Project Team framework that is used in the Red River Valley and how the district has implemented this process.

**MN Groups Petition for State Action on Agricultural Drainage:** Swenby provided a petition from nine organizations, led by MCEA requesting state action on ag drainage. Swenby anticipates that this will be a major topic at the DWG work and with Mn Watersheds.

**Internal Expenditure Threshold/Budget/Policy:** Swenby explained that when things are needed other than typical office supplies, she has come to the board to ask for a board motion/second for approvals for most items big or small. Since 2018, the Administrator has never exercised discretion for purchases and the budget that is made has been used for levy justification, not necessarily for a slate for staff to use as a threshold for daily/monthly or random expenditures. While Swenby does feel comfortable using her discretion in certain instances, there has never been a formal board action allowing the Administrator to be able to lead in such capacity. Swenby would like to be able to operate within a board approved threshold to allow for flexibility and efficiency and she suggested working with the treasurer to develop a spending budget/policy that allows staff to be able to purchase items as they are needed within a board approved threshold. This would allow for



efficiencies throughout the month in between meetings and will save board manager time during meetings by not having to deliberate the small administrative items during meetings. She felt that staff knows what will make things more efficient and what is needed administratively. This would also allow the managers to focus their monthly time and efforts on construction and water management features of the district. Swenby also stated that meetings are sometimes lasting into the afternoon hours and creating board approved efficiencies such as this may reduce the amount of time that meetings last.

Examples of things that may fall into administrative discretion include things like basic repairs, supplies, computers, printers, small furniture items, items that break that need replacing, janitorial items, things in the board room that will make meetings more efficient, hiring assistance when extra help is needed like lifting heavy things (moving into the new space or hauling trash, as an example). Other examples include items that are on the agenda today (coffee pot and an additional board room TV) or the accounting software upgrades that the district approved last month. Other examples of recent items include the Brother printer that stopped working and was unrepairable, so Swenby had to purchase a replacement without board approval to continue daily operations, when Swenby had determined that the carpets needed shampooing, or when she was able to find a cleaning person to come in and do a deep clean. Without such a policy/board approval Swenby is apprehensive to move forward, even though she feels these things are necessary and of regular business and will be likely be met without board opposition. Swenby states that she anticipates the district laptop may be on its way out as it is quite old and gives trouble, but her and Bjerk are trying to push it to its limits.

She has some inquires to other watersheds to see how they meet their administrative and operational needs and what discretion is given to their Administrators. The board was open to Swenby and Manager Bartz working together to consider a policy, for discretion for the Administrator for operational expenses to present solutions for more efficient management to the board.

**Additional Information:** The managers received information to read on their own regarding MN eight-year public waters inventory update and foot traffic in the district building.

## 6. ENGINEER'S REPORT

**Project 27:** Herrmann is working through a preliminary design and cost estimate. He assisted in a grant application for FHM funds for this project. Herrmann has also spent a fair amount of time assisting the appraiser with technical information for the determination of benefits.

**SH Ditch:** Herrmann is working through a mitigation plan that will not result in redundant work if and when a larger project is implemented through the Project Team effort.

**Scandia 24 Repair:** Tunheim Construction has begun work. Herrmann anticipates completion by the end of September.

**Bear Park:** Herrmann stated that members of the Project Team were responsive to modifications to the Bear Park Dam and have expressed interest to staff to continue to meet to discuss opportunities.

## 7. ACTION ITEMS.

**Budget Approval:** A **Motion** was made by Manager Andringa to approve the administrative budget for 2026 as resented during the budget hearing, **Seconded** by Manager Engelstad. **The Motion was carried.**

A **Motion** was made by Manager Andringa to approve the following resolution relating to the budget and levy for 2026, **Seconded** by Manager Bartz.

*BE IT RESOLVED by the Board of Managers of the Sand Hill River Watershed District:*

*WHEREAS, the Board of Managers of the Sand Hill River Watershed District have adopted budgets for 2026, said levies shall be for the year 2026 and shall be collectible with the taxes recovered in the year 2026; and said levies are all based on the 2025 taxable market values; and*

WHEREAS, pursuant to Minnesota Statutes Annotated (M.S.A) Sections 103D.905, 103D.911, and 103D.915, the Board of Managers, Sand Hill River Watershed District is authorized to levy an ad valorem tax against all taxable property, in the District for various purposes; and

WHEREAS, pursuant to Minnesota statutes, published notice was given by the said Board of Managers, Sand Hill River Watershed District, for a hearing, which was held on September 4, 2025, whereby the 2026 budget of the Sand Hill River Watershed District was determined, and the said Board of Managers is legally authorized to tax the levies listed below.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Managers, Sand Hill River Watershed District:

1. In accordance with M.S.A. 103D.905, Subd. 3, the Sand Hill River Watershed District does hereby levy an ad valorem tax of \$250,000 to be assessed at the appropriate mill rate on all taxable property within the district. The proceeds of said levy shall be used and credited to the District's General Fund to pay for the general administrative expenses and any expenses involved in the construction and maintenance of any projects of common benefit to the District.
2. In accordance with M.S.A. 103D.905, Subd. 3, the Sand Hill River Watershed District does hereby levy an amount not to exceed 0.00798 percent of all taxable market value (\$154,629.71) to pay the costs attributable to the basic water management features of projects initiated by petition of a political subdivision within the Watershed District. In 2026, these funds will be used for a variety of water management related efforts such as water management and retention, records retention and housing, technical assistance, project teams, project construction/maintenance, beaver control and NRE benefits.
3. In accordance with M.S.A. 103D.905, Subd. 3, the Sand Hill River Watershed District does hereby levy a second amount not to exceed 0.00798 percent of all taxable market value (\$154,629.71) to pay the costs attributable to the basic water management features of projects initiated by petition of a political subdivision within the Watershed District. In 2026, these funds will be used for water quality and erosion efforts.
4. In accordance with M.S.A. 103D.905, Subd. 3, the Sand Hill River Watershed District does hereby levy a third amount not to exceed 0.00798 percent of all taxable market value (\$100,000) to pay the costs attributable to the basic water management features of projects initiated by petition of a political subdivision within the Watershed District. In 2026, these funds will be used for data collection, watershed studies, education and agency support.
5. That the Auditors of the Counties of Polk, Norman and Mahnomen shall make said levies in accordance with the provisions of the Minnesota Watershed Act, Chapter 103D, as amended. This entire levy (\$154,629.71, \$154,629.71, and \$100,000) can be levied as one assessment, prorated per taxable market value between the three counties, and our office can do the breakdown.

A roll call vote was held.

	Yea	Nay	Absent	Abstain
Christian	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Andringa	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Brekke	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bartz	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Engelstad	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**The Motion was carried.**

**Concrete Protection:** The concrete has a cure and seal on it sprayed on it. The contractors recommended that a water-based sealer and a salt protectant also be sprayed on. This cannot be put on until the concrete has sat for at least 30 days. The materials are about \$250 a pail and its estimated up to 4 pails (maybe less), plus labor to tape off building, wash and spray (minimum of \$500). Swenby asked if the board would like to move forward with this to protect the new concrete from salt damage and the freeze and thaw season. She stated that she anticipates a fair amount of salt as the concrete is sloped on the north side and doesn't see as much sun. Swenby also stated that the contractors stated an extra layer of protection can also be added with the cuts being caulked (silflex caulk) to avoid any salt from getting in the cracks which is about \$1350 for material and labor. The caulking will seal up the cuts so there isn't salt damage and water damage compromising where the cuts are, protects against dirt and debris in the cuts, and protects the slab to reduce corrosion on the cut lines. The managers all had differing opinions of the necessity; some protect their concrete with additional measures to protect against salt and some do not take extra measures. A **Motion** was made by Manager Brekke to not take additional measures to protect the concrete at this time, **Seconded** by Manger Andringa. **The Motion was carried.**

Manager Englestad asked Swenby to look into protective measures such as a bumper or stoppers to avoid any cars from hitting the building when parking. The architects plan was discussed and a discussion surrounding the space for parking larger vehicles and questioned if that amount allocated is acceptable with the county. The cones are still up so Swenby hadn't tried to park there yet. Swenby said that she had filed the plans with Polk County for a permit and also filed the plans with the City of Fertile for a permit. Both entities approved the plan as presented and issued a permit for the district to proceed. The plans indicated intended use and included measurements. Swenby said that when she applied for a permit nothing was said about prohibiting the parking the way the plans indicated. Additionally, at the start of the project the building was moved to the south 3' to add additional room to the north for parking, making the parking spaces larger than what the city and county approved the permit for. She will double check with Polk County for any restrictions.

**District Signage:** Three sign options were presented to the board from Premier Signs: Backlit sign, polymetal, and a digital sign. Swenby suggested that if the board does not move with a digital sign, she would like to see an outdoor bulletin board so that public meeting announcements and information can be displayed outside. Swenby did not recommend a digital sign at the costs that were provided and agreed that was not a responsible or necessary expense; but was only providing cost estimates to the board for what options might include.

A **Motion** was made by Manager Bartz not to purchase an exterior bulletin board at this time, and to continue to use a window for meeting announcements or an interior bulletin board as required by statute for meeting announcements, **Seconded** by Manager Engelstad. Manager Engelstad made an amendment to the motion to hire the contracted painting person that is painting the windows, paint the existing sign. The amendment was included in the motion. **Seconded** by Manager Andringa. **The Motion was carried.**

**Board Room TV:** Swenby reported that the versatile layout with the new furniture was fantastic for the last project team meeting and 1W1P meeting, however, Swenby suggests that adding at least one more TV on the opposite end would be beneficial to ensure that everyone has a good visual of all presentations and remote visitors attending meetings, no matter what layout the board room is using. Swenby looked the last time she was at Costco for tv prices. They had TV's ranging from 75" – 98" and costs were between \$1,500 - \$2,000. She hasn't looked at Sam's Club yet but suspected they'd be more affordable. Manager Bartz quickly looked online and found 85" TV's for \$700-\$800 a piece at Sam's Club. She also stated a wall mount would be needed and some electrical revisions for outlets. Garden Valley was in to assure a layout that would work and that both TV's can render the same visual. She was thinking now might be an opportune time, because it might be easy to ask a contractor who is here to hang it for the district in the concrete wall. She would also like get some floor outlets, or at the very least fix the floor outlets that do not work so people aren't tripping on cords and to reduce the number of cords across the floor.

A **Motion** was made by Manager Brekke to approve a budget up to \$2,000.00 for 2 TV's. **Seconded** by Manager Bartz. **The Motion was carried.** The board acknowledged that mounts, wiring, plug-ins, electrical needs, are additional.

A **Motion** was made by Manager Brekke authorize the repair of the existing floor outlets, **Seconded** by Manger Andringa. **The motion was carried.**



**Direct Plumb coffee brewer:** Plumbing lines have been added to the meeting room while the plumbers were here. Swenby asked advice from Mark Erickson of Mill Street Catering for a commercial direct plumb coffee brewer, and Swenby provided the managers his recommendations. Swenby suggested purchasing additional airpots to make multiple pots for larger meetings (airpots are between \$30 -\$50 a piece depending on size). Swenby also found a stand on Amazon for \$436 that has a cabinet/narrow buffet table with cabinet storage and is in the same color/finish as the woodwork in the existing building.

Manager Engelstad would prefer that the coffee pot not be in the meeting room. Swenby explained that while the plumbers were here she already had the plumbing line incorporated into the meeting room because during meetings she thought it was more efficient for attendees; with the thought process that it would be convenient to have refreshments visible and accessible during meetings. She is open to considering moving the coffee pot to the new addition when the kitchenette is ready.

**A Motion** was made by Manager Andringa to approve new coffee pot, accessories and stand as presented. **Seconded** by Manager Brekke. **The Motion was carried.** Manager Engelstad opposed.

## 8. PROJECT # 27 – RECONVENED HEARING

A **Motion** was made by Manager Brekke to recess the regular meeting at 10 AM and re-open the Project # 27 Final hearing that was recessed on August 22, 2025, **Seconded** by Manager Engelstad. **The Motion was carried.** The hearing was called to order at 10 AM by Chairman Christian. Al Bauer was present. John Kolb, and Ron Ringquist attended via remote technology.

Below are questions from the August 22 hearing that Swenby followed up on:

1. Does Farmer's Union Campground pay special assessments?

Swenby stated that she verified that yes, they do pay special assessments, for the county, lake improvement district, and the watershed. They pay regular taxes and special assessments. They may be non-profit, but they don't meet exemption criteria per Mn Dept of Revenue, and they would still have to pay their special assessments even if they were classified as exempt.

2. Questions about accuracy of estimated market value by landowners:

Swenby verified that the estimated market values that were provided by the County Assessor's Office for this project are the current estimated market values that will be used for taxes payable in 2026. These numbers have not been sent out on a formal notice yet, but they are available on the County Assessor's website here: <https://polk.minnesotaassessors.com/parcel/0a4f744d190c5c0eb9ed86c27ee9f098>. These values will go out on the upcoming mailings for the Truth In Taxation Notices, these notices will be delivered to taxpayers no later than November 24, 2025.

3. Concerns/questions regarding the initial assessment and any LID agreed upon exclusions:

- Swenby verified with the county that the improved parcels with residences located in Sawmill Bay (74.00900.00, 74.00904.00) have been paying the pump fee since 2013. It appears that they were not paying the initial assessment prior to 2013, and it would appear that when the county transferred the project to the district, these parcels were then included. The bare land parcels in Sawmill Bay do not have any special assessments on them, and don't appear to have been ever assessed the pump fee.
- Parcel 27.00265.00/ Dustin & Karina Rude: this parcel has been paying the pump fee since 2020, when it was re-platted, and the parent parcels from the plat was also paying the pump fee prior to that 2020 plat.
- 74.00192.00 & 74.00218.00/ Donald & Debora Ley: these are bare land parcels, and have never been assessed the special assessment for the pump fee
- Parcels 45.00214.00 & 45.00212.01/Alois Bauer: these are bare land parcels, both classified as agricultural, and have never been assessed the special assessment for the pump fee.

John Kolb referenced that Swenby found a letter from the LID Chairman dated back to 1999 written to Polk County requesting that Sawmill bay landowners be removed from the assessed area for the "Lake Reduction

Plan". Mr. Kolb stated that he did not know why these landowners were not included initially, nor did he know why they were included after the transfer in 2013. He stated that there is not an obligation to rectify this by the county or the watershed and it is a landowner responsibility to attend the truth and taxation hearings each year if they disagree with the line items on their tax statement. He explained that the obligation of the district board for the purposes of this hearing is to determine with today's technology and today's experts if there is benefit to any and all properties. What other boards decided prior is irrelevant to the board duty to make the decision based on benefit.

**Engineer's review on questions/comments from the August 22 hearing:** Several maps were presented to the managers and those in attendance. During Herrmann's evaluation he considered the project purpose which factors more than just the protection of structures and considers the shoreline erosion and calls for a way to alleviate shoreline damages as well as structural damages. Bank stability, bank protection, water quality, as well as protection against inundation are all benefits of the project. He used tools such a LiDAR and evaluated water conditions that exceed the OHW.

1. **Al Bauer:** At the Hearing, Mr. Bauer stated he felt he didn't have lake shore and wasn't benefitted. Herrmann reviewed the maximum potential flood impacts if Union Lake and Lake Sarah were allowed to "fill" until their apparent natural runout elevation. This review indicated that Mr. Bauer's property would inundate if the project were not in place. Therefore, he believes benefit exists.
2. **Sawmill Bay:** Comments received both at the meeting and via letters indicated that Sawmill Bay is inaccessible from Union Lake, and that high water benefits property owners. Herrmann reviewed the available LiDAR data, and estimated landscape slopes along the shoreline. This review indicates that steep shoreline banks exist, suggesting that stable water levels will result in reduced shoreline instability. Therefore, he believes benefit exists.
3. **Dustin Rude:** Mr. Rude submitted written testimony suggesting he did not receive benefits from the project because of the shallow nature of the portion of the lake his property resides. Herrmann reviewed the maximum potential flood impacts if Union Lake and Lake Sarah were allowed to "fill" until their apparent natural runout elevation. This review indicated that Mr. Rude's property would inundate if the project were not in place, including potential for structural impacts. Therefore, he believes benefit exists.

**Appraiser's review on questions/comments from the August 22 hearing:** Ringquist selected his methods for recommendations using the Estimated Market Values set by the county because it is his opinion that this is the fairest, most equitable way to distribute benefit. Polk County accounts for variations in landscape setting, accessibility to navigable waters, land use, structure value etc. in their EMV calculations.

1. **Al Bauer:** In response of Bauers concern for his parcel's (45-00212.01 and 45-00414.00) not being lake shore, I have reviewed the property and recommend that the benefit remain as indicated in my report. I agree that his property isn't similar to other lake shore, it benefits from the reduction of inundated tillable acres from the increased lake level. As the frequency and duration of this inundation does not occur with the pumping system in place, I feel that the benefit of 3% of land value is reasonable.
2. **Sawmill Bay/Rude Properties:** Ringquist agreed that the parcels on Sawmill Bay and Mr. Dustin Rude's bay have a shallow water level, he opines that the stability of the lake still has an effect on the property values. The county assessor has addressed the shallow water in their market valuation. Parcels on Sawmill Bay are only around a 10th of the value of similar frontage size lots on the main lake. The percentage value benefit therefore indicates a much smaller benefit because of the lower market value.

Chairman Christian asked attendee Al Bauer if he had any additional comments for the board to consider. Bauer stated that his questions were answered and is comfortable with the recommendations presented. He questioned one of his parcel's which he called a "duck pond" and its benefit to the project; however he acknowledged that the EMV is so minimal that the assessment is not something he is uncomfortable with. Bauer asked if this assessment role would be used for capital improvements that may be needed to comply with the MnDNR permit. John Kolb agreed that improvements to the system may be warranted and that the assessment role is the primary way to generate revenue for expenses related to the pump. However, this is not the only tool for revenue generation at the disposal of the district and district is actively seeking outside funding sources.

Manager Englestad asked Herrmann if he had evaluated the outlet elevations at Sawmill Bay. Herrmann stated that he did not survey the culvert. Based on elevations there is connectivity through the culvert but is inconsequential to the project because the pump cannot be turned on when the water is below OHW. He suspects this to be similar to Lake Sarah where in low years water cannot pass through the interconnect.

Manager Christian and Manager Andringa asked for direction from the attorney for voting purposes as they live and own property on Union Lake. Mr. Kolb appreciated their disclosure but stated that did not prohibit them from voting and confirmed that there is no conflict. He classified their disclosure as “disinterested” because they would be voting to impose a tax on themselves. Manager Engelstad disclosed that he has family residing on Union Lake and several business associates.

A **Motion** was made by Manager Andringa to direct the attorney and staff to prepare findings and an order consistent with the proceedings adopting the viewer recommendation for project benefits; and to continue the hearing to the Board’s regular meeting on October 2, 2025 at 10 AM or there after on the Board’s agenda, at which time the board will consider the findings and order. **Seconded** by Manager Bartz . After discussion, **the motion was carried** with all members voting in favor.

Manager Engelstad asked if those who asked in writing to be removed from the assessed area will be notified of the action being taken by the board in advance of October 2. Mr. Kolb explained that there is no statutory requirement for additional notice. Landowners were given opportunity and notified of the meeting today at the hearing, and Swenby has notified landowners following Open Meeting Law requirements and placed notices on the district web-site. However, Kolb added that there is nothing prohibiting the board to additionally communicate with those landowners. Swenby agreed that it would be a good faith effort to communicate with the landowners who expressed concern and provide the information that was presented to the board today. Mr. Kolb offered to assist the district in drafting letters to communicate with landowners regarding the board’s direction taken today. Manager Engelstad asked if they should also be notified of the tax assessment inconsistencies from 1999 – 2013 and 2013-2025. Mr. Kolb stated that if errors were made, the problem would be with Polk County, not with the Watershed District and this would not be a watershed responsibility to attempt to explain the county’s actions. Landowners have ability to go to taxing authority to make the corrections and have the responsibility to read their Truth and Taxation statements.

A **Motion** was made by Manager Brekke to adjourn the hearing at 11:01 AM and reconvene the regular meeting at 11:02 AM, **Seconded** by Manager Bartz. **The Motion was carried.**

## 9. OTHER BUSINESS

The managers received information from the Drainage Work Group, MN Assn. of Watershed Administrators, MN Association of Drainage Inspectors conference, and the Red River Basin Commission.

## 10. PERMITS:

One permit was present to the board for review.

Permit 2025-18: Paul Engelstad, Liberty Township Section 5, Ditch Cleaning

A **Motion** was made by Manager Brekke to approve permit 2025-018, **Seconded** by Manager Andringa. **The Motion was carried.** Manager Engelstad abstained.

## 11. ADJOURNMENT:

The next regular meeting will be held October 2, 2025, at 8 AM. As there was no further business to come before the board, a **Motion** was made by Manager Bartz to adjourn the meeting at 12:38 PM, **Seconded** by Manager Brekke. **The Motion was carried.**

---

Donna Bjerk, Administrative Assistant

---

Shawn Brekke, Secretary