

**Prior Lake-Spring Lake Watershed District Administrator  
Monthly Meeting  
January 9, 2007**

Members Present: Craig Gontarek, Bill Kallberg, Larry Mueller (arrived 8:50PM), Bill Schmokel, Roger Wahl

Staff Present: Dean Gavin, District Attorney  
Ed Matthiesen, District Engineer  
Jim Eggen, District Technician, Acting District Administrator  
Yolanda Coleman, Office Assistant

1. CALL TO ORDER. Meeting called to order by President Schmokel at 7:00 PM.
2. PUBLIC COMMENT. No members of the public present.
3. APPROVAL OF AGENDA. President Schmokel asked if there were any changes, additions to or deletions from the agenda. Jim Eggen asked to add some issues to the Other/Old New Business section: 1) Member of Trust for Public Land attend a future meeting, 2) Lunch for former Administrator, 3) Ducks Unlimited wetland encroachment, 4) Reapplication of the Fish Lake Grant with the DNR, 5) Northland Securities letter re; proceeds from the bond sale and 6) Ed Matthiesen asked to add the Jay Brothers change order to the Engineer's Report section.

**Motion by William Kallberg to approve the agenda with the requested changes. Second by Roger Wahl. Motion Passed 4 ayes.**

4. CONSENT AGENDA
  - A) Approve Minutes
  - B) Approve Claims
  - C) Accept Monthly Permit Report.

President Schmokel asked if there were any changes, additions to or deletions from the Consent Agenda. There were none.

**Motion by William Kallberg to approve the Consent Agenda. Second by Roger Wahl. Motion passed 3 ayes, 1 abstention.**

5. ITEMS REMOVED FROM THE CONSENT AGENDA. There were none.
6. TECHNICIAN'S REPORT.
  - A) Modifications of several permits to exclude DAs. Jim referred to previous discussions regarding other government entities with MS4 permits. He said there is a permit for the Vergus Avenue project #03.13 that is about three years old and a newer Vergus project #06.13 approved this year. He said these are township projects and there is one other, which is the Scott County Salt/Sand

project #06.08 at the existing county facilities west of the intersection of Highways 13 and 282. He said these projects were originally approved requiring a DA. He said the Board discussion at the last meeting was to release such entities with an MS4 permit from the requirement for a DA. He said he is asking the Board to authorize staff to delete the DA requirement from these three permits as the township and the county both are subject to MS4 permits. President Schmokel asked for a motion to modify those permits.

**Motion by Craig Gontarek to modify Permit Nos. 03-13, 06-08 and 06-13 deleting the requirement of a DA. Second by Bill Kallberg. Motion passed 4 ayes.**

B) Other. Jim Eggen said he has nothing more under the Technician's Report.

7. ADMINISTRATOR'S REPORT. Jim Eggen said he did not prepare a written report. He gave an oral report stating there has not been a lot of activity. He said he has spent more time on non-permit items than normal while acting as District Administrator and that there has not been much permit activity during this season.

8. ENGINEER'S REPORT.

A) Segment 5a – Construction Progress Report. Ed Matthiesen said they are waiting for the ground to firm up so Windscaapes, the contractor for blowing compost, can get on site. He said he thinks this will be done within the next couple of weeks and the project will be just about done for all the vegetation expected. President Schmokel asked for an estimate percentage of completed. Ed said they are about 80% finished.

B) Segment 5c– Finalize contract, authorize work to start. Ed Matthiesen referred to his memo dated 1/4/2007 and a report on the bids received. He said there were seven bids and that all were under the engineer's estimate. He said they found no math errors and checked references. He recommended the Board enter into a contract for \$100,449.00 with Minnesota Dirt Works for Segment 5c based on the fact that they were low bid and references were favorable. President Schmokel stated his reasoning for agreeing with the choice of Minnesota Dirt Works and asked if there were comments or questions from other Board members. There were none.

**Motion by Roger Wahl to accept Minnesota Dirt Works and issue a contract for \$100,449.00. Second by Craig Gontarek. Motion passed 4 ayes.**

Ed Matthiesen said there were two other items to discuss under Segment 5c; 1) there were four alternate bid items on the project. He said Alternate items 1 and 2 pricing is good compared to other bidders and would like to consider them at some point. He said these issues do not require action at this time and could be handled when the new District Administrator is on board. He said they do have the Clean Water Legacy Grant Funds of \$138,000.00 for Segment 5c. He said staff contacted BWSR who thinks the grant can be issued in about a week. He said this grant covers the entire project costs, which they did not expect. He said they need to get the grant executed as soon as possible because they cannot incur any costs prior to the grant being signed to keep them grant-eligible. He said they should have some Board members sign the grant before the next Board meeting due to the short window for winter construction. Manager Kallberg asked what the time

table is for the grant. Jim Eggen said he talked to BWSR and they indicated it may be done next week. He said he will speak to them again tomorrow. Ed Matthiesen said if necessary he or Jim could go to St. Paul and get the grant. He said he will also talk to Dan Ames of Minnesota Dirt Works regarding when he wants to start. President Schmokel asked Attorney Gavin if the Board approves it, will any member of the Board available be able to sign the grant. Attorney Gavin said he feels they could pass a motion or a resolution at this meeting that whoever is available can sign.

**Motion by Bill Kallberg to authorize any Board Member available to sign the grant. Second by Roger Wahl. Motion passed 4 ayes.**

Ed Matthiesen asked if a Board Member or Jim Eggen as Acting District Administrator will be required to sign the contract with Minnesota Dirt Works. The Board and Attorney agreed that Jim Eggen already has the authority to sign the contract.

C) Authorizations – Individual and Annual Services Contract. Ed Matthiesen said this is the second of the two year contract between Wenck Associates, Inc. and the PLSLWD and listed the authorizations for their four annual budgets. He displayed a listing of the 2006 budget amounts as; General Engineering - \$25,000.00, Outlet Assistance - \$8,000.00, Permit Assistance - \$45,000.00 and Planning - \$5,000.00. He said Jim is looking for the 2007 amounts and they should have them for the next meeting. The Board and staff discussed and agreed it did not need action at this meeting.

D) FeC1– Survey of Desilt Basin and Report for NPDES. Ed Matthiesen said this will be done this week or the first part of next week.

E) West Spring Lake – Ed Matthiesen said Prairie Restorations is the sub-contractor for the vegetation management component of the project. He said staff and Prairie Restorations agreed that there really is not any benefit in having vegetation management. He said since Prairie Restorations is a sub-contractors to Jay Bros, Inc. they also need agreement from Jay Bros., Inc. that the vegetation management not be done and the project concluded. He presented a change order to deduct the vegetation management amount from the overall project of \$5,512.50. He also submitted the Final Pay Estimate #6, reducing the retainage from 5% to zero and concluding the project.

**Motion by Craig Gontarek to approve change order #2 to remove vegetation management from the contract in the amount of \$5,512.50. Second by Bill Kallberg. Motion passed 4 ayes.**

**Motion by Bill Kallberg to reduce the 5% retainage Change Order #6 to approve final payment of \$5,105.86 and close the contract with Jay Bros., Inc. Second by Roger Wahl. Motion passed 4 ayes.**

9. OTHER OLD/NEW BUSINESS.

A) Bond Issuance completed. Consider services contract with Northland. Jim Eggen referred to the contract received from Northland Securities. He said Attorney Gavin has reviewed and spoken to the Finance Director Ralph Tischner for the City of Prior Lake. He said he recommends the Board sign the contract with Northland Securities. Attorney Gavin said when the PLSLWD did the costs

and expenses for the bond issuance they actually prepaid for the Northland Trust Services through 2013 and did not anticipate there would be a new contract to sign at this time. He also recommends the Board execute the contract at this time. Manager Schmokel asked if Attorney Gavin means that the District has already paid for the services through 2013. Attorney Gavin said yes it is an after the fact contract. Attorney Gavin said he has reviewed the contract.

**Motion by Bill Kallberg to approve signing the agent's service agreement with Northland Trust Services as described in the document dated December 15, 2006. Second by Roger Wahl. Motion passed 4 ayes.**

B) Outlet & Channel, status of JPA/MOA. Jim Eggen said there have been some communications lately regarding minor changes in some of the numbers and it is one of the items Shannon Lotthammer is still working on. Ed Matthiesen said the City of Shakopee has been looking at their storm water management plan and they have determined the discharge rate in the JPA for the area north of Highway 169 at 0.33 csf per acre. He said in their modeling they can show that to 0.25 csf per acre. He said this will cause the City of Shakopee's overall channel cost to drop by \$66,000.00 and the other three partners will need to pick up that amount at; \$32,000.00 for the District, \$17,000.00 for the City of Prior Lake and the Sioux Community by \$11,000.00. He said the City of Shakopee and the Sioux Community agree as does the PLSLWD Staff and the City of Prior Lake is in the process of reviewing the document, and Steve Albrecht of the City of Prior Lake agrees. Manager Kallberg asked if there is a provision in the document to review the rates periodically. President Schmokel asked that if the rate of .25 csf per acre does work out and they go back to the .33 csf per acre, will the City of Shakopee go back to their original share including the \$32,000.00. Ed Matthiesen said they would only go from that point forward and would not go back and recover. President Schmokel asked that if when the Board signs the JPA these revised figures will be in it. Ed Matthiesen said they would.

C) Morlock Easement. Jim Eggen referred to the copy of the e-mail received from Attorney Huemoeller included in the Board packets. He said the e-mail describes what Attorney Huemoeller feels is still unresolved and how he will complete the revised easement for review by the Board and Staff and the involved land owners; Dean Morlock and Chip Isaacson. Jim said he will follow-up with Attorney Huemoeller later in the week. President Schmokel said the reason he included this topic on the agenda is that this is a large segment of the outlet procedure and has been carried on and delayed for too long and time is going to be of the essence in order not to lose another winter construction season and be delayed again until the 2007-2008 or 2008-2009 season. He said the District has settled on a design and if Mr. Morlock will not agree, they need to decide how to proceed. Manager Gontarek asked if the City also has an easement over the same area. Manager Kallberg said Mr. Morlock wants that easement removed. Attorney Gavin said the concept is that if in fact everything was resolved with Mr. Morlock and Mr. Isaacson, there would be a stormwater conveyance that would come down that roadway. Then the City of Prior Lake would not need their easement and would release it. This is still all unresolved. Manager Schmokel said this is beyond the District's control. He said those residential additions come in three segments; the first and second, the roads were dedicated to the individual lot owners and would take court action to remove that status. He said the third addition created that roadway as a public street, and is a wholly different segment in court. He said he does not think the District can give up that right of saying that isn't a street, as they still have to work on it. He said he feels Mr. Morlock is asking the wrong

entity about this issue. Manager Kallberg said if the District condemns they will have court costs and still have to pay Mr. Morlock. President Schmokel asked what could be done within the existing easement and not need anything from Mr. Morlock. Attorney Gavin said that the appraiser they contacted for this project thought it was a situation where the District may have to compensate Mr. Morlock very little for the effect on the lot and if it is not a buildable lot. Manager Kallberg asked if the District can do what is needed with the present easement. Ed Matthiesen said they can build the structure there, but not without a construction easement. President Schmokel asked if they consider obtaining a temporary easement, what is the difference in cost to make it a permanent easement. Ed Matthiesen said that in order to do the construction during the 2007-2008 winter, starting after the boating season, the job would need to be bid in July. He said he doesn't know how long condemnation will take and they need to get a schedule to Mr. Morlock stating that there will be action taken by a certain date. The Board discussed the issue further and instructed Attorney Gavin to do research on a quick take, and a proposed plan for condemnation for the next meeting.

D) 2007 Annual Budget and Levy Completed. Jim Eggen said that the levy has been sent to the County as required and there is nothing more to report at this time.

E) Rules Revision Status. Ed Matthiesen said they are working on this and setting up some meetings with the City of Prior Lake. He said they thought this project would take about 2-1/2 months and they are on schedule. Attorney Gavin asked if the meetings being set up with the City are to discuss comments received from the City. Ed Matthiesen said they are.

F) Agreements with City of Prior Lake, status. Attorney Gavin said regarding the Memorandum of Agreement (MOA) with the City of Prior Lake for permitting, he said Shannon had talked to Ross Bintner at the City. He said the City had made revisions he and Shannon had questions about and he is redrafting it and will send a draft back to the City. He said Shannon told him the City had added a buffer strip requirement that is now equivalent to the District, so they need to do some revision in that regard. More conversations are needed with City staff about the District being able to recapture costs or getting paid through the application process. He said the District added this into the agreement and the City cut it out. Attorney Gavin is to continue to work with the City.

G) Room for future Board Meetings. Consider options. Jim Eggen referred to his memo in the packets dated January 4, 2007. He said the meeting room they are now in will not be an option as the City of Prior Lake plans to take out the audio vision equipment, microphones, etc. He said they need to have a decision on where to hold the meetings before the next meeting, February 13, 2007. Jim reviewed the rooms available at the new City Hall. Jim and the Board discussed these rooms and the fact the City said the City Council Chambers would be available for the District on the second Tuesday of each month. Jim Eggen said the Spring Lake Township is building a new town hall/community center and the District may want to consider holding some meetings there, especially special meetings on issues in that part of the District. The Board discussed and agreed it would be beneficial to hold special meetings there. The Board directed Jim to set up use of the Council Chambers with the City.

H) Office Lease. Consider renewal. Jim Eggen said he spoke with Joe Bell regarding the sale of the building. Mr. Bell said that will not happen for some time if ever. He said right now the District has a one year lease with a 60 day notification of termination clause that expires in February 2007.

Mr. Bell said this lease could be renewed with the same terms and very little if any change in rent. The Board directed Staff to negotiate a lease renewal.

I) PEIP renewal. Consider options. President Schmokel said he has attempted to meet with the County Administrator, but has not yet done so. He said he knows the County bids their insurance program and has a lot of options. He said he does not know if they would allow the District to participate in their plan and whether or not it would have anything that would meet the District's needs. He will set up a meeting to explore this further by the next meeting.

J) Pavlish Land and PLSLWD Channel/easement. Jim Eggen said he has talked with a person at the Trust for Public Land about someone from their office and someone from the City of Prior Lake to attend a Board meeting for a discussion about the sales of or use of the Pavlish land and what affect it may have on the PLSLWD. He said they do need to discuss the preservation and protection of the PLSLWD easements in the area. Manager Gontarek said they may want to use some of the Innovative Land Management money to go in with the City of Prior Lake to help purchase this land. He said the plans are to turn it into a park and it will give the District the chance to see what the plans are. Manager Kallberg asked what Channel Segment is involved. Ed Matthiesen said it is Segment 2. President Schmokel asked if additional easements will be needed for construction or reconstruction in that area. Ed Matthiesen said he does not think so, but will check. President Schmokel asked if they could discuss at a future meeting and have a map that outlines the property. Attorney Gavin asked if the City has a project plan or some kind of concept plan. Craig Gontarek explained that the overall concept plan is that there was going to be two regional parks in the area and the money that was going to be used for those regional parks will be used to purchase this land. He said the City will have most of the land around the lake except for the Garwood property and the Kinney property and their plans are to completely surround the lake and make it a big park. He said at the City Council presentation they were talking about the park land and land that the City is committed to as far as purchasing easements, etc. through the channel using channel funds. He said he would like more clarification of what funds they are talking about. Attorney Gavin said Shannon had told him that the City said if the District gave them some money, they would give the District the easements and whatever they need for access. Manager Gontarek said he knows the City is committing a large amount of money to the channel and he thinks the Board needs to know what money the City is talking about applying toward this land purchase. The Board discussed and said it would be beneficial to schedule them to come to the next Board meeting and explain the project/concept plans.

K) Wetland restoration opportunity. Jim Eggen reminded the Board about the Paradise Acres site and permit approved for Mark Fritz for development of a 4 – 5 acre site divided into several lots. He said on the north side of the site there is a small wetland and a larger one on the south side near Fish Lake. He said these are two wetland restoration opportunities. He said Mark Fritz is interested in these opportunities. Ed Matthiesen said it may be worthwhile to explore the site for water storage. The Board discussed directed Ed to set up a meeting with Mr. Fritz to view the site and report back.

L) Annual Services Contract with Scott SWCD. Consider renewal. Jim Eggen said he and Attorney Gavin have reviewed the contract and some suggested updates by Pete Beckius. He said the contract is basically ready to be signed again. Jim Eggen said they need to have a fiscal agent for their \$138,000.00 grant and that he talked to BWSR and they agreed and said the SWCD can supply that

service. He said he was wondering if they can combine this with the SWCD contract up for renewal. Attorney Gavin thinks it should be a separate contract. He said he needs to work on getting a fiscal agent in place. The Board and staff discussed and questioned the 12% increase in the SWCD rates. The Board directed staff to follow up and set up two contracts.

President Schmokel called for a break at 8:40 PM. Meeting resumed at 9:00 PM.

M) Curlyleaf contracts/treatments. Fish and Spring Lakes. Jim Eggen said he spoke with Steve McComas of Blue Water Science and has received quotes for aquatic plant surveys of \$5,300.00 for Fish Lake and \$6,400.00 for Spring Lake. He said he has not had the chance to review these and neither he nor Ed Matthiesen have really been involved in these projects in the past. He said he and Ed Matthiesen will review and bring back to the next meeting for consideration of approval of the quotes. He said he talked to the DNR and thinks there is a way to apply for a grant for the work on Fish Lake if the Board decides to do the work on Fish Lake. He said this is just information for this meeting, but he does feel it is worthwhile to continue this work. The Board and staff discussed what has been done in the past. Ed Matthiesen said he and Jim will review the comprehensive plan for the District and the lake management plans for Fish and Spring Lake and verify that what will be done is consistent with what had been originally planned. President Schmokel instructed staff to review, ascertain what the cost was last year and bring back to the next meeting.

N) Annual Work Plan. Jim Eggen said he has not had the time to look at the old annual work plan. The Board discussed and referred back to staff for further work and bring back to the next meeting.

O) Other.

Lunch for Shannon. The Board and Staff discussed when to have the “good-bye” lunch for Shannon. They checked their calendars and agreed that the date of January 18, 2007 would be agreeable to all of them. Jim said Shannon had told him she would be available just about any date. They discussed where to hold the luncheons and staff was directed to check out different establishments and make reservations. They also suggested some other people from other entities, consultants, etc. that Shannon has worked with during her time with the District be invited.

Encroachment onto the land owned by the District on Spring Lake, known as the Ducks Unlimited Wetland. Jim Eggen said the Board authorized a survey to locate the actual property line, which has been done. Jim also showed some pictures he took of the encroachment and items on the property that do not belong to the District. He said he needs to talk to the adjacent property owner to ascertain ownership of these items. Manager Kallberg said at different times of the year there are different items parked there, such as; boats, trailers, snowmobiles, vehicles etc. The Board discussed and instructed Jim to locate owners of the items, asked owners to remove them and put up fence posts with signs indicating it is the District’s private property and for no trespassing. Attorney Gavin asked if there were any easements to be considered before access is blocked. Staff was directed to research for easements and to contact the Township for advice on how they mark their boundaries.

Fish Lake Grant. Jim Eggen said this dovetails with the quotes from Steve McComas for Fish Lake. He said the DNR is apparently looking for partners in spending grant money and he is currently working on this.

Manager Kallberg asked about the letter from Northland Securities. Jim Eggen said that it is just an informational summary of the bond issue.

10. ADMINISTRATIVE.

A) Monthly Financial Report. Jim Eggen said he has not prepared a Financial Statement. He said Shannon has volunteered to do the report and will teach Jim and the new District Administrator to prepare these report.

ADJOURN: Regular meeting closed and Executive Session called.

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William Schmokel, President

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Craig Gontarek, Secretary