11:00 a.m. Call to Order Action
Review and Approve Agenda Action
Minutes of November 18, 2015 Action
Financial Report Action
HDR Engineering, Inc.- Change Order Action
Project Status and Update – Chuck Fritz and Nate Dalager Information
Policy Board and Citizen Questions Information
Adjourn Action
The meeting was convened by Chairman Orville Knott at 11:00 a.m. The following Policy Committee members (or their alternates), Local Governmental Unit staff and Contract staff were present:

Policy Committee Members present: Orville Knott, Red Lake SWCD; Dale M. Nelson, RLWD; Don Diedrich, Polk Co. Commissioner; Don Jensen, Pennington Co. Commissioner; Chuck Flage, Red Lake Co. Commissioner; Grant Nelson, Pennington SWCD.

Local Governmental Unit Staff present: Myron Jesme, RLWD; Matt Fischer, BWSR; Bryan Malone, Pennington SWCD.


Citizen/Technical Advisory Committee present: Dan Schmitz, Brian Dwight and Mike Flaagan.

The Policy Committee reviewed the agenda. Motion by Don Jensen, seconded by Grant Nelson, and passed by unanimous vote that the Policy Committee approve the agenda. Motion carried.

Motion by Chuck Flage, seconded by Don Jensen, to approve the November 18, 2015 Policy Committee Meeting minutes as presented. Motion carried.

Chuck Fritz updated the Policy Committee on the progress of the 1W1P. Fritz stated that the Technical Advisory Committee (TAC) is in the process of setting goals. Fritz discussed the following displayed maps: Planning Zones (lower, middle and upper); Priority Resources Catchments; BMP Treatment Storage; BMP Treatment Infiltration; BMP Treatment Filtration; and BMP Treatment Source Reduction. Fritz stated that the LGU members discussed how many practices they could do in a year. This process will be able to identify at various sites how much sediment/phosphorus could be reduced and from there they could get their goals. These goals are basically water quality goals, water quantity is separate. There will also be Flood Damage Reduction (FDR) goals in the plan. Each of these will have a cost per unit so they know which one would be cheaper. Fritz stated that we could overlay a FDR map, which could open the doors for additional project funding sources. HDR Engineering, Inc. will take these worksheets and come back with a goal statement for the next 10 Years. Each unit of government will get assigned goals.

Nate Dalager stated that the LGU’s did not finish today’s exercise for goal setting, therefore an additional meeting will be held to complete the process. Dalager stated that they are near completion on the goal development, and will move forward with the written plan.
Bryan Malone reviewed the Financial Report as of October 30, 2015. Malone stated that the ending grant cash balance received is $17,286.09, with payables of $18,445.82. Current balance after payables is -$1,159.73 with a grant balance of $11,567.27 remaining. Matt Fischer discussed the grant disbursement policy. Pennington County SWCD is the Fiscal Agent, therefore they cover the negative balance until the remaining grant balance is disbursed. Motion by Grant Nelson, seconded by Dale Nelson, to approve the Financial Report as of October 30, 2015. Motion carried.

Bryan Malone reviewed the HDR Engineering, Inc. Change Order in the amount of $58,340 and the review that was completed by Nate Dalager and LGU Planning Group. The LGU Planning Group presented specific questions in regard to the increase in budget, with Dalager providing his responses. Malone stated that the LGU Planning Group developed the following 5 Options for consideration by the Policy Committee: Option 1-Work with current grant funds; Option 2-Pay entire change order request; Option 3-request partial change order and submit a request to BWSR for the Consultants original bid difference; Option 4-request partial to BSWR for PTMapp amount; and Option 5-stay with HDR contract amount. Malone stated that the LGU Planning Group does acknowledge that some tasks where not included in the RFP and some tasks went beyond the scope of work. Myron Jesme stated that it was unclear on how things would be handled from the LGU Planning Group to the consultant. The Planning Group has now identified who has each task. Malone stated that the Planning Group is recommending Option 3, as they agree with some of the Change Order requests. Option 3 would allow for a Change Order in the amount of $30,418, which is the difference between the two bids received from HDR Engineering, Inc. and Houston Engineering, Inc. HDR would get $17,576 from the current grant funds, with a request for an additional $12,842 from BWSR for a total of $30,418. Malone reviewed the remaining budget for the International Water Institute, HDR Engineering, Inc. and the LGU’s. The $25,000 grant that was received from the Northwest MN foundation can only be used towards consultant’s costs. The LGU’s original budget was $35,080. The grant allocation only allowed the LGU’s $23,295. In revising the budget, the LGU Planning Group credited the $25,000 Northwest MN Foundation Grant towards HDR Engineering’s request, and any available balance from the International Water Institute budget would be put towards the LGU budget. Jesme stated that both the LGU Planning Group recognize that there is error on both sides. There were tasks that were not as clear, therefore the compensation of Option 3 is recommended. Don Jensen stated that he felt we didn’t know the direction we were first going, therefore Option 3 is a compromise of the two. Discussion will need to be held with BWSR in regard to the budget shortfall and request for funds. Motion by Dale Nelson, seconded by Don Jensen to approve Option 3 as presented. Motion carried.

Discussion was held on timeline moving forward. Nate Dalager stated that the draft plan is due mid-March. Dalager stated that a Policy Committee meeting should not be necessary in January.

Discussion was held on what would be required of the LGU’s for funding. Matt Fischer stated that now that the Policy Committee approved Option 3, the LGU Staff will draft a letter to BWSR requesting the $12,842. Fischer stated that he is unsure who can make that decision within BWSR. If the request is granted it would cover the expenses, but the question remains if BWSR denies the request the budget will need to be reviewed again.
Bryan Malone reviewed a resolution for formal review and public hearing process. Malone recommended that MCIT and LGU Attorney’s review the resolution. Malone stated that Peter Nelson will submit the resolution to the MCIT for review.

Motion by Dale M. Nelson, seconded by Grant Nelson, to adjourn the meeting. Motion carried.

Don Diedrich

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Approved
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