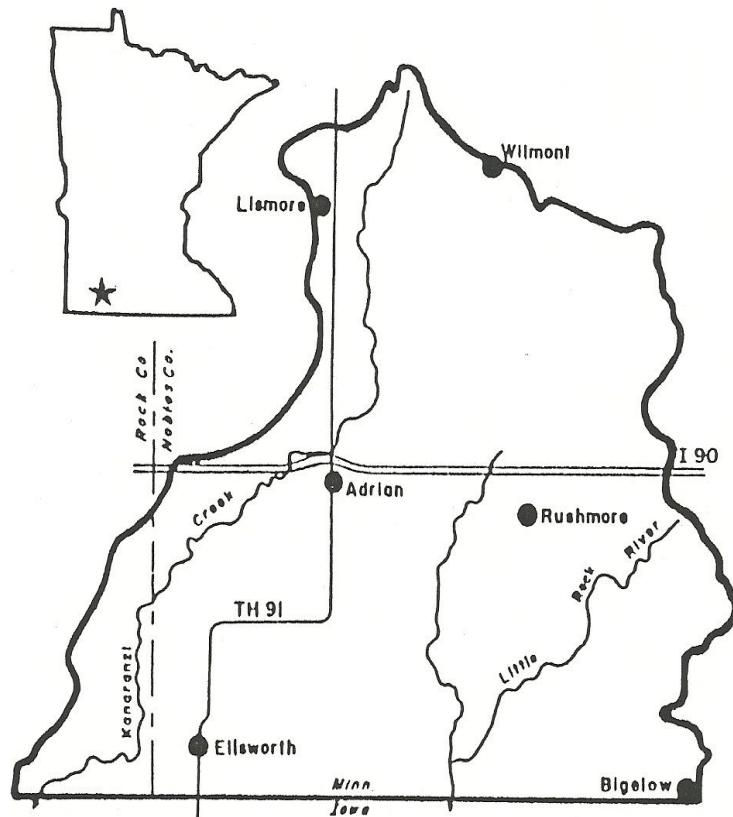


Kanaranzi-Little Rock Watershed District

2012 Annual Report



P.O. Box 190
209 Maine Avenue, Suite 106
Adrian, MN 56110
Phone – (507) 483-2849 Fax – (507) 483-2005

Kanaranzi-Little Rock Watershed District Managers:

Wallace Schultz, Chair (until 10/7/12)

22224 330th St., Rushmore, MN 56168

County: Nobles

Expires: 10-07-12

Telephone: 507-394-2323

Tim Taylor, 1st Vice Chair (Chair after 10/7/12)

17508 190th St., Adrian, MN 56110

County: Nobles

Expires: 10-07-13

Telephone: 507-473-4540 (Cell)

Coleen Gruis, 2nd Vice-Chair

316 N. Bishop Ave., Rushmore, MN 56168

County: Nobles

Expires: 10-07-14

Telephone: 507-478-4972

Connie Frahm, Treasurer

438 200th Ave., Ellsworth, MN 56129

County: Rock

Expires: 10-07-15

Telephone: 507-967-2517

Jerry Brake, Secretary

13213 Edwards Ave., Wilmont, MN 56185

County: Nobles

Expires: 10-7-14

Telephone: 507-472-8777

Attending County Commissioner:

Diane Thier, 628 Nevada Avenue, Adrian, MN 56110

Telephone: 507-483-2833

Attending Nobles SWCD Manager

Ken Wolf, 14501 275th Street, Adrian, MN 56110

Telephone: 507-483-2179

Kanaranzi-Little Rock Watershed

Contracted Staff:

City of Adrian

(Administration Services)

Bruce A. Heitkamp, Executive Secretary
P.O. Box 190, Adrian, MN 56110
adrian_admin@iw.net
Phone – (507) 483-2849 Fax – (507) 483-2005

Nobles Soil & Water Conservation District

(Technical Services)

1567 McMillan St. Suite #3
Worthington, MN 56187
Phone: 507-376-9150 extension #3
Fax: 507-372-7751

Ed Lenz, District Manager
edward.lenz@noblesswcd.org

Jane Steffl, Financial / Contracting Officer
jane.steffl@noblesswcd.org

Non-Contracted Technical Support

National Resource Conservation Service

1567 McMillan St. Suite #3
Worthington, MN 56187
Phone: 507-376-9150 extension #3
Fax: 507-372-7751

Stephanie McLain, District Conservationist
Brad Harberts, Civil Engineering Technician
Dawn Madison, Soil Conservation Technician

National Resource Conservation Service

311 W. Gabrielson Rd, Suite 3
Luverne, MN 56156
Phone: (507) 283-9146 Fax: (507) 283-2439

Kurt Halfmann, District Conservationist

Kanaranzi-Little Rock Watershed District

Kanaranzi-Little Rock Watershed 2012 Budget Work Sheet

	2012
Income	
Levy	\$102,600.00
Grant	
Total Income	\$102,600.00
Expenditures	
Board Compensation	\$5,000.00
Secretarial Compensation	500
Secretarial Service Contract	10,000
Payroll Taxes	1,000
Mileage and Travel	2,500
SWCD Contract Services	30,000
Insurance and Bonds	2,600
Audit	2,500
Legal Fees	500
Engineering	1,000
Professional Costs/MAWD	3,500
Publications and Hearings	2,000
Supplies and Postage	500
Other Services/Charges	1,000
Project Expenditures	40,000
Total Expenditures	\$102,600.00

2012 Year-in-Review

The Managers of the Kanaranzi-Little Rock Watershed District observed what could be defined as a typical and relatively quiet year in 2012. The Managers held ten (10) Regular Meetings in 2012 and one (1) Special Meeting. The summary below represents actions taken in 2012 for the Kanaranzi-Little Rock Watershed District (KLR).

The Managers held their first Regular Meeting on February 16, 2012. The Managers elected by consensus to not hold a meeting in January of 2012; as January is relatively quiet month for the watershed. The Managers used the month of February to: approve their normal consent agenda items [minutes, reports, and bills (insurance, MAWD, City of Adrian, Nobles SWCD)]. Several of the bills were cost-sharing incentives to close wells. The February Regular Meeting was also used to review their permit process. Natural Resource Conservation Service's (NRCS) Stephanie McLain and the KLR Managers started discussion regarding the District's permitting process and NRCS' involvement. Executive Secretary Bruce Heitkamp also informed the Managers of Department of Natural Resources (DNR) concerns regarding invasive species in the KLR's area; and actions to limit the spread of those invasive species (mainly Big Head Carp). The Managers use the remaining minutes of their meeting to review project permits and to brainstorm regarding annual planning.

The Managers reconvened on March 15, 2012 for their next Regular Meeting. Westside Township Board Member Alan Vogt attended the meeting to forward the Township's concerns with the 250th Street's shoulder being washed away. The same consent agenda items were approved. The Managers, once again, reviewed Permit Applications. The Managers then reviewed their rules in an effort to updating them. After the Managers gave Heitkamp direction in reviewing the rules, the Managers approved the 2011 Annual Report and the 2012 Annual Plan. Heitkamp commented on the plan and the Managers directed him to forward the Report and the Plan to the proper agencies. To close the meeting, the Managers discussed the "Fourth Grade Forester's Program". The Managers directed Heitkamp to purchase the trees and materials to educate the 4th grade students in the District on conservation practices.

The April 19, 2012 Regular Meeting took an unexpected turn from the planned agenda. NRCS representatives Gary Watson and Stephanie McLain visited the meeting. Watson notified the Managers that NRCS would no longer offer their "official" assistance (signature) in the review of KLR's Application for Permits. Much of the discussion after that notification revolved around a fragmented process for approving projects. The Managers then approved: minutes, financial reports, and bills. The bills included payments for: insurance, well sealing, trees (Fourth-Grade Forresters), rental of a safety deposit box, and assistance for an individual septic treatment facility. Nobles SWCD's Lenz offered a report which included a livestock producer's investigation of a manure containment facility. Lenz also went on to report that two J-hook projects were being completed and there may be requests to "front-end-fund" projects because of the lack of grant funding. The final minutes of the meeting was used to discuss the revision of the rules and to discuss May Regular Meeting plans.

Fourth Grade Forrester's Program:



The Managers enjoyed their public outreach purpose and the marketing of conservation practices. One such opportunity presented itself on Friday, April 27, 2012 when Manager's Connie Frahm and Wallace Schultz along with Executive Secretary Bruce Heitkamp visited the schools of Adrian, MN and Ellsworth, MN. The KLR representatives visited fourth grade students to educate them on Arbor Day and the role that trees play to the ecosystem. Each fourth grade student and the teachers were presented with 18" trees to plant and care for.

The review of Application for Permits was the common theme during the May 17, 2012 Regular Meeting. The Manager's approved the usual items: minutes, financial reports, and bills. The bills included: advertising costs, the replenishment of petty cash, mileage, and postage expenses. NRCS' Stephanie McLain explained that storm-damage assessments were taking place regarding a erosion that occurred within the month. The Managers then reviewed a long list of Applications for Permits. The Managers then discussed and continued the reviewing of the rules.

The month of June (6/21/12 Regular Meeting) was financial-review month for KLR. Auditor Steven Haugen from Gerber & Haugen Accounting Firm in Slayton, MN visited to report to the Board. Haugen reported the District as being in sound financial position in 2011. The Managers also approved a new banking resolution to acknowledge Manager Jerry Brake as the Secretary for the District. The minutes, financial reports, and an invoice (advertising) were again approved. Nobles SWCD' Ed Lenz again presented his report. As a part of Lenz report, he proposed the 2013 Nobles SWCD Contract. The contract included the naming of a Nobles SWCD Technician as the exclusive technician for the District. After Lenz's report, the Manager's discussed the upcoming 2013 budget. Again, the Board directed Lenz and Heitkamp to continue their proposed amendments of the rule before adjourning the meeting.

The July 19, 2012 Regular Meeting Agenda presented a typical meeting for the Managers. Heitkamp announced that Chessa Ossefoort would be presenting a Data Collection and Outreach presentation regarding her work in the Missouri River Basin in August. The Managers approved the: minutes, reports, and bills. The bills included: advertising, administration costs (City of Adrian), technical services costs (Nobles S.W.C.D., and well-sealing cost share payments. The Managers received their 2013 Budget paperwork and held discussion regarding the budget, expense projections, and a hearing date before adjourning.

The August 16, 2012 Regular Meeting started by addressing some landowner concerns. A trio of Summit Lake landowners requested the assistance of the Managers in regards to a County Road 11 project. The Managers directed the landowner's to contact a Viewer to ascertain assessment charges with the project that may affect them. Chessa Ossefoort then presented the Missouri River Basin Data Collection and Outreach Presentation. The presentation illustrated the steps to improve water quality in the basin. The Managers then approved the: minutes, financial reports, and approved the bills. The bills included advertising costs and property/casualty insurance. Heitkamp then reported that he attended a Local Work Group Meeting at the Nobles County USDA Service Center to discuss the changes in EQIP funding and to find consensus regarding the local soil and water concerns. After Heitkamp's report of that meeting, the Managers approved Applications for Permits. The budget was then discussed and a budget amount of \$102,600.00 was agreed upon; with Heitkamp being directed to post the public hearing for the September 13, 2012 Budget Meeting. Heitkamp then handed out a copy of proposed KL rules for the Managers to review. The closing discussion at the meeting revolved around long-time Manager Wallace Schultz expiring term and the possibility of his departure from the Board.

September for KLR started with the September 13, 2012 Budget Meeting. The Managers held extensive discussion regarding 2013 expenses in the budget. Chairman Wallace Schultz indicated that no guests attended the meeting and no written correspondence was received to oppose the 2013 Budget. After some more brief discussion validating the 2013 Budget, Motion by Frahm, second by Taylor, motion passed to adopt Resolution #3-2012; which established the levy amount of \$102,600.00 and adopted the 2013 KLR Budget. Heitkamp was directed to forward the levy amounts to the Nobles and Rock Counties' Auditor/Treasurer's.

The September 13, 2012 Regular Meeting commenced shortly after the Budget Meeting. The September Regular Meeting presented the standard business for the Managers. The Managers approved the: minutes, financial reports, and the bills. Bills included: advertising, the League of MN Cities, Gerber & Haugen audit fees, budget publishing, and petty cash replenishment. Nobles SWCD's Ed Lenz indicated that reviews of Applications for Permits had slowed with added SWCD/NRCS work and staff vacancies. Lenz indicated that he was applying for State grants and he was also finishing cost-share invoices for KLR (J-hook projects). The Managers reviewed Applications for Permits and finished the meeting by discussing the expiring terms of two (2) Managers. Manager Connie Frahm indicated that she notifying Rock County of her wishes to stay on the Board. Wallace Schultz stated that he was making the difficult decision to not request for reappointment. The Board thanked both Frahm and Schultz for their service. The Managers then decided to cancel their October Regular Meeting due to increased harvest-related work for several of the Managers.

Ecology Bus:



The Managers of the Kanaranzi-Little Rock Watershed District annually approve the use and expense of the Prairie Ecology Bus. The bus transports and educates students in the KLR Watershed District on the practices of conservation. A common stop for the students is the Prairie Grass Learning Center in Adrian, MN. The students collect grasses and wildlife and then learn about those specimens; as well as the benefits those species provide to the ecosystem.

The Managers reconvened the Regular Meetings on November 15, 2012. The Managers used the first minutes of the meeting to discuss the 2013 Nobles SWCD contract for technical services to the District. Nobles SWCD' District Manager Ed Lenz and SWCD Manager Ken Wolf forecasted a plan to provide mutual exclusive technical support to the District. The Managers expressed their wishes to act upon this during the December Regular Meeting. Lenz and KLR Executive Secretary Bruce Heitkamp provided a synopsis of another DNR-facilitated meeting regarding the Herlein-Boote Slough water diversion. With the departure of Chairman Wallace Schultz; Frahm, Gruis moved with the other support of the Managers to appoint Tim Taylor as the new Chair of District. The Managers then approved the: minutes, financial reports, and bills. The bills included: advertising, budget public hearing publishing, and the Prairie Ecology Bus expense. The Managers mentioned that they wouldn't be attending the MAWD Annual Meeting due to a lack of rooms. The Managers concluded their meeting by discussing the enforcement issues relating to the implementation of the new rules and Ellsworth's intentions to amend their Wellhead Protection Program. The December Regular Meeting would take place at the Countryside Inn in Adrian on December 13, 2012.

Walter Kellen's J-Hook Project (before and after)



The December Regular Meeting started with a meal at the Countryside Inn in Adrian, MN. The Managers reviewed the: minutes, financial reports, and bills. The bills included: advertising, meeting mileage, and award expenses. Gruis and Brake moved and with the support of the rest of the Board, the cost-share payments for J-hook projects were approved. Nobles SWCD' Lenz forwarded that he was successful in obtaining \$285,000.00 in Legacy Fund grants; of which \$180,000.00 was planned for the KLR area. Lenz then requested cost-share assistance for producers who underestimated the cost of their projects (not approved). The Managers then approved several Applications for Permits as well as the 2013 Nobles S.W.C.D. Contract for Services. Brake and Taylor voted to appoint Frahm and Gruis as KLR representatives on the Joint Powers Board. A new corporate resolution was approved that illustrated Tim Taylor as the new Chair. The Gerber & Haugen Accounting Firm was approved to perform the 2012 KLR Audit. The meeting closed with the presentation of awards to the following people for the past service to the District: Connie Hoffer (Administration), Mark Slater (Manager), and Wallace Schultz (Manager).

Kanaranzi-Little Rock Watershed District Permit Application Summary

The most-common action taken by the Managers in 2012 was the reviewing and permitting of projects in the District. With the Cooperation of NRCS and Nobles SWCD, KLR approved 97 permits in 2012. Of projects, 87 were approved for new tile or time repair, 7 were approved for waterway clean-outs, and 3 were approved for ditch clean-outs. Several permits were not approved throughout the year for lack of landowner signatures or acknowledgement of the projects.

KLR-Area ARRA Remaining Project Review

<u>Contract #</u>	<u>Location</u>	<u># of Acres</u>	<u>Obligated Amt</u>	<u>Practice</u>	<u>Balance</u>
10-01-232	SE 1/4, 18 Ransom	117.8	\$ 6,642.00	Cons. Tillage	\$ 825.00
9-02-220	SE 1/4, 4 Olney	95.9	24,539.00	Cons. Tillage	627.00
9-02-216	SE 1/4, 1 Larkin	149.4	9,485.00	Cons. Tillage	1,046.00
10-01-236	SW 1/4, 8 Larkin	209.0	24,580.00	Cons. Tillage	1,463.00
9-02-217	NE 1/4, 10 Larkin	80.1	6,903.00	Cons. Tillage	561.00
10-01-233	SW 1/4, 8 Olney	<u>140.0</u>	<u>8,205.00</u>	Cons. Tillage	<u>980.00</u>
		792.2	80,354.00		5,547.00

	<u>Project Agreement 60-6322-09-02</u>	<u>Project Agreement 60-6322-10-01</u>
Spent to Date	\$ 187,512.41	\$ 65,404.46
Tillage Payt. to	2,279.00	3,268.00
Total that will be Spent	189,791.41	68,672.46
Slippage to Return	10,208.59	31,327.54

Bills Payable (January 1, 2012 – December 31, 2012)

<u>Number</u>	<u>Memo</u>	<u>Amount</u>
1237	KLR #9-02-227 Waterway & Tile Payment	- 15,122.15
1238	KLR #10-01-233 Waterway Payment	- 4,705.74
1239	KLR #10-01-231 Terrace & Tile Payment	- 8,791.37
1240	KLR #09-02-239 Waterway Payment	- 5,175.17
1241	KLR #09-02-239 Conservation Tillage Payment	- 899.50
1242	KLR #10-01-238 Conservation Tillage Payment	- 987.00