REGULAR MEETING OF THE RCWD BOARD OF MANAGERS

Wednesday, December 12, 2018

Shoreview City Hall Council Chambers
4600 North Victoria Street, Shoreview, Minnesota

Approved Minutes

CALL TO ORDER
President Patricia Preiner called the meeting to order, a quorum being present, at 9:00 a.m.

ROLL CALL
Present: President Patricia Preiner, 2nd Vice-Pres. John Waller, Treasurer Steven Wagamon, and Secretary Michael Bradley.

Absent: 1st Vice-Pres. Barbara Haake (with prior notice).

Staff Present: Administrator Phil Belfiori, Permit Coordinator/Wetland Specialist Nick Tomczik, Technician Samantha Berger, Project Manager Kyle Axtell, Technician Lauren Sampedro, Lake and Stream Specialist Matt Kocian, Office Manager Theresa Stasica.

Consultants: District Engineer Chris Otterness from Houston Engineering, Inc. (HEI); and District Attorney Louis Smith from Smith Partners.

Visitors: Marty Asleson, Maureen Hoffman.

SETTING OF THE AGENDA
District Administrator Belfiori noted that staff would like to add a new #2 under Discussion and Information, Bylaws Amendment Process.

Motion by Manager Bradley, seconded by Manager Wagamon to approve the agenda as amended. Motion carried 4-0.

READING OF THE MINUTES AND THEIR APPROVAL
Minutes of the November 12, 2018 Workshop Meeting. Motion by Wagamon, seconded by Manager Waller to approve the minutes as presented. Motion carried 4-0.

Minutes of the November 14, 2018 Board of Managers Meeting. Motion by Wagamon, seconded by Manager Waller to approve the minutes as presented.
Permit Coordinator/Wetland Specialist Tomczik stated that on line 60 of page 10, the word “not” should be inserted into the sentence that the federally owned land is not subject to RCWD regulations.

*Managers accepted friendly amendment. Motion carried 4-0.*

Minutes of the November 26, 2018 Workshop Meeting. *Motion by Wagamon, seconded by Manager Waller to approve the minutes as presented. Motion carried 4-0.*

**CONSENT AGENDA**

The following items will be acted upon without discussion in accordance with the staff recommendation and associated documentation unless a Manager or another interested person requests opportunity for discussion:

**Table of Contents**

**Permit Applications Requiring Board Action**

<table>
<thead>
<tr>
<th>No.</th>
<th>Applicant</th>
<th>Location</th>
<th>Plan Type</th>
<th>Recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-102</td>
<td>PPF RTL Rosedale Center</td>
<td>Roseville</td>
<td>Final Site Drainage Plan</td>
<td>CAPROC 4 items</td>
</tr>
<tr>
<td>18-105</td>
<td>PD &amp; H Properties</td>
<td>Blaine</td>
<td>Final Site Drainage Plan</td>
<td>CAPROC 7 items</td>
</tr>
</tbody>
</table>

Manager Waller stated that it appears that for Permit No. 18-102, Roseville wants to install an underground container to catch the water and there are plans to survey so it is the right size. He asked that when staff is out surveying the size that they also ensure that there is an adequate way to clean and maintain the container.

Technician Berger explained that the underground structure was constructed as part of a previous permit on file and as part of that would have required an operations and maintenance agreement. She explained that typically those types of underground features have an access port for that purpose. She noted that the as-built survey was received yesterday and the structure is sized appropriately for the project.

*It was moved by Manager Waller, seconded by Manager Bradley to approve the Consent Agenda item for permits 18-102 and 18-105 outlined in the above Table of Contents in accordance with RCWD District Engineer’s Findings and Recommendations dated November 28 and December 5, 2018. Motion carried 4-0.*

Permit Coordinator/Wetland Specialist Tomczik gave an update on the Anoka Hennepin project, Permit No. 17-125 (New Blaine Elementary School) and noted that the RCWD was contacted by their attorney. He stated that the attorney came to the office and met with staff and staff believes there is a better understanding and that all the necessary documents are in place in order to move forward.
OPEN MIKE – LIMIT 12 MINUTES. Any RCWD resident may address the Board in his or her individual capacity, for up to three minutes, on any matter not on the agenda. Speakers are requested to come to the podium, state their name and address for the record. Additional comments may be solicited and accepted in writing. Generally, the Board of Managers will not take official action on items discussed at this time, but may refer the matter to staff for a future report or direct that the matter be scheduled on an upcoming agenda.

There was no one present to speak.

ITEMS REQUIRING BOARD ACTION


President Preiner noted this agenda item provides further opportunity for public comment on the District’s 2019 budget and levy.

President Preiner reported on September 12, 2018, the board of managers adopted resolution 2018-25 setting the District’s 2019 budget at $7,345,030 and approving a property tax levy of $4,710,392 with the remaining balance between the approved budget and the tax levy ($2,634,638) coming from revenues generated from grants, planned fund balance rollovers, and water management district charges. Up until the end of December, the Board has the ability to reconsider and reduce its levy. To that end, State law requires that the Board offer an opportunity for interested members of the public to comment on the Board’s September budget and levy action.

President Preiner stated if the Board should choose to adjust its levy, it would do so by resolution that would then be sent to the County auditors by late December. If the Board doesn’t adjust the levy, the September levy certification will stand and there is nothing more that the District needs to do. She invited anyone present in the audience to the podium if they would like to comment on the District’s 2018 budget or levy, and requested they state their name and address for the record.

There was no one present to speak.

2. Consider Final Certification of 2019 Tax Levy and Budget.

District Administrator Phil Belfiori directed the Board to the memo and 2019 budget documents beginning on page 33 of the agenda packet. He reported pursuant to Minnesota Statute 103D/B, the Board’s action on September 12, 2018 serves as both the preliminary and final levy, and budget certification to the counties. The counties have historically allowed watershed districts to revise and submit a final levy and budget certification on or before December 28th along with other local governments. If the Board of Managers has no intent to make any changes to the budget and levy adopted on September 12, no further action is required of the Board. If they do wish to make
changes, a motion would be required, and if adopted, a new resolution would need to be acted on at this meeting. Administrator Belfiori provided 2019 budget highlights. He explained that the property tax rate for a $200,000 home in RCWD will be the same as in 2018, which is approximately the equivalent of $36.30. He reiterated that there would be no change in rate or impact.

There were no further comments offered by the Board.

3. **Consider RCWD Carp Management Plan for Long Lake/Lino Lake Chain of Lakes. (Matt Kocian).**

Lake and Stream Specialist Matt Kocian gave a brief overview of the Carp Management Plan for Long Lake/Lino Lake Chain of Lakes and the Long Lake Targeted Watershed grant from BWSR. He stated that the purpose of the plan is to guide the annual program, budget and logistical planning and fulfill the BSWR contractual requirements for “project assurance”. He explained that the plan has two parts, one the overview of the RCWD carp management plan and the second would be the system-specific information and action plans for the Long Lake/Lino Lake Chain of Lakes plan. He stated that plan has flexibility to be expanded and will be reviewed every 5 years.

*Motion by Manager Bradley, seconded by Manager Wagamon, to adopt the RCWD Common Carp Management Plan and the Long Lake / Lino Lake Chain of Lakes System Plan, to fulfill obligations for the District’s 2014 BWSR Targeted Watershed Grant agreement. Motion carried 4-0.*

4. **Consider Veit and Companies, Inc. Pay Request #6 for the Middle Rice Creek Restoration Project.**

Lake and Stream Specialist Matt Kocian noted that the only item left to pay on this project is the retainage that was held back from Veit throughout the construction process. He stated that he is very happy with project outcome, and noted that it also finished under budget. He commended the project engineer, EOR, for their diligent construction observation as well as their meticulous attention to pay applications.

*Motion by Manager Waller, seconded by Manager Bradley, to approve final payment to Veit and Companies, Inc. for the Middle Rice Creek Restoration Project, for remaining retainage, in the amount of $8,238.64. Motion carried 4-0.*

District Administrator Belfiori thanked Lake and Stream Specialist Kocian for his work on the last two projects and Project Manager Axtell for his work on the two upcoming projects on the agenda. He noted that they have both done great work on these projects.

Manager Waller asked that his appreciation for keeping a close watch on the project costs be passed along to EOR.
5. Consider Partial Pay Request #14 from Rachel Contracting, Inc. for Hansen Park Project.

Project Manager Axtell noted that this project is not completely finished and still needs some minor work, such as putting another layer of asphalt on the trail. He noted that there have been six change orders which have used just under half of the contingency funds. He stated that he believes there is some money in the original contract that will not be used and thinks that the project will come in under budget.

Motion by Manager Waller, seconded by Manager Bradley, to approve Rachel Contracting, Inc.’s pay request as submitted and certified by the District Engineer and direct staff to issue a payment in the amount of $146,587.39. Motion carried 4-0.

Manager Bradley noted that the District is in quite a different place than it was a year ago when the project was behind schedule and was surrounded by angry citizens.

Project Manager Axtell stated that he thinks the city is happy with the outcome and noted that there are still a few disgruntled citizens in the neighborhood, but overall the project is in a good place.

6. Consider City of Saint Anthony Final Pay Request #9 for Mirror Lake Stormwater Improvement Project.

Project Manager Axtell stated that the project is fully completed and noted that the city did a great job managing the project. He stated that this payment is for expenses through September and he suspects that there will be some minor items that happened after September, so there may yet be another reimbursement request at a later date. He stated that this project will also be finished under budget.

Motion by Manager Wagamon, seconded by Manager Bradley, to approve the City of Saint Anthony’s reimbursement request of $30,106.81 pursuant to the August 25, 2015 Cooperative Agreement. Motion carried 4-0.


Project Manager Axtell noted that BWSR’s grant policy requires project signage at all of the projects funded with Clean Water Fund dollars. He explained some of the reasons that there had not yet been signage developed for either the Middle Rice Creek project or the Hansen Park project. He noted that if the Board approved the signage, it will most likely be installed next summer.
Motion by Manager Waller, seconded by Manager Bradley, to direct staff to proceed with signage development and installation at the Hansen Park and Middle Rice Creek project sites in 2019 to fulfill the District’s obligations under its 2014 BWSR Targeted Watershed Demonstration grant, pursuant to BWSR grant signage policy and RCWD contract policy, and in partnership with the City of New Brighton and Ramsey County Parks. Motion carried 4-0.

8. Consider City of Lino Lakes Local Water Plan.
District Technician Lauren Sampedro stated that the District has received the final draft of the City of Lino Lakes Local Water Plan (LWP) and found that it adequately addresses all the RCWD and District comments and is consistent with the District’s watershed management plan and State requirements. She stated that the city has found issues with water rate, quantity, water quality, and floodplain management. She reviewed some of the plans to address the issues and noted that the city would like to work with the District on subwatershed management plans and implementing water quality improvement projects. She noted that they would also like to partner with the District on wetland restoration projects along ACD 25 and ACD 47 as well as complete a feasibility study on flood reduction along the ACD 10-22-32 system. Staff finds that the City of Lino Lakes plan is consistent with the District’s watershed management plan and State requirements and recommends approval.

A representative from the City of Lino Lakes thanked the RCWD for the collaborative effort in completing the plan.

Motion by Manager Bradley, seconded by Manager Wagamon, to adopt Resolution 2018-37: Approving Lino Lakes Local Water Management Plan.

THEREFORE, BE IT RESOLVED that the RCWD Board of Managers hereby approves the City of Lino Lakes’ local water management plan, as submitted on November 21, 2018.

ROLL CALL:
Manager Waller – Aye
Manager Haake – Absent
Manager Bradley – Aye
Manager Wagamon – Aye
President Preiner – Aye
Motion carried 4-0.

9. Consider City of Mahtomedi Local Water Plan.
District Technician Lauren Sampedro stated that the District received the final draft of the City of Mahtomedi LWP on December 4, 2018. She noted that it has adequately addressed all comments and is consistent with the District’s 2010 Watershed Management Plan. She stated that the city identified several water resources issues
within the District. She noted that the city is involved in the Upper Mississippi River
Bacteria TMDL and the Peltier and Centerville Lake TMDL. The city is interested in a
possible partnership with RCWD on a channel stabilization project to address erosion and
sedimentation concerns along Tamarack Street. Staff finds that Mahtomedi’s LWP is
consistent with the District’s watershed management plan and State requirements and
staff recommends approval.

Manager Waller stated that Willernie is located completely inside the City of Mahtomedi
and he feels their plans should coordinate. He asked how their LWP was coming along.

Technician Sampedro stated that Willernie’s plan is still in progress and noted that she
had submitted some comments and is awaiting revisions. She noted that their draft plan
had identified some of the same issues that Mahtomedi had identified.

Manager Waller stated that recently there was a gentleman that came to a meeting and
expressed his concern about a spill that had happened near the north side of Lost Lake.
He stated that he would like to make sure that the north side of the lake is addressed.

Motion by Manager Waller, seconded by Manager Bradley, to adopt Resolution 2018‐
38: Approving Mahtomedi Local Water Management Plan.

THEREFORE, BE IT RESOLVED that the RCWD Board of Managers hereby approves the City
of Mahtomedi’s local water management plan, as submitted on December 4, 2018.

ROLL CALL:
Manager Waller – Aye
Manager Haake – Absent
Manager Bradley – Aye
Manager Wagamon – Aye
President Preiner – Aye

Motion carried 4-0.

Administrator Belfiori noted that a slightly revised copy was handed out just prior to the
meeting. He explained that staff has been researching the purchase of short-term CDs.
He noted that the District’s Financial and Accounting Manual and the procurement policy
requires some updates. He read aloud the portions of the policy that had been revised as
follows: Cash and Investments, 12/12/2018. Rice Creek currently has an administration
account and a surety account. There is no restricted investments or cash (other than as
allowed by State Statutes), except for the surety account. The District does not currently
have set aside investment accounts since the Administration & Surety accounts are also
sweep accounts. The watershed may wish to pursue all allowable options for their
investments. The following investments will be permitted (as allowed by State Statutes):
1) Certificates of deposit that are fully insured by the Federal Deposit Insurance Corporation or protected with State Statute authorized collateral that has a market value equal to at least 110% of the CD and 2) U.S. government obligations. The watershed allocates investment income and accrued interest to those funds which have a cash balance in them. This is done twice a year based on amount of interest earned during those months. He noted the suggested language change in the recommended motion and noted that staff recommends approval of both policies.

**Motion by Manager Bradley, seconded by Manager Wagamon to adopt the Revisions to the RCWD Financial and Accounting Manual as presented by Administrator Belfiori and dated December 12, 2018 with any non-material changes and direct the Administrator to incorporate it into the District’s Policy and Procedures Manual.**

Manager Waller asked the District Attorney to ensure that there are not two separate conflict of interest standards for federal and non-federal projects.  

**Motion carried 4-0.**

11. **Consider December 26, 2018 Check Register – Resolution Authorizing Treasurer Approval.**

Administrator Belfiori explained that this item authorizes payment for the second check register for December of 2018 and noted that staff recommends approval.

**Motion by Manager Bradley, seconded by Manager Waller, to adopt Resolution 2018-39: Authorization for Payment of December 2018 Check Register. Motion carried 4-0.**

THEREFORE BE IT RESOLVED that the Board of Managers authorize the District Treasurer to review and approve payment of the December 26, 2018 check register in an amount not to exceed $375,000 for operating expenses, and $150,000 surety returns.

**ROLL CALL:**
Manager Waller – Aye
Manager Haake – Absent
Manager Bradley – Aye
Manager Wagamon – Aye
President Preiner – Aye

**Motion carried 4-0.**

12. **Consider Check Register dated December 12, 2018, in the amount of $53,757.78 prepared by Redpath and Company.**
Motion by Manager Wagamon, seconded by Manager Waller, to approve check register dated December 12, 2018, in the amount of $53,757.78, prepared by Redpath and Company. Motion carried 4-0.
ITEMS FOR DISCUSSION AND INFORMATION

1. 10-Year Watershed Management Plan
   Administrator Belfiori read the following statement:
   The Rice Creek Watershed District is currently developing its next 10-Year Watershed Management Plan. Residents of the District are invited to submit comments about their priorities and concerns within the watershed district. These comments will be considered by the Board of Managers. To be considered, comments should be submitted to wmp@ricecreek.org by December 31, 2018.

2. Bylaws Amendment Process
   Administrator Belfiori noted that distributed prior to the meeting were the bylaws that were discussed at the recent workshop meeting. He noted that in Article IV, Section 8, it states that the Board shall designate the official District depository and official newspapers annually at the first regular meeting in February. He noted that the Board has flexibility on when this can be done and does not have to be done at the February meeting. He noted that per the bylaws, election of officers is to be done at the first regular meeting in February and are for one-year terms. He stated that if the Board would like to change the date for election of officers, the board could vote to change the bylaws if the change would be permanent, or temporarily suspend the bylaws if the change was not to be permanent.

   Manager Bradley noted that the language states that the election is to be held on or before the first meeting in February, so if the Board wanted to do this at the meeting in January, nothing would need to change.

   President Preiner stated that there are difficulties with scheduling between two of the Managers. She stated that she isn’t sure how to solve the fairness issue this may create.

   Manager Bradley noted that he did not think the fairness issue can be solved. He stated that he is content to continue in his role, but when the time comes when, for example, President Preiner no longer wants to serve as president, a change may be necessary.

   There was a consensus to discuss this in more detail at the next workshop meeting.

3. Staff Reports
   No comment.

4. District Engineer Update and Timeline.
   District Engineer Otterness received an e-mail from Mark Deutschman this morning who will be retiring from Houston Engineering. He explained that Mr. Deutschman had wanted to come to the meeting today but was unable to and asked him to pass along his
thanks to the staff and Board for the trust that was placed in him and Houston Engineering over the years.

President Preiner expressed her thanks to Mr. Deutschman for his original ideas to get the Board started on many of their projects.

5. **November-December-January Calendar.**

Administrator Belfiori reminded the Board that January is a very busy month and reviewed some of the upcoming meetings.

6. **Managers Update.**

Manager Waller stated that Administrator Belfiori gives a great, educational presentation and suggested that it be given to staff in conjunction with the speech from the City Administrator from Hugo, Mr. Bear. He stated that he feels both of these presentations should be shared with other cities around the State. He noted that present in the audience today is Maureen Hoffman, a new member of the Washington County environmental group.

**ADJOURNMENT**

*Motion by Manager Waller, seconded by Manager Bradley, to adjourn the meeting at 10:03 a.m. Motion carried 4-0.*