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, and Treasurer Steven Wagamon.
Absent: 1st Vice-Pres. Barbara Haake and Secretary Michael Bradley with prior notice.
Staff Present: Administrator Phil Belfiori, Technician Samantha Berger, Water Resource Specialist Kyle Axtell, Communications & Outreach Coordinator Beth Carreño, Office Manager Theresa Stasica.
Consultants: District Engineer Chris Otterness from Houston Engineering, Inc. (HEI); and District Attorney Louis Smith from Smith Partners.
Visitors: Ryan Anderson, Kent Peterson.

APPOINT ACTING-SECRETARY
Motion by Manager Waller, seconded by Manager Wagamon, to appoint Manager Waller as Acting-Secretary. Motion carried 3-0.

SETTING OF THE AGENDA
No changes to the agenda presented.

READING OF THE MINUTES AND THEIR APPROVAL
Minutes of the January 22, 2018 Strategic Direction Process Board of Managers Workshop.
Motion by Manager Wagamon, seconded by Manager Waller to approve the minutes as presented. Motion carried 3-0.
Minutes of the January 24, 2018 Board of Managers Meeting. Motion by Manager Wagamon, seconded by Manager Waller to approve the minutes as presented. Motion carried 3-0.

Minutes of the January 30, 2018 Washington Judicial Ditch 2, Branch 1 and 2 Repair Reports Public Hearing Minutes. Motion by Manager Wagamon, seconded by Manager Waller to approve the minutes as presented. Motion carried 3-0.

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:

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Permit Applications Requiring Board Action

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Permit Coordinator/Wetland Specialist Nick Tomczik requested an addition to permit 17-037 Engineers report, on page 27, as additional Exhibit “19, TEP Finding report signed 1-24-2018.” It was moved by Manager Waller, seconded by Manager Wagamon to approve the consent agenda as outlined in the above Table of Contents in accordance with RCWD District Engineer’s Findings and Recommendations for permit 13-087, 17-037, 17-099, 17-115, 17-119 and 18-009 dated January 31, February 7 & 8, 2018. Motion carried 3-0.

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
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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.

No comments.

ADDITIONAL ITEMS REQUIRING BOARD ACTION

1. Election of Officers.
   
   Motion by Manager Wagamon, seconded by President Preiner, to re-elect all officers to their current positions.

   Manager Waller commented there should be a rotation of officers on an annual basis. He suggested they wait until they have a full Board present before voting on this item.

   President Preiner noted they just updated the Board’s procedures and processes and there were no requests to change the timing, which has been followed each year. She suggested they move forward, unless there were additional concerns expressed by Board members.

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

   Motion carried 2-1.

2. Designation of Official Depository (currently Anchor Bank) and Official Newspaper (currently St. Paul Pioneer Press)

   Motion by Manager Waller seconded by Manager Wagamon to designate Anchor Bank as the official depository of the Rice Creek Watershed District and to designate St. Paul Pioneer Press the official newspaper of the Rice Creek Watershed District.

   District Administrator Belfiori reported each year the Board must designate an official depository and newspaper, as stated in the By-laws. The current depository is Anchor Bank and current newspaper is the St. Paul Pioneer Press.

   President Preiner inquired if comparisons have been done with other banks.

   District Administrator Belfiori responded they have not done a comparison this year but did conduct an analysis a few years ago.
President Preiner suggested they consider doing a comparison next year due to the changing economy.

*Motion carried 3-0.*

3. **Consider Legislative Communication for MAWD Legislative Day.**

District Administrator Belfiori referred to the information passed out prior to the meeting. He reported this memo has been updated based on Board discussion at the February 12 Workshop meeting. The MAWD Legislative Reception will be held on March 7 from 5:00 p.m. to 7:30 p.m. and the Legislative Breakfast is scheduled on Thursday, March 8 from 7:00 a.m. to 9:00 a.m. Both events will be held at the Embassy Suites in St. Paul. He directed the Board to page 4 and highlighted the proposed changes.

District Administrator Belfiori reported the Board discussed three options at the Workshop on February 12:

- **Option One – Support of the MAWD high priority legislative initiative related to the creation of a Stormwater Reuse Task Force.** The Board discussion identified that the language has yet to be drafted by MAWD. It was decided that this would not be included in the today’s consideration but may come forward at a later date.

- **Option Two – Support of the MAWD high priority legislative initiative related to amending the Watershed Law to allow electronic meeting participation consistent with the Open Meeting Law.** Based on previous discussion with the Middle Fork Crow River Watershed District, this proposed bill would not require a watershed to implement electronic meeting participation but would provide watershed districts with the option to do so.

- **Option Three – Support House File 2687 and Senate Companion File 2419 related to clarifying Minnesota Department of Natural Resources jurisdiction and permitting authority over the repair of existing public drainage systems.** This bill seeks to restore and reinforce the historic intent of public waters law in relation to public drainage system repairs.

District Administrator Belfiori directed the Board to the summary provide on page 3 of the report. He stated based on consensus at the Workshop, the Board decided to move forward with Options Two and Three. Based on the conversation with Ray Bohn on February 13, he indicated that the draft language for 103D was a rough draft only and requested it not be distributed to legislators at this time. Staff has developed revised language and indicates support of the MAWD initiative but does not request authorship or a link to any proposed language. There is a three-stage communication process and
there will be time for modifications if necessary. Staff recommends consideration and
action regarding the revised proposed legislative communication based on the February
12 Board Workshop discussion and new information provided to the Board in the
February 13 memo which was passed out before the meeting.

Motion by Manager Wagamon seconded by Manager Waller, to approve the strategy
as presented by staff for communicating with District legislative representatives and
include Option(s) 2 and 3 in the initial communication. Motion carried 3-0.

4. Consider Guiding Principles and Representative for BWSR Watershed Based Funding
for Metro Area.

District Administrator Belfiori reported BWSR has adopted a Watershed Based Funding
Pilot program. It has approximately $5,600,000 available for the next two bienniums in
the metro area. Each group of County stakeholders are working to establish a process,
and the RCWD will need to participate with the counties it is currently involved with.
Eligible recipients are local government units (LGUs) that include counties, soil and
water conservations districts, watershed management organizations (WMO), watershed
districts and other local governments including cities with a WMO approved local water
plan. Eligible projects and programs must be contained in a State-approved and locally
adopted comprehensive watershed management plan. Each eligible entity must select
their voting representative and an alternate to represent their organization at the
convening meetings, which will take place in the next month. The purpose of the
meetings is to develop a process and plan to prioritize projects in each county and
distribute funds. Staff anticipated they will likely pursue either distributing funds to
WMO/WD’s by formula or directly to a county with a watershed-based committee type
approach. They may also include base funding to a County-wide or SWCD program.

District Administrator Belfiori highlighted the timeline on page 75 of the agenda packet,
and noted the deadline is June 30, 2018. He reported staff recommends that funds
awarded in the RCWD be combined and redistributed through the District to provide
larger, impactful amounts to implement high-priority, collaborative projects with eligible
City and County partners. He also highlighted the justifications for this recommendation
provided on page 76 of the agenda packet.

Manager Waller inquired if staff is proposing to recombine the money that comes from
the County to the District with other counties.

District Administrator Belfiori directed the Board to the Guiding Principles on pages 80
and 81 of the agenda packet. This indicates that the money provided to the RCWD,
either through a formula or a watershed-based committee, would be distributed
working with City and County partners through collaborative-based projects to fund
large scale projects within the District. It does not specifically say where the funds
would be spent after they are provided to the District and BWSR has indicated it will be
determined on a case by case basis. However, the approved Urban Watershed Program allows the money to be distributed on a special County-only basis.

Manager Waller noted he does not support the flexibility outlined in the principles. He does support the concept that the money that came from Washington County be spent there on its projects. They do not know what counties are going to accept it. If one County accepts it and the other three do not, it is possible under these principles that the funds could be used outside of the County boundary limits. The money that comes from Washington County should go back to the City and urban stormwater. He supports what was done last summer, but views this as supplemental funds to the budget, not replacement funds. He does not support using the money outside the County boundary.

Manager Wagamon stated he is unsure what is trying to be accomplished. Originally the idea of the watershed was that the water did not know political boundaries and now it seems they are going backwards. Instead of having projects looking for money and picked on merit, it will be money looking for projects. He does not support it and they will have better projects if the money is in one group.

Communications & Outreach Coordinator Carreño stated the principles may appear vague because they do not have the answers and they do not want to say they will only take one path because it could exclude them from getting some of the funding. She spoke with Clean Water Specialist Barbara Peichel at BWSR to address these issues. Ms. Peichel would not say whether or not the funds had to stay in the County because BWSR currently reviews it on a case by case basis. They would be giving money for an approved program or project component and with that there are some restrictions with it. For example, if Washington County were to give Rice Creek $100,000 and Rice Creek wanted to spend it in the entire watershed, it is her understanding that BWSR would give great credence to Washington County saying no. In theory, Washington County money could only be spent in Washington County, if that is what the conveners say, and the same can be said for both Ramsey and Anoka Counties. A County could also say that only money from their County can be spent there and the others could say it can go to anyone in the watershed. At that point, it would be up to the RCWD to decide what restrictions should be placed on the counties. One of the reasons they did not clearly state where the money will be spent is because they do not have that guidance yet. However, the Guiding Principles document would not keep them from having a future discussion as more facts become available.

Manager Waller stated he is very supportive of what was done last year with the urban and stormwater money coming back to the counties and targeting this money to the specific cities and counties within it. Washington County has 10 eligible organizations, Anoka County may only have two. He estimates Anoka County would receive a good amount of money and it should be spent on the Anoka County cities.
Communications & Outreach Coordinator Carreño stated Anoka County does have several water management districts.

Manager Waller stated he would prefer the money stay in the boundaries and that the document reflect that.

District Engineer Otterness noted there are projects the District has been involved with that cross County jurisdictional boundaries, and it will be very challenging to allocate project costs and benefit by County.

Manager Wagamon stated this is precisely why the watershed was put into place.

District Administrator Belfiori commented staff is recommending they prepare written comments to BWSR on some of the improvements they would see for the next biennium. BWSR is hopeful there will be comments on how to improve this process and based on BWSR’s comments at Metro MAWD, appear to be open to considering change.

President Preiner stated the resolution gives them something to be at the table with and is a starting point for giving direction.

District Administrator Belfiori agreed, and noted today, the Board is required to decide who to appoint for upcoming meetings. Also, the Guiding Principles can be modified at discussion moves forward. This is a starting point and he anticipates they will receive more information in the next couple.

Manager Wagamon inquired if they know what the reasoning was putting this program in place.

President Preiner inquired what the anticipated outcome is.

District Administrator Belfiori stated he understands the intent is to get some stable funding in order to build capacity and sustainable functionality for watershed management throughout the State. Many areas in the State do not have a way to sustain watershed management due to lack of staff and capacity. They are going through a one watershed/one plan approach around the State and this an approach to attempt to also incorporate metro watersheds.

President Preiner suggested they move ahead on the resolution and appoint District Administrator Belfiori to represent the RCWD with Communications & Outreach Coordinator Carreño as an alternate.

Manager Waller noted he supports the appointments, but not the working document.
Motion by Manager Wagamon, seconded by President Preiner, to offer Resolution 2018-02 Resolution to Assign Representative to Watershed Based Funding Work Groups:

THEREFORE, BE IT RESOLVED by the RCWD Board of Managers that:

NOW, THEREFORE, BE IT RESOLVED, that Rice Creek Watershed District selects Phil Belfiori to represent Rice Creek Watershed District on the above-reference matters; and

BE IT FURTHER RESOLVED, in the absence of the representative named above, that person may assign their duties and authorities to an alternate of their choosing Beth Carreño.

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

Manager Waller stated he supports the appointments but would like to attend the Washington County meeting.

Motion carried 3-0.

Motion by Manager Wagamon seconded by Manager Waller to approve the attached RCWD working paper related to the BWSR Watershed Based funding pilot program.

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

Manager Wallers noted he is not supportive of the working papers.

Motion carried 2-1.
Administrator Belfiori directed the Board to page 75 of the agenda packet and noted the Washington County Consortium meeting will take place on March 7, 2018. He stated Manager Waller is already on that mailing list as a member of the consortium.

5. Consider Check Register dated February 14, 2018, in the amount of $87,112.75 prepared by Redpath and Company.  
Motion by Manager Wagamon, seconded by Manager Waller to approve check register dated February 14, 2018, in the amount of $87,112.75, prepared by Redpath and Company. Motion carried 3-0.

ITEMS FOR DISCUSSION AND INFORMATION

1. District Engineer Update/Timeline.
District Engineer Otterness asked the Board if there were any questions. There were none.

2. Managers Update.
Manager Waller provided updates on what was discussed at following meetings:
- Washington County Water Consortium meeting: discussed land use and the need for bees.
- Washington County Board meeting: Chair assured they would approve and take the upcoming funding; Chair is resigning and moving on to State Senate.
- City of Hugo Council meeting: discussed White Bear Lake issue and impact; possibly putting consortium of cities back together; Hugo City Council is not going to engage in any legal briefing to the appellate court; DNR has sent out notices on watering; discussion regarding surface water and the drought in 1988.
- City of Forest Lake City Council meeting: presentation was made by RCWD staff and the City Engineer on proper planning along Judicial Ditch #4’s branches and he supports the District’s aggressive point of view. President Preiner agreed it was good to do the presentation and hopefully the cities will work with the District to accomplish it.

ADJOURNMENT
Motion by Manager Wagamon seconded by Manager Waller, to adjourn the meeting at 9:46 a.m. Motion carried 3-0.