Minutes

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

ROLL CALL
Present: President Patricia Preiner, 1st Vice-Pres. Barbara Haake, 2nd Vice-Pres. John Waller, Secretary Michael Bradley, and Treasurer Steve Wagamon.

Absent: None

Staff Present: Administrator Phil Belfiori; Permit Coordinator/Wetland Specialist Nick Tomczik; Technical Specialist/Permit Reviewer Chris Buntjer; Office Manager Theresa Stasica; Education, Outreach and Communication Coordinator Jessica Bromelkamp.

Consultants: District Engineer Mark Deutschman, Houston Engineering, Inc. (HEI); and District Attorney Chuck Holtman from Smith Partners.

Visitors: Becky Rice, Bob Wolk, Ann White Eagle, Paul Heuer, Pat Sillerud.

SETTING OF THE AGENDA
District Administrator Belfiori added permit 15-053, City of Columbus under Permit Applications Requiring Board Action, Consent Agenda.

Motion by Manager Waller, seconded by Manager Haake, to adopt the agenda as presented. Motion carried 5-0.

READING OF THE MINUTES AND THEIR APPROVAL
Minutes of the May 11, 2015, Board of Managers Special Workshop Meeting. Motion by Manager Wagamon, seconded by Manager Haake, to approve the minutes as presented. Motion carried 5-0.

Minutes of the May 11, 2015, Regular Board of Managers Workshop Meeting. Motion by Manager Wagamon, seconded by Manager Haake, to approve the minutes as presented. Motion carried 5-0.

Minutes of the May 13, 2015, Regular Board of Managers Meeting. Motion by Manager Wagamon, seconded by Manager Waller, to approve the minutes as presented. Motion carried 5-0.
37 PERMIT APPLICATIONS REQUIRING BOARD ACTION
38 The following applications have been reviewed by the District Engineer and Staff and will be acted upon without
39 discussion in accordance with the Engineer’s Recommendation unless a Manager or the Applicant or another interested
40 person requests opportunity for discussion:

CONSENT AGENDA

<table>
<thead>
<tr>
<th>No.</th>
<th>Applicant</th>
<th>Location</th>
<th>Plan Type</th>
<th>Recommendation</th>
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</thead>
<tbody>
<tr>
<td>15-013</td>
<td>Ramsey County Public Works</td>
<td>Arden Hills</td>
<td>Street &amp; Utility Plan</td>
<td>CAPROC 5 items</td>
</tr>
<tr>
<td>15-019</td>
<td>Pulte Homes of MN</td>
<td>Blaine</td>
<td>Bridge/Culvert Crossing, Final Site Drainage Plan</td>
<td>CAPROC 16 items</td>
</tr>
<tr>
<td>15-023</td>
<td>City of Lino Lakes</td>
<td>Lino Lakes</td>
<td>Street &amp; Utility Plan</td>
<td>CAPRO 4 items</td>
</tr>
<tr>
<td>15-037</td>
<td>City of Forest Lake</td>
<td>Forest Lake</td>
<td>Bridge/Culvert Crossing, Final Site Drainage Plan</td>
<td>CAPROC 1 item</td>
</tr>
<tr>
<td>15-041</td>
<td>City of St. Anthony</td>
<td>St. Anthony</td>
<td>Street &amp; Utility Plan</td>
<td>CAPROC 2 items</td>
</tr>
<tr>
<td>15-047</td>
<td>White Bear Township</td>
<td>White Bear Township</td>
<td>Bridge/Culvert Crossing</td>
<td>CAPROC 3 items</td>
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<tr>
<td>15-049</td>
<td>Carley Properties III LLC</td>
<td>Blaine</td>
<td>Final Site Drainage Plan</td>
<td>CAPROC 6 items</td>
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<tr>
<td>15-050</td>
<td>MWF Properties</td>
<td>Forest Lake</td>
<td>Final Site Drainage Plan</td>
<td>CAPROC 7 items</td>
</tr>
<tr>
<td>15-058</td>
<td>Spire Credit Union</td>
<td>Roseville</td>
<td>Final Site Drainage Plan</td>
<td>CAPROC 5 items</td>
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<tr>
<td>15-053</td>
<td>City of Columbus</td>
<td>Columbus</td>
<td>Bridge/Culvert Crossing</td>
<td>CAPROC 4 items</td>
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</tbody>
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Permit Coordinator/Wetland Specialist Tomczik stated for permit 15-019, the Surety amount for Pulte Homes was calculated as approximately $900,000. It is consistent with the Board’s adopted schedule. He indicated he has had some conversation with the applicant and they are generally fine with this and the surety will be facilitated through the District’s normal processes.

Technical Specialist/Permit Reviewer Buntjer reviewed permit 15-053 with the Board.

Technical Specialist/Permit Reviewer Buntjer stated that within permit 15-013 engineer’s report there was one change to note on page 21. The table on the top of the page should read 694 in both cases rather than 494.

Motion by Manager Haake, 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 permits 15-013, 15-019, 15-023, 15-037, 15-041, 15-047, 15-049, 15-050, 15-058 and 15-053, dated May 19, 20 & 22, 2015. Motion carried 5-0.
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 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 were no comments made at Open Mike.

ADDITIONAL ITEMS REQUIRING BOARD ACTION

1. **Consider motion regarding Blue Thumb Program.**

   Education, Outreach, and Communication Coordinator Bromelkamp discussed the contents of the board packet memo including the District’s work to create a more sustainable Blue Thumb program in partnership with the Blue Thumb Steering Committee and partners as well as discussions to date with Metro Blooms about terms for transferring the Blue Thumb program. The primary issue of contention during negotiations has been the preference of Metro Blooms for a transfer that is “automatic” if specified benchmarks are met versus the District’s position that benchmarks will not be perfect and the agreement must recognize that the board will exercise some measure of judgment and discretion regarding the final transfer of the program after the license period. Metro Blooms has been unwilling to accept an agreement that includes board discretion so staff is recommending we discontinue negotiations at this time.

   Administrator Belfiori reviewed staff’s recommendation with the Board. He believes there has been a breakdown in trust during this process and that concerns him since cooperation will be important to complete the transfer agreement and subsequent work during the license period. Mr. Belfiori stated that he felt it would be unwise to proceed with negotiations unless Metro Blooms accepts that the benchmarks will establish the mutual expectations of the parties but the Board will still exercise judgment in examining the performance of Metro Blooms with respect to the benchmarks and being able to reasonably conclude that the program is sustainable in accordance with the goals stated in the agreement.

   Education, Outreach and Communication Coordinator Bromelkamp indicated she was disappointed they were not able to come to an agreement on terms for transferring the Blue Thumb program to date. She noted that the term sheet they received had not yet been reviewed by Smith Partners or all staff. Ms. Bromelkamp indicated that after reviewing the term sheet, it was clear to her that additional work and conversations would be needed to come to an agreement.

   Manager Haake stated that the Blue Thumb program has been the District’s baby and emphasized how much we have loved and have taken great pride in the program. She indicated she is also on the Board of the Association of Watershed Districts and they respect all of the other Watershed Districts and when other public partners come to the District and raise concerns she thinks it is important for the District to give weight to that. This has been a very successful program all of these years and even though staff is talking and making suggestions, the Board will have something to say and make the final decision. She agreed with what staff has reported. If this is a trust issue, the Board is really trustworthy and they are all trying to do this for the benefit of the program. She hoped they can come to some type of conclusion.

   Manager Bradley stated they are being driven in large part by being responsive to the other stakeholders who are a part of the organizational group and they do not feel they have the flexibility to give them what is being asked. Trust is part of what is involved on both sides. He hoped Metro Blooms would trust the Board to act in a rational and reasonable manner two years from now if Metro Blooms isn’t comfortable doing so, then they should understand there is a difference of position and they cannot get there and should move on and find a different solution.
Manager Waller stated he agreed with Managers Bradley and Haake. He stated the District decided to seek an alternative administrative and programmatic structure because the program has grown so much and expanded beyond the District's boundaries. He noted this is a public/private program. He stated because they have so many public partners now there is the issue of trust between everyone and they have to, as a Board, work through the steps in the process. He asked Metro Blooms to bear with them and work with them and have a little faith. He hoped they can still continue to work through the processes and continue on with the program.

Ms. Pat Sillerud, current Board Chair at Metro Blooms, wanted to thank the Board for inviting them to speak. She stated she has participated in this process since October 2014 and wanted to state that the Metro Blooms Board fully supports the Blue Thumb program and has every confidence in Becky Rice and her staff that at the end of the lease period, Blue Thumb will be an even stronger program. She felt that they will prove themselves. She stated the Metro Blooms Board wonders why the District Board does not trust them and acknowledged issues of trust exist on both sides. She stated over the last year their Board has contributed significant staff and financial resources to the Blue Thumb program and to transfer discussions, and she thought this speaks to their commitment to the program. At their last Board meeting, the Metro Blooms Board voted to approve the terms outlined in the document that was provided to the Rice Creek Watershed District staff dated on May 13, 2015, with a few minor changes that have been highlighted in copies provided.

Ms. Sillerud understood the provision for their Board having some involvement throughout the two year period and some discretion in terms of what the ultimate decision is at the end of that time. She wanted to thank for Board for their time and consideration.

Manager Bradley asked if Metro Blooms is agreeable to a two year provisional transfer. Ms. Sillerud believed they were always in agreement on that particular issue. She thought the concern that both staff and the Board had was at the end of the two year period whether or not they met the benchmarks that were agreed to, that the Watershed District Board would still have the discretion to choose not to proceed with the transfer, which has been a point of difficulty for them.

Manager Bradley emphasized that the District Board will make its decision on transfer responsibly and in good faith and asked if Metro Blooms is comfortable in trusting the Board. Ms. Sillerud replied that Metro Blooms understands that the Board will necessarily exercise some measure of discretion and is prepared to proceed on that understanding.

President Preiner asked if the final point of contention was the automatic transfer and were they willing now to say they are not expecting automatic transfer of the program at the end of the two year period. Ms. Rice stated the language the District has in the transfer is the language the Metro Blooms Board voted on and approved and according to their legal counsel he advised that language and part of it includes the language from the District's term sheet stating that the Board's decision on transfer would not be unreasonably withheld or delayed.

Manager Waller thanked Metro Blooms for coming to the meeting. One of the things he can envision is that in two years, even if benchmarks are achieved and the program is prepared to move forward, partners again will voice concerns that may or may not relate to specific benchmarks and they would be in a similar situation as they are now. He felt the Board is confident that Metro Blooms can do the job, but said that the concerns of the other partners remain. He hopes they could work their way through that barrier so that the transfer does not find new obstacles or barriers from their other public partners.
Ms. Becky Rice believes the language in the revised term sheet offered by Metro Blooms is addressing both of their concerns. The suggested framework would include ongoing coordination to help avoid last minute partner objections.

President Preiner asked staff what their agreement is with their partners on getting this approved. Administrator Belfiori stated the ownership of the program and trademark is owned by Rice Creek Watershed District. He emphasized that this is a partnership organization and stressed that the foundation and whole purpose of this program is the partners and without the partners there is no program. Per the resolution, they have always acted as if that was a critical part of the input necessary in driving the negotiations and the reason for why they are here, which is the partners concerns. They also had scheduled a meeting to inform the partners of the proposed agreement, being clear that partners had some ability to be informed and provide comments but that ultimately it is the Board's decision to approve the transfer agreement. The scheduled meeting was cancelled because of the impasse between the parties.

District Attorney Holtman agreed with what Administrator Belfiori stated. He stated the program is owned by the District and the other partners do not have a formal or legal role in the District decision about the transfer. With respect to the concern about the public partners at the end of two years raising issues, he would suggest and think the best way to deal with that in the current context might be to include language in the transfer agreement that makes it clear that the Board will consider comments from partners but in doing so, will still have to view those comments through the lens of benchmarks that are stated in the agreement. is the statement of goals and benchmarks in the transfer agreement will not be in the nature of a guarantee, but something that affirms where this Board is coming from and that the Board is going to make an independent judgement based on the framework of the transfer agreement and the benchmarks.

District Attorney Holtman stated as far as the crux of the matter, from a legal perspective, it is a little bit of a nuance but his concern in supporting staff's position is that the Board does need to retain some discretion. The transfer agreement is a contract and they have been discussing two different ways of describing how the Board will make a decision. The Metro Blooms representatives have indicated that if the benchmarks are met the program will transfer, in which case the burden would be on the Board to prove that the benchmarks have not been met. Their concern is that benchmarks are going to be limited in number and there is only so much time where they can try to perfect them. They are always going to be an incomplete, surrogate way of representing the way the program has actually been carried out and the level of success that it has gained over the two year license period. The view of District staff and counsel has been that they should do as good of a job as they can to be clear with those benchmarks so they capture the concepts they would like to be reflected in the way the program is operated, but ultimately, two years from now, there will still be some question of interpreting those benchmarks and looking at the two years' performance and accounting for the possibility that the program will look a certain way and have certain features that were not anticipated at this point; it could be that the benchmarks are met but there is some fatal issue they see. It could also be that a benchmark is not met but they believe that it is not important and that the program looks very good and they would like to proceed with the transfer.

District Attorney Holtman stated his concern is that if it is the former framework, where the benchmarks govern and the Board has to demonstrate otherwise, he fears it creates a situation in two years where the dynamic is going to be that it is time for the transfer, the pressure is on the Board and it is an atmosphere that is not supported and the Board is essentially feeling some level of implied threat if it makes a decision not to transfer. Instead, staff's position reflects an assumption that there will be partnership throughout and presumes the Boards good faith, presumes the underlying fact that this Board has stated and would like the transfer to take place, but would like the two year period to build the collaboration and establish all of the parameters going forward.
District Attorney Holtman stated it is a matter of writing the agreement to reflect the benchmarks, the basic goals that the benchmarks are trying to represent and at the end of two years, the Board, in good faith will look at performance in light of the benchmarks and make its considered judgement.

Manager Bradley stated as he read paragraph three, it states if four conditions are met then Metro Blooms will get the program and the fifth condition is based on the transfer agreement. What is missing would be something that states "Metro Blooms will conform materially to the goals of the Blue Thumb Program". He wondered if staff had their own list of benchmarks that need to be included. Was there a reason to go back and focus on at least one more benchmark that relates to something a little more ephemeral, focused on whether the program has been operated consistent with the principles and goals stated in the transfer agreement, which would give them the ability to look that way. District Attorney Holtman stated what is suggested is one way to get to that. The sense of what he has heard the past couple of months of back and forth is that Metro Blooms is uncomfortable with more vague benchmarks so the other route they have pursued is to have definite benchmarks but with an understanding that the Board will still have to exercise some judgement in evaluating those. The way Manager Bradley suggested is an alternative way to reach the same end.

Administrator Belfiori stated he suspended the work on the benchmarks and right now they have not come to closure on the benchmarks. There are several benchmarks listed in 3A that they have seen before and felt needed a lot of work and there are some other provisions in the term sheet as well that they distributed to the Board that would definitely need more work and discussion with them as well. The foundational items that he understood the Board wished him to continue to insist on are listed on the bottom of page 75 of the packet and to date have not been agreed to by both parties.

Manager Bradley stated they are not satisfied with a simple "checkmark" form of evaluation. They want something that asks the question if the program has operated consistent with the principles and goals of the District. He stated this would allow the Board to look at any problems and get them fixed before they transfer the program to Metro Blooms.

Ms. Sillerud thought if Metro Blooms went before the Board periodically during the two year period with updates and presentations then it would not be a surprise at the end of the time period for the Board to review what has been done. She felt this would allow periodic review and direction by the Board on which way the program should move forward. Manager Bradley stated his concern is that the contract presented to the Board does not give them that ability. He wondered if they are willing to include a benchmark that allows the Board a more global review of the program.

Ms. Rice stated they have spent quite a bit of time crafting the terms of the transfer and she thought those state what the goals of the program are as much as possible. She discussed the idea of legal remedy for Metro Blooms, in two years' time, if this does not work out. She offered that as Metro Blooms works closely with a number of watershed districts and other public bodies, it recognizes that suing the District is not a step it is going to choose to take. She thought they would like to see the terms of the transfer clarified in the agreement and they are all in agreement of what the terms of the transfer are.

Mr. Bob Wolk, past Chair of Metro Blooms, stated when he first heard about the possible merger with Blue Thumb he was ecstatic and thought it was a great idea. He indicated he had a gut feeling that this will work out very well and thought they should go for this.

Manager Haake wondered if this should be tabled for another two weeks so their partners can see the changes Metro Blooms has made. Education, Outreach and Communication Coordinator Bromelkamp stated that if
Metro Blooms was willing to accept an agreement that includes board discretion, then it may make sense to continue negotiations on the other terms.

Administrator Belfiori thought it was important for the Board to clearly articulate the language for the discretion and if there is room for changes. He indicated he has heard there are legal constraints on their side to go further and he was concerned about that and thought there was a wall on both sides which will make it hard to move forward within two weeks. If they can get past the wall, there might be an opportunity to get to the benchmarks and talk about details but he would hate to spend another two weeks talking about the foundational things the board and staff has insisted upon.

Manager Bradley stated it seems that they have a core basis to work from and they have made it very clear that they want to have that discretion. He has given one suggestion to accomplish that. The alternative is to make sure the terms of the transfer agreement contained enough basis in it for them to review and make a decision. He would rather err on getting this done than not getting this done. He would be willing to give it one more shot.

Manager Wagamon stated he would agree if Metro Blooms would be willing to trust them on what they indicate they plan on doing.

President Preiner wondered what power the public partners had on the Board because she felt like they were in the middle of this and that staff still needed to go back to the partners with the changes and get their approval before it comes back to the Board for review and approval. Education, Outreach and Communication Coordinator Bromelkamp stated they have never said that every single concern they receive will be addressed, they have always said they will take it into consideration but the Board makes the ultimate decision. There are definitely some concerns such as the need for an objective referral system that the District has to address for our own protection and use of the program moving forward. Ms. Bromelkamp wants to make sure the benchmarks are ambitious enough to show strong partner support and that they provide enough division between the two programs so public partners feel comfortable continuing to refer people to the website, for example. The basics were discussed at our initial meeting with Metro Blooms and now we need to work on what those conversations mean for putting together the benchmarks. Her preference would be to sit down together and get the job done rather than through email.

Manager Haake asked if Education, Outreach and Communication Coordinator Bromelkamp thought that putting this forward to a time specific would work. Education, Outreach and Communication Coordinator Bromelkamp stated she would suggest coming back in two weeks because the partners and staff are anxious to get this done. She would like a caveat that they sit down immediately to work through the benchmarks and see if they can agree upon them. She thought a way to expedite the process is for the Board to form a subcommittee.

Administrator Belfiori stated if the foundational items have been agreed to by Metro Blooms then he thought they should meet and attempt to work this out. He stated they have to get past the first hurdle that they have been stuck on for the past three to four weeks. District Attorney Holtman expressed his understanding from the present discussion that Metro Blooms will accept that the Board has discretion and they will work so that the benchmarks in the agreement are well crafted so they capture what the goals of the program are and so that will give more trust to Metro Blooms. Ms. Rice concurred.

Manager Haake asked if Metro Blooms will agree to items (a) and (c) of the three items that Administrator Belfiori previously communicated as essential to the agreement. Ms. Rice agreed and thought they were comfortable agreeing to those terms. Administrator Belfiori stated as long as (a) and (c) were agreed to by Metro
B blooms he was ok with moving forward with attempting to work on the benchmarks. District Attorney Holtman concurred.

Motion by Manager Haake, seconded by Manager Bradley, to postpone the Blue Thumb decision and to continue this to the June 10, 2015 meeting for review and voting. Motion carried 5-0.

Motion by Manager Haake, seconded by Manager Wagamon, to appoint Manager Mike Bradley as the Board Member to participate and assist in working to achieve an agreement. Motion carried 5-0.

District Attorney Holtman indicated that on April 8, 2015, the Board extended Metro Blooms scope of work for current administration of the program to today so he recommended that the Board consider authorizing an extension of the Metro Blooms program administration role until a decision is made on a transfer agreement, if Metro Blooms is prepared to continue in that role.

Education, Outreach and Communication Coordinator Bromelkamp stated if they were to extend this for two weeks they would need to establish what the activities are and make sure they have the funds available. She thought staff administration would be fine for two weeks. Administrator Belfiori stated he was concerned about the funding for extending Metro Blooms administration because funds are tight and he has not had time to review this. He stated the other option would be for staff to do the administration for two weeks and may be cleaner for them at this time. Manager Haake agreed and thought staff should do the administration for two weeks.

2. Consider Driessen Group, LLC Public Drainage Petition – Report for filing and setting date for public hearing

Permit Coordinator/Wetland Specialist Tomczik stated Driessen Group, LLC is purposing a Goodwill/commercial store development riparian to Branch 1 Lateral 1 of Anoka County Ditch 53-62 (ACD 53-62). The site is generally located near the intersection of Ball Road NW and Lexington Avenue NE in Blaine, MN. To commence the commercial development as proposed, Driessen Group, LLC has petitioned the RCWD Public Drainage Authority to realign a portion of the public drainage system ditch. On April 22, 2015 the RCWD Board accepted the petition and bond as well as appointed Houston Engineering to review the petition. The conclusion of Houston Engineering’s review is: Minnesota Statue 103E.227, Subpart 3, requires the proposed project to provide public or private benefit and that it will not impair the utility of the ditch or deprive affected land owners of its benefit. The Statue also requires that the proposed realignment be feasible, the outlet be adequate and the public benefit is greater than the adverse environmental impact. The proposed realignment is designed to adequately convey multiple storm events that range from the 2-yr to the 100-yr event. The results of the modeling show that the water surface elevations and peak discharge on Lateral 1 upstream and downstream of the proposed realignment are not impacted by the construction and should not impair the utility of the ditch or deprive affected land owners of its benefit. The proposed realignment, as a component of the Goodwill project, will not result in an adverse environmental impact due to the proposed mitigation features.

Manager Haake asked if they realigned the public ditch for Wal-Mart. Permit Coordinator/Wetland Specialist Tomczik stated they did. He indicated this is a different segment of the ditch, further upstream.

Manager Waller stated he noticed the profile of the ditch is going to be decreased on the bottom from 72 inches to 60 inches when they change it to concrete, which is a decrease in the capacity. There are upstream landowners to this proposal and he wanted to make sure the decrease in capacity did not interfere with them. District Engineer Deutschman stated that many things affect capacity of the ditch, one of which is the cross sectional area.
He noted that the water surface profile will not be changing throughout the reach, which is what they use as a benchmark. Therefore, the capacity is not decreasing.

**Motion by Manager Wagamon, seconded by Manager Haake, to approve Resolution 2015-19, Resolution Accepting the engineer's report for filing, sets a public hearing on the petition and engineer's report for June 10, 2015 and direct staff to provide notice of the hearing as required by statute and local policy with the following actions:**

1. The Board accepts the engineer's report for filing.

2. The Board sets a public hearing on the petition and engineer's report for its regular meeting at Shoreview City Hall, on June 10, 2015 at 9:00 a.m., or thereafter on the agenda as determined by the Board.

3. The Board directs staff to provide notice of the hearing as required by statute and local policy.

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

*Motion carried 5-0*

3. Consider fourth amendment to lease agreement with Blaine Associates, LLC
Administrator Belfiori explained as a follow-up to previous Board workshop consensus and Board approved direction at the January 14, 2015 meeting, staff is presenting the proposed fourth amendment to the lease for the RCWD offices located at 4325 Pheasant Ridge Drive NW Suite 611. Over the past months, staff has worked with Blaine Associates, LLC (the new landlord) to develop the amended lease language.

Administrator Belfiori reviewed the key elements of the lease with the Board.

Manager Bradley wondered why Suite 610 is leased month to month and what happens if they need to leave. Administrator Belfiori indicated Suite 610 is a small room across the hall currently being used for storage and the reason it is being rented month to month is that staff will be moving items from suite 610 to the new storage room in the build out area once the build out construction is completed. It is anticipated that once all the items in suite 610 are moved out, that the District would cease to use that suite and give up renting it.

District Attorney Holtman indicated the developer is contracting out for the build out of the space but the District will be responsible if the cost should go above $25,000 for that additional increment. The District will have the ability to review the plans beforehand and will have the ability to review anything that will increase the costs.

*Motion by Manager Wagamon, seconded by Manager Bradley, to authorize the Board President to execute the attached fourth amendment to the lease with Blaine Associates, LLC with any final non-material changes and on advice of counsel. Motion carried 4-1 (Manager Haake).*
Manager Haake stated from the very beginning she has not been in favor of leasing a building and over the five years they will be paying rent of $378,000 and if they were paying out to own a building they would be paying $528,200 over 7 years and they would have something they own and would not be paying property tax on it. She indicated she was in favor of owning over leasing. President Preiner agreed and indicated if they started now it would take four to five years to build and get in their own building.

   Motion by Manager Wagamon, seconded by Manager Haake, to approve check register dated 5/27/2015, in the amount of $312,082.75, prepared by Redpath and Company. Motion carried 5-0.

ITEMS FOR DISCUSSION AND INFORMATION
1. Staff Reports
   None.

2. June Calendar
   Administrator Belfiori reviewed items on the calendar.

3. Manager's Update
   None.

ADJOURNMENT
Motion by Manager Haake, seconded by Manager Wagamon, to adjourn the meeting at 10:25 a.m. Motion carried 5-0.