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 Mike Bradley, and Treasurer Steve Wagamon.

Absent: None

Staff Present: Administrator Phil Belfiori, Permit Coordinator/Wetland Specialist Nick Tomczik, Water Resource Specialist Kyle Axtell, Office Manager Theresa Stasica.

Consultants: District Engineers Mark Deutschman, Houston Engineering, Inc. (HEI); and District Attorney Louis Smith from Smith Partners.

Visitors: Mark Casey, Richard Miche.

SETTING OF THE AGENDA
District Administrator Belfiori indicated there were no changes.

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

READING OF THE MINUTES AND THEIR APPROVAL
Minutes of the July 8, 2015, Board of Managers Regular Meeting. Motion by Manager Wagamon, seconded by Manager Haake, to approve the minutes as presented. Motion carried 5-0.

Approved
PERMIT APPLICATIONS REQUIRING BOARD ACTION

The following applications have been reviewed by the District Engineer and Staff and will be acted upon without discussion in accordance with the Engineer’s Recommendation unless a Manager or the Applicant or another interested person requests opportunity for discussion:

CONSENT AGENDA

No.  Applicant                  Location       Plan Type                           Recommendation

13-069  Westmor Industries       Columbus       Final Site Drainage                CAPROC 1 item

15-038  City of Lino Lakes       Lino Lakes    Floodplain Alteration,            CAPROC 7 items
        Street and Utility Plan

15-064  City View Electric       Columbus       Final site Drainage                CAPRO 7 items

Permit Coordinator/Wetland Specialist Tomczik stated staff provided an updated 15-038 engineer’s report which is a replacement engineer’s report in the packet. There were numerous details to new engineer’s report and generally he summarized to say that they included a number of stipulations for the City, the applicant, to adjust some recorded documents. This is in regards to the Lino Lakes Fire Hall and under their other permit, which was previously considered and approved, they recorded some easements. Now that the associated roads are being considered, those recorded documents need some adjustment.

Permit Coordinator/Wetland Specialist Tomczik stated staff would like to clarify the statements in 15-064 which is for City View Electric offices. In finding one, on page 28, staff recommends striking the first two sentences of finding one and replace with the following: “The project is located on two adjacent lots, 3.43 acres and 9.2 acres in the City of Columbus. The project proposes new improvements only on the 3.43 acre lot and will consist of the removal of an existing garage and gravel driveway in the construction of the new office building warehouse and bituminous parking lot.” One additional minor change is on page 29, second line, ending with “project” which he would like to replace with “9.2 acre lot”. He stated that clarifies for the record what parcels are involved in the project.

Motion by Manager Waller, seconded by Manager Haake, to approve the consent agenda as amended in the above Table of Contents in accordance with RCWD District Engineer’s Findings and Recommendations, dated July 14 & 16, 2015.

Manager Waller stated they need to start discussing at the workshop meetings how these permits when approved connect the water from permitted property to the actual stormwater conveyance system of the District. They have heard in their public hearings recently at Hugo, Forest Lake and Columbus, numerous complaints about how the permits allow the water off the properties onto somebody else’s and becomes a problem factor for them. He did not know if they had a District rule at the moment that defines the inter-city connection to their intra-city connection (Watershed Districts’ transportation for stormwater). Manager Haake agreed.

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**


   Water Resource Specialist Axtell explained the Rice Creek Watershed District (District) has prepared and noticed a Mandatory Environmental Assessment Worksheet (EAW) for the Hansen Park Comprehensive Water Management Project according to the Environmental Review Rules of the Minnesota Environmental Quality Board (EQB) under Rule 4410.4430, subpart 27, Wetlands and Public Waters. In this case, the Rice Creek Watershed District is in the unique position of serving as both the Project Proposer and the Responsible Government Unit (RGU) charged with preparing and reviewing the EAW.

   Water Resource Specialist Axtell made a presentation to the Board.

   *Motion by Manager Haake, seconded by Manager Bradley, to offer Resolution 2015-22, adopting findings of fact and negative declaration on the need for an environmental impact statement for the Hansen Park Project Component of Basic Water Management Project 2013-01.*

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

   *Motion carried 5-0.*

2. Consider Mirror Pond-Partnership with City of Saint Anthony.

   Water Resource Specialist Axtell stated On June 10, 2015, the District Board approved draft terms of a partnership framework between the District and Saint Anthony and authorized the President to sign a letter conveying the offer to the City. On July 7, 2015, a counter offer was delivered to the District by the City asking for an additional financial contribution of $250,000 on the part of the District while pushing any risk of cost overrun onto the City. All other proposed terms were agreed to. Both letters are attached to this memo for reference.

   On July 13, 2015 during its workshop, the District Board and its staff continued the discussion about this partnership framework with the City’s Mayor, Engineer and Manager. Based on that discussion, staff was directed to proceed with project development and prepare materials for Board consideration. The final draft partnership framework terms are as follows:

   1. The District will reimburse funds to the City for the Mirror Pond Restoration Project as follows:
      a. The District shall contribute the first $892,000 towards the project improvements.
      b. The District and City shall each incur 50% of project costs over $892,000 and up to $1,392,000 (up to $250,000 each).
      c. The City shall incur 100% of project costs in excess of $1,392,000.
      d. The District’s total contribution to the project shall not exceed $1,142,000.
2. The City, through its own personnel, consultants and/or contractors, will undertake the design, permitting, construction, and inspection processes for the project. District staff will be made available to support these activities and develop and implement a water quality monitoring plan, not to exceed an in-kind contribution of $25,000 over the term of the agreement.

3. The City shall be responsible for all post-construction project maintenance activities, consistent with its MS4 program requirements, and the costs thereof for a period of 25-years after project completion, as is required by the BWSR grant. Should the City fail to complete required project maintenance, the District may enter the site to complete the maintenance and any costs incurred by the District for such maintenance shall be reimbursed by the City. The District shall be granted access to the project site during this 25-year term for the purposes of inspection, monitoring, and maintenance.

4. All District funds allocated to the project will be provided to the City on a reimbursement basis. The District will reimburse the City for invoiced project expenditures within 30 days of receipt, except that no reimbursement will be made until: (1) the project design plans are certified by the City engineer as meeting project design and performance standards, (2) the District engineer has provided verification pursuant to item #7 below, and (3) the City has issued a "Notice to Proceed" to the selected contractor. A 10% retainage will be withheld on all reimbursement payments until the project is complete and the final reimbursement is approved. The District will independently review the City's project financial records before the final reimbursement is issued to the City.

5. The City will serve as the responsible government unit (RGU) for any required environmental review processes.

6. District staff shall be responsible for completing all BWSR grant reporting activities. The City shall be required to provide any and all information about the project, without limitation, to the District as is necessary to carry out this function.

7. The City will design the project to function as described in its preferred project alternative (noted as Alternative 5 in the Mirror Pond Conceptual Design Memorandum, prepared by Houston Engineering, Inc. and dated May 6, 2015). At a minimum, to meet the requirements of the BWSR grant, the project must provide an annual total phosphorus load reduction of at least 28.5 pounds. The District engineer shall review the project plans and modeling for the sole purpose of verifying this load reduction in writing. Verification shall be obtained before the City may release the construction plans for bid.

8. The project bidding process must adhere to MN Statutes 471.345 (Uniform Municipal Contracting Law).

9. The project specifications must include Prevailing Wages provisions due to the use of State funds on the project.

10. The project specifications must require that the project contractor secure customary and appropriate liability insurance, with the District named as an additional insured, and require the placement of performance and payment bonds for the project.

11. The City shall produce a preliminary plan set for this project no later than December 31, 2015. The City shall obtain all required permits for this project on or before September 30, 2016. Failure to comply with these timeline requirements will result in the District's termination of the project agreement and withholding of all funds allocated to the project so that they may be used to pursue and implement a different project within the remaining BWSR grant timeline.

12. Subject to possible extension of the BWSR grant timeline, the project must be certified as 100% complete and all project expenses must be paid out by the City no later than November 21, 2018. All final financial records and project outcome information required by the District shall be received no later than December 21, 2018.

13. The grant agreement between the District and BWSR will be attached and incorporated as Exhibit A to the inter-agency agreement.
Manager Bradley stated they need to come up with $250,000 and he wondered how they are going to do that. District Administrator Belfiori stated he has looked at a couple options related to the upcoming discussion the Board has requested at 1:00 p.m. on August 10, 2015 related to a follow up on the 2016 budget and will be prepared to present his recommendation at that time and to incorporate that into the 2016 budget as they see fit.

Manager Haake stated she is going to vote against this only because the District's repair option two fulfilled all of the requirements that had to be done. Because the City of St. Anthony was worried about safety, the District added $60,000 to their original budget of $832,000 to total $892,000, and now the District is adding another $250,000. She knew the District was going to look at different ways to fund the project because the District is compromising with the City of St. Anthony. But she believed the District should begin at the original option two project cost of $832,000 and then add the additional $250,000 cost share amount. With the District's additional $60,000 and $250,000; it is now actually $310,000 more than the original price of design option two that was sufficient for what the District had to accomplish to store water for this project.

Manager Bradley stated he was going to vote in favor of this project. He believed their proposal, while supported by their District engineer, was not supported by the City and was therefore not acceptable to the City. The project is important to the District and community they serve and the community will support this also with its own funds, matching $250,000 plus take the risk on top of it. He believed this was a reasonable compromise that is important to everyone involved.

Motion by Manager Wagamon, seconded by Manager Waller, to accept the terms of the City's counter offer (as summarized) and direct staff to work with legal counsel on development of a formal partnership agreement for the project.

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

Motion carried 4-1.

3. Consider Check Register dated 7/22/2015, in the amount of $266,719.56, prepared by Redpath and Company.
Motion by Manager Wagamon, seconded by Manager Waller, to approve check register dated 7/22/2015, in the amount of $266,719.56, prepared by Redpath and Company. Motion carried 5-0.

ITEMS FOR DISCUSSION AND INFORMATION
1. Discuss Future Board Workshop Schedule.
District Administrator Belfiori stated that based on some recent conversations with President Preiner on workshop meeting length, he would like to open up some initial discussions with the Board on the idea of having an additional workshop meeting immediately after the second Board meeting of the month starting in August or September 2015 or as needed. That way they could balance the timing of the first Monday of the month workshop and then have some of those items pushed to the second workshop meeting if possible. They have a lot of projects that have multiple phases and the discussions at workshop are very valuable for staff and consultants and it is important to have the discussions but it is hard sometimes for staff. He indicated this is just an idea for the Board to consider.
Manager Haake wondered if they had two workshops in a month would there be a way to control the time they have on the first workshop meeting in the month. She would like to see the Monday time cut back. Manager Waller stated he did not object to a second workshop meeting each month because he understood they have a lot of projects on the table and with the economy coming back they are going to have a lot more work in the future.

President Preiner stated they could also pick another day during the month for the second workshop meeting if they did not want to do it right after the second regular meeting of the month. Manager Wagamon thought this would perfect because all of the Managers are already at the meeting and it would cut down on travel time. He thought the workshops have been long because of the budget and would be shorter in the future.

Manager Bradley stated the workshops have been very valuable to him. He assumed this will help staff and liked the idea of not adding another day to meet.

Consensus of the Board was to schedule a second workshop meeting immediately following the second Board meeting of the month starting in August 2015.

2. **Discuss Scheduling the Anoka-Washington Judicial Ditch 3 Records Correction Public Hearing**

District Administrator Belfiiori stated as a follow up from their recent land owner public informational meeting on Anoka-Washington Judicial Ditch 3, he is inquiring to the Board and looking at scheduling the required public hearing based on the comment received, focusing in on either August 31st or September 2nd or September 3rd which would be at 6:30 p.m. at the Hugo City Hall Council Chambers unless the Board wished to move it elsewhere. Those three nights are available to use the Council Chambers.

President Preiner preferred August 31st. The Board members concurred.

3. **Staff Report**

There were no comments.

4. **August Calendar**

Manager Haake added the second workshop to August 26th.

5. **Manager’s Update**

There were no comments.

**ADJOURNMENT**

*Motion by Manager Waller, seconded by Manager Haake, to adjourn the meeting at 9:29 a.m. Motion carried 5-0.*