REGULAR MEETING OF THE RCWD BOARD OF MANAGERS

Wednesday, September 9, 2015

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

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.

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

Visitors: None.

SETTING OF THE AGENDA
District Administrator Belfiori added item 5, Consider Scheduling a Special Board Meeting on 9/14/2015 at 12:30 p.m. at District Offices to Consider the Maintenance of Washington Judicial Ditch 2, Upstream of Rice Lake Weir.

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

READING OF THE MINUTES AND THEIR APPROVAL
Minutes of the August 12, 2015, Board of Managers Regular Meeting.

Motion by Manager Wagamon, seconded by Manager Haake, to remove from the table the previous motion to approve the August 12, 2015 Minutes. Motion carried 5-0.

Motion by Manager Wagamon, seconded by Manager Waller, to amend the previous motion to incorporate the additional text on lines 119-125 and the correction on line 153.
Manager Waller indicated he would like some discussion regarding the text between lines 119-125. He stated that the text added to the August 12 minutes at his request still is incomplete. He stated the point he sought to make during that discussion is that the drainage law provides for road authorities to be responsible for the cost of maintaining their culverts on public drainage systems, and that District policy should have a stronger focus on having road authorities bear that cost. He noted that road authorities, municipal or otherwise, generally have a jurisdiction larger than the area of the water management district to spread the cost over, and further that road authorities often can utilize state bridge funds to defray cost.

Manager Bradley replied instead of tabling the minutes again, the alternative is that Manager Waller’s comments and discussion of today will be part of the record within the 9/9/2015 minutes and this may solve our problems.

**Motion by Manager Waller to amend the pending motion to amend to include the language that would refer to the Bridge funds and the taxing authority.**

The motion did not receive a second.

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

**Motion to amend carried 4-1.**

**Motion by Manager Wagamon, seconded by Manager Preiner, to approve the August 12, 2015 minutes as amended.**

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

**Motion carried 4-1.**

**Minutes of the August 26, 2015, Regular Board of Managers Meeting.**

Manager Haake stated she would like to make a correction on page 17, line 315, second sentence, adding the word “not” as follows: “Manager Haake stated she was not happy with the ad valorem funds being used and indicated they needed the Mirror Pond project but was abstaining.”

Permit Coordinator/Wetland Specialist Tomczik stated on page 15, line 212, the sentence should be changed to “It has shown there will be no increase...”
Motion by Manager Wagamon, seconded by Manager Haake, to approve the minutes as amended. Motion carried 5-0.

Minutes of the August 31, 2015 Anoka-Washington Judicial Ditch 3 Public Hearing Meeting. Motion by Manager Wagamon, seconded by Manager Preiner, to approve the minutes as presented. Motion carried 5-0.

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

<table>
<thead>
<tr>
<th>No.</th>
<th>Applicant</th>
<th>Location</th>
<th>Plan Type</th>
<th>Recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-076</td>
<td>Hemisphere Restaurant</td>
<td>Arden Hills</td>
<td>Final Site Drainage</td>
<td>CAPROC 6 items</td>
</tr>
<tr>
<td>15-077</td>
<td>United Properties</td>
<td>Blaine</td>
<td>Final Site Drainage</td>
<td>CAPROC 3 items</td>
</tr>
</tbody>
</table>

Technical Specialist/Permit Reviewer Buntjer proposed edits to Item 15-076, page 27, to clarify that the applicant is also the authorized agent and to list the owner of record as Steven B Wellington Jr., Arden Plaza, LLC, 1625 Energy Park Drive, Suite 100, St. Paul, MN 55108. Also add Administrative Item 7, that the applicant must provide proof of ownership of the proposed lot.

Permit Coordinator/Wetland Specialist Tomczik noted on Item 15-077, page 35, the second block of text above the table needs clarifying. Third line of text should read: "...have been updated to account for nonfunctioning infiltration basins IP-2 and an assumed nonfunctioning IP-1. IP-1 does not have standing water, but also currently receives no impervious surface run-off and does not have adequate separation from the seasonal high ground water. It is expected that IP-1 will not draw-down when impervious surface from the project flows to it, as the bottoms elevations IP-1 and IP-2 are similar."

Permit Coordinator/Wetland Specialist Tomczik stated this is to say that IP-2 is not functioning and it is assumed that IP-1 is not functioning as it is in the same landscape but does not currently get any runoff so it is not definitive. Further, it is definitive that the seasonal high water table is present; so it will not meet the design requirement of separation.

Manager Haake stated the only thing she is hearing is that this is non-functioning and don't they want functioning drainage ponds. Permit Coordinator/Wetland Specialist Tomczik stated they do. To broaden the scope of discussion this site was rough graded and infrastructure was installed quite some time ago and now they are selling individual lots. There are large regional ponds associated with the development that function and serve for the water quality and rate control. However the water from the sites from this proposed development discharges to these infiltration basins first and then is routed to the storm water pond. The functionality and compliance with the District's Rule is found in the downstream regional stormwater ponds that function.

Manager Waller stated when there is a drought, the non-functioning ponds will function for the stormwater to go down and infiltrate because the ground water will be lower but in high water situations they are non-functioning. Permit Coordinator/Wetland Specialist Tomczik stated the functioning and non-functioning is probably not the ideal term because whether the ground water is one foot below the bottom of the basin or three feet, it is really about the design criteria and the rule. The design criteria says there has to be three feet of separation and he believed that separation is
optimal so it is not in an anaerobic condition and the water can be treated. Infiltration is likely taking place if there is one foot of separation, but three feet of separation is the design criterion so when it is less than three feet it is not compliant with the rule’s design criteria.

Manager Bradley stated they are relying on the ponds and they are draining to a private ditch and the State owns the private ditch so what happens when the State does not clear the ditch and it becomes unusable. Permit Coordinator/Wetland Specialist Tomczik reviewed the site plan with the Board and noted on the other side of the road, is additional wetland and the public drainage ditch just off the wetland site which will help with drainage.

Motion by Manager Wagamon, seconded by Manager Bradley, to approve the consent agenda as outlined in the above Table of Contents in accordance with RCWD District Engineer’s Findings and Recommendations dated September 2, 2015 with changes discussed. 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 2016 Preliminary Budget & Levy Certification. There will be a public meeting on the District’s budget and levy adopted today on December 9, 2015 in conformance with MN Stat 275.065.

District Administrator Belfiori stated the Board is asked to approve Resolution 2015-26, a Resolution to adopt the 2016 preliminary budget and 2016 tax levies. This is the same budget that was presented at the August 26, 2015 Public Hearing on the 2016 Preliminary Budget. The total proposed expenditures is $6,011,775.00, the total revenue is projected at $5,674,161.00, of which $4,383,000 is from the District wide property tax levy. That is a 1.9 percent increase from 2015. Remaining revenue coming from Water Management District fees, grants and investment income. The increase in watershed wide property levy is equal to the projected increase in the 2016 tax capacity and therefore will not affect the projected 2016 tax rate or tax impact on residents.

Motion by Manager Haake, seconded by Manager Bradley, to approve Resolution 2015-26, Resolution to Adopt 2016 Budget and Adopt 2016 Tax Levies.

THEREFORE BE IT RESOLVED, that the Rice Creek Watershed District Board of Managers adopts a 2016 general fund and plan implementation budget totaling $6,011,775;

BE IT FURTHER RESOLVED, that a levy of 0.048 percent of taxable market value, not to exceed $250,000.00, be certified to the Counties of Anoka, Ramsey, Hennepin and Washington and levied upon all taxable property in the Rice Creek Watershed District for the year 2016, for the purpose of paying the General Fund expenses of the District as provided by Minnesota Statutes Section 103D.905 Subdivision 3;

BE IT FURTHER RESOLVED, that a levy of $4,133,000 be certified to the Counties of Anoka, Ramsey, Hennepin and Washington and levied upon all taxable property in the Rice Creek Watershed District for the year 2016, as authorized by the Metropolitan Surface Water Management Act, Minnesota Statutes Section 103B.241, for the purpose of paying the costs of preparing and implementing a watershed management plan;
Manager Waller stated he did not support the increase of $80,000 this year on the tax levy. He thought they could find savings in their budget and not have to increase the $80,000. He reviewed some of the projects where money could have been saved. He thought this comes back to productivity.

Manager Bradley stated he was going to support the motion and he understood they continue to have growing demands on their programs and needs and while inflation is low, it is not at zero. They want to ensure continued maintenance of the ditches and they cannot support new needs off the back of existing needs so he will be supporting the motion.

Manager Wagamon stated there are things on the budget that he does not agree with but he thought on the whole they have done very well in trying to keep costs down and he thought people are happy with what they get for their money. He stated he will support this.

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

Motion carried 4-1.

2. Consider Bald Eagle Lake Water Management District Certification of Charges.

District Administrator Belfiori stated the Board is asked to approve Resolution 2015-27, a Resolution to adopt Certification of Charges for Bald Eagle Lake Water Management District. This total budget, as in previous years is $58,050.00 related to the sixth year of this water management district. He stated that in addition to other programs, that some of the funds this year will start going towards payment of the loan for the Alum portion of that project.

Motion by Manager Bradley, seconded by Manager Haake, to adopt Resolution 2015-27, Certification of Charges for Bald Eagle Lake Water Management District in the amount of $58,050.00 for 2016.

THEREFORE BE IT RESOLVED by the Board as follows:

1. Table 1 attached hereto and made a part hereof by reference identifies parcels of real property lying within the charge area of the Bald Eagle WMD and the charge to each parcel for the 2016 implementation program.

2. The Board authorizes and directs the District Administrator, before the certifications are submitted, to confirm that the charges are consistent with the most recent parcel records available, to make any necessary adjustments on the basis of those records pursuant to established charge criteria, and after certification to report to the Board on any adjustments made.

3. The Board hereby certifies said list, as it may be adjusted by the Administrator, and requests that the Anoka County Auditor, Ramsey County Auditor, and Washington County Auditor include in the real estate taxes/assessments due the amounts set forth in Table 1 with taxes/assessments due and payable.
4. The District Administrator is directed to tender a certified copy of this Resolution to the Anoka, Ramsey, and Washington County Departments of Property Records and Revenue along with the identified parcels in a form as prescribed by each County, and to take such further steps as are required to effect the collection of charges provided herein.

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

Motion carried 5-0

District Administrator Belfiori stated the Board is asked to approve Resolution 2015-28, Certification of Charges for Anoka County Ditch 10-22-32 Water Management District. He stated this is fourth year for the landowners noted on page 78, which had a total charge in excess of $4,500.

Motion by Manager Haake, seconded by Manager Waller, to adopt Resolution 2015-28, Certification of Charges for Anoka County Ditch 10-22-32 Water Management District.

THEREFORE BE IT RESOLVED by the Board as follows:

The Houston Engineering memorandum dated September 2, 2015, including Table 1, attached hereto as Exhibit A, identifies parcels of real property lying within the charge area of the ACD 10-22-32 WMD and the remaining charge to each parcel for the duration of the implementation program.

2. The Board authorizes and directs the District Administrator, before the certifications are submitted, to confirm that the charges are consistent with the most recent parcel records available, to make any necessary adjustments on the basis of those records pursuant to established charge criteria, and after certification to report to the Board on any adjustments made.

3. The Board hereby certifies Table 1, as it may be adjusted by the Administrator, and requests that the Anoka County Auditor include in the real estate taxes/assessments due the amounts set forth in Table 1, to include the 3% interest previously adopted, with taxes/assessments due and payable.

4. The District Administrator is directed to tender a certified copy of this Resolution to the Anoka County Department of Property Records and Revenue along with the identified parcels in a form as prescribed the County, and to take such further steps as are required to effect the collection of charges provided herein.

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

Motion carried 5-0
   Motion by Manager Wagamon, seconded by Manager Haake, to approve check register dated 9/9/2015, in the 
   amount of $51,734.17, prepared by Redpath and Company. Motion carried 5-0.

5. Consider Scheduling a Special Board Meeting on 9/14/2015 at 12:30 p.m. at District Offices to Consider the 
   Maintenance of Washington Judicial Ditch 2, Upstream of Rice Lake Weir. 
   District Administrator Belfiori stated that a packet which contained a proposed resolution for consideration, a HEI 
   cover memo dated Sept 8th, a letter from MNDNR dated Sept. 4, a draft Public waters work permit, an intra-
   office memo from the DNR dated Aug. 18, the draft JPA with the MNDNR, and a APM permit from the MN DNR 
   dated Aug. 11, was all passed out to the Board today. He stated these items were all supplemental to the 
   proposed Resolution regarding the repair of Washington County Judicial Ditch 2 (JD 2) to establish an Open 
   Water Channel upstream of the Department of Natural Resources sheet pile weir in the channel of JD2 at the 
   outlet of Rice Lake, Public Waters #82-146P.

   District Administrator Belfiori reviewed what will be discussed and shown at the proposed Special Board meeting 
   and what the Board will be asked to consider before adopting Resolution 2015-29.

   President Preiner asked if there is a timing issue involved. District Administrator Belfiori stated there is a timing 
   issue which why it was brought forward to the Board. He reviewed the issue with the Board.

   Motion by Manager Haake, seconded by Manager Bradley, to schedule a Special Board Meeting on 9/14/2015 
   at 12:30 p.m. at District Offices to Consider the Maintenance of Washington Judicial Ditch 2, Upstream of Rice 
   Lake Weir.

   Manager Waller stated he did not see any reference to the City of Hugo and wondered if the packet was sent to 
   the City. He noted Hugo is also the local government unit for wetlands so he did not know if the District needed 
   a permit from Hugo or not but would be nice to include them. District Administrator Belfiori stated they will get 
   a copy of the packet to the City of Hugo.

   Motion carried 5-0.

ITEMS FOR DISCUSSION AND INFORMATION

1. Engineer's Report and Timeline.
   There was no discussion.

2. Manager's Update
   There was no discussion.

ADJOURNMENT

Motion by Manager Haake, seconded by Manager Waller, to adjourn the meeting at 9:41 a.m. Motion carried 5-0.