RCWD BOARD OF MANAGERS WORKSHOP

Monday, June 6, 2016, 1:00 p.m.

Rice Creek Watershed District Conference Room
4325 Pheasant Ridge Drive NE, Suite 611, Blaine, Minnesota

The Board convened workshop at 1:00 p.m.

Attendance: —Board members, Patricia Preiner, John Waller, Steve Wagamon, Mike Bradley, and Barbara Haake.

Absent:

Others: Administrator Phil Belfiori; Public Ditch Inspector Tom Schmidt (portion of meeting); Water Resource Specialist Kyle Axtell (portion of meeting); Office Manager Theresa Stasica; District Engineers Mark Deutschman and Chris Otterness-Houston Engineering (HEI) and Drainage Attorney John Kolb-Rinke Noonan.

President Preiner asked the other Managers and staff if they had any additions or corrects to the workshop agenda. Administrator Belfiori requested additional workshop agenda items: Hugo Water Summit scheduling update and proposed feasibility study for potential water reuse projects grant with the Forest Lake School District. Manager Waller requested an additional item to discuss Susan Moore’s drainage issue with the City of Forest Lake.

Discussion on initial rough draft preliminary 2017 budget.

Administrator Belfiori outlined the rough draft budget highlights and preliminary rough draft budget worksheets. He brought the Boards attention to the fund balance worksheet where a substantial part of the fund balance was already encumbered/designated by the Board to projects. He explained to the Board that they should keep a close eye on the fund balance and not use any additional fund balance until the majority of the District’s large projects were completed. He also reviewed with the Board a 2017 proposed budget timeline. The Managers discussed requesting additional information on the purchase of a dredging unit and if the District could rent out the machine to other parties and what insurance liabilities. Manager Waller would like the Board to think about how the 28 cities in the District are each special taxing districts that coordinate their water plans with the District. The cities pay in and the District should pay out to each city their tax levied amount. The other Managers disagreed with this analogy and approach. The Board by majority consensus (4-1) agreed to no changes in the numbers presented and as contained in the rough draft budget tables within the packet. Administrator Belfiori informed the Board he would provide the Board with a draft staff recommendations preliminary budget at their July 11 workshop.
Discussion on task order for research on proposed rate control rule revision.
Administrator Belfiori stated the Board requested staff/consultants at the May workshop to take a look at the economics of changing the rate control standard to 80% of pre-existing for the entire District. This task order represents the cost process and timeline for research and a draft SONAR. District Engineer Otterness explained they would use a sampling of different permits in the District and use the 80% reduction to gage the cost to developers in the permitting process and also if there is benefits by decreasing floodplain requirements. The Board discussed at length the proposed rate control rule. They still need more information on the impacts to make an informed decision. The Board by consensus agreed they would split the rate control analysis from the SONAR and move forward with the task order. District Engineer Deutschman informed the Board that they would have the technical work regarding the rate control done by the Board’s next workshop and would provide their findings to the them. Administrator Belfiori requested that a decision on if to go forward this year with this proposed rate control rule change be provided at the July workshop.

Discussion on draft Addendum to Washington Judicial Ditches 5, 6, and 7 Historical Review memo.
District Engineer Otterness reviewed the revised draft historical review memo with the Board. He informed the Board that the original petition for WJD6 included the Main Trunk and Branches 1 through 3. However, the 1921 Order for WJD6 determined that the branch ditches specified in the petition not be established per the recommendation of the viewers. Therefore, branches 1, 2 and 3 were not constructed as part of the public drainage system. District Engineer Otterness stated that all of the public drainage system located within the District boundary is tile. Drainage Attorney Kolb explained due to these revised findings in the records correction to WJD6. the District can provide a level of drainage to the public and do not need to pursue a boundary change with CLFLWD. At this time, the Districts next step is to hold a public hearing correcting the drainage system record. Manager Bradley requested clarifications/revisions to the memo under page 11 current tile capacity, and on page 13 the 2 paragraphs following Table 4, and under recommendations heading. The Board by consensus agreed to the revised historical memorandum to include the Board’s comments and that it be brought to a future Board meeting for approval of the historical review addendum and setting of a public hearing to correct the drainage record.

Follow-up discussion on Anoka County Ditch 10-22-32 flooding concern.
Administrator Belfiori stated the Board requested staff at their last Board workshop to direct Drainage Attorney Kolb to send a letter requesting Northern Natural Gas (NNG) to lower the pipeline that crosses under ACD 10-22-32 and for staff to develop talking points that described the chronology of the issues with this area. These were given to BWSR upon their request. Staff and the District Engineers were also requested to look for other options that may help alleviate the issues as stated by the landowner. One option given to the Board was to request from DNR an official OHW determination for the public water 529P and public water wetland 536W. At this time the OHW for both are estimates. The District could use this information as part of their legal obligation of managing and maintaining the public drainage system and understanding the regulatory requirements of these actions. The Board by majority consensus requested this item be brought to the regular board meeting on Wednesday, June 8 for action
to authorize staff to request an Ordinary High Water (OHW) determination from MN DNR for public waters 529P and 536W.

**Update on Hansen Park Project.**

Water Resource Specialist Axtell updated the Board on the permit status with ACOE and MPCA. Houston Engineering is close to completing the final plans and specifications. Staff anticipates bringing these to the June 21st meeting for approval and accepting plans for filing and authorize going out for bid. Upon further discussion the Board also reached consensus to have staff contact BWSR Executive Director Jaschke to request assistance in facilitating discussions and attempting to expedite issuance of permits if the District does not receive written confirmation that plans will not require changes from the agencies by June 8.

**Update on Anoka-Ramsey Judicial Ditch 1 Branch 4.**

District Engineer Otterness gave an update on the project and waiting for the issuance of an Anoka County Hwy Dept permit. Drainage Inspector Schmidt has sent out draft plans to contractors for quotes. Houston Engineering will be finalizing their plans in the near future.

**Update on Middle Rice Creek Restoration Project.**

Administrator Belfiori informed the Board that the project has been extended a year due to the high water. The project extension will allow for more vegetation to be stabilized on the channel. The project completion date will be in 2017.

**Other Updates:**

**Hugo Water Summit.** Administrator Belfiori informed the Board that the City of Hugo is looking into rescheduling the June 23rd meeting due to the Board’s conflict with the MAWD tour. He will keep the Board updated.

**Forest Lake Area Schools.** Administrator Belfiori informed the Board that they have been contacted by the school district to be a part of a feasibility study for a possible grant application for a water reuse project on one of the 3 identified School District sites. The Board by consensus stated that staff could utilize funding within the approved 2016 District budget for Clear Lake to pursue partnership on a possible feasibility study and related work as needed to get ready for a joint grant application. The City of Forest Lake and possibly CLFLWD would also be possible partners in trying to obtained CWL grant funds.

**Susan Moore, City of Forest Lake.**

Manager Waller informed the Board that he had received drainage complaints from Ms. Moore located in the City of Forest Lake concerning a wetland area on her property. There was general discussion about the background and history of the problem. The City had requested that RCWD staff meet with Forest Lake staff to discuss the situation. The Board by consensus directed staff to meet with the City.

The workshop was adjourned at 4:17 p.m.