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

Attendance:—

Board members, Patricia Preiner, John Waller, and Steve Wagamon.

Absent: Managers Barbara Haake and Mike Bradley (with prior notice).

Others: Administrator Phil Belfiori; Permit Coordinator/Wetland Specialist Nick Tomczik (portion of meeting); Matt Kocian (portion of meeting); Water Resource Specialist Kyle Axtell (portion of meeting); Public Drainage Inspector Tom Schmidt (portion of meeting); Office Manager Theresa Stasica; District Engineers Mark Deutschman, Chris Otterness and Jeremiah Jazdzewski (portion of meeting) - Houston Engineering (HEI); District Attorney Chuck Holtman-Smith Partners via phone conference (portion of meeting); District Accountant Peggy Moeller, Redpath & Company via phone conference (portion of meeting); Dan Hair (portion of meeting), Frank Svoboda (portion of meeting), Jason Husveth - Critical Connection Environmental Services (portion of meeting), Barbara Haake and Mike Bradley via telephone (listening only).

Discussion /Update on Browns Preserve wetland bank.

Jason Husveth - Critical Connection Environmental Services and District Engineer Deutschman gave a presentation on the status of Browns Preserve wetland bank and an accounting of the credits that the banks has developed thus far. The Board requested that Mr. Husveth and the District Engineer attend a future workshop to present to the Board options for additional maintenance of the site.

Mr. Svoboda brought to the attention of the Board that his client Mr. Hair was unsuccessful in selling his wetland credits to the City of Plymouth due to an amendment to the Wetland Conservation Act (WCA) back in 2010 where a county with over 50% wetland cannot sell credits to a metro county with 50% of less. He stated that he and his client are in the process of contacting the Board of Water and Soil Resources to see if an amendment can be added to the WCA law to overturn this item.

Discussion on future build-out watershed model & stormwater reuse.

District Engineer Deutschman discussed with the Board the draft future build out watershed model findings /initial recommendations and the draft water reuse funding and water reuse credit findings and possible options moving forward. After the presentation and upon further Board discussion, the Board reached consensus that staff should: 1) further investigate options for revising the Urban Stormwater cost share program and other incentivizing options; 2) further investigate options related to possible District rule changes based on draft build-out watershed modeling and/or related program efficiencies; 3) further investigate options related to specific water reuse permit crediting approaches.

Discussion on Anoka County Ditch 31 and 46 repair project approach

District Engineer Otterness gave a presentation on possible approaches for letting bids on the upcoming ACD 31 & 46 repair project, including letting and managing them as a single project. The presentation also included the possibility of using incentives for faster completion. He noted that this approach would allow the flexibility of a longer term contract (up to 18 months) with an incentive to finish sooner. The Board discussed the various
options and by consensus agreed with "Option 3" which was to Bid ACD 31 and 46 as a single contract, provide contractor flexible start and finish dates, with a completion date of spring 2018.

They also reached consensus to ask Administrator Belfiori and District Engineer Otterness to present a task order for Board consideration at their 2/10 meeting.

**Discussion on previous Anoka County Ditch 53-62 settlements.**

Per the Boards' majority consensus at its 12/7/2015 workshop that annually, at the Board’s February workshop, it would review the treatment of the contingent liability from these settlements in the District financial report, the Board reviewed the Feb. 3, 2016 audit opinion letter from Smith Partners to Redpath and Company related to the settlements. The letter states that Smith Partners is not aware of any change in relevant circumstances since the workshop that would change the Board’s previous consensus that the various uncertainties render the triggering of this contingent future liability remote. The Board then discussed the status with the Administrator, District Engineer, District Attorney Holtman (via conference call) and Auditor Peggy Moeller (via conference call). The District Engineer and Administrator also stated that they were not aware of any change in relevant circumstances. The Board then concluded by majority consensus, that the liability is still remote, and therefore not a matter to be disclosed in the annual financial report. Manager Waller stated that he disagreed with the Board's consensus in December and continues to believe that the contingent liability should be referenced in the financial report.

**Various project updates.**

2016 Urban Stormwater Remediation Program Applications- Water Resource Specialist Axtell reviewed with the Board the 6 applications. He gave background information on each application and provide staff, District Engineer, and Citizen Advisory Committee recommendations. The Board agreed by consensus that it will consider this item at the 2/10 meeting.

Middle Rice Creek Restoration Project-Administrator Belfiori gave a brief updated to the Board regarding the project. He also informed the Board that due to the weather and the delay of frost the contractor maybe submitting change orders for additional time for completion of the project. Staff will continue to keep the Board updated on the project progress.

The workshop was adjourned at 5:07 p.m.