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

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

Absent: None.

Staff: Administrator Phil Belfiori; Office Manager Theresa Stasica.

Consultants: District Engineer Chris Otterness (portion of meeting)-Houston Engineering (HEI), and Drainage Attorney John Kolb-Rinke Noonan (portion of meeting).

Visitors: None.

Administrator Belfiori suggested an addition to today’s workshop agenda: Update on MnDNR response to the RCWD’s WJD 2 Branches 1 and 2 Repair Letter.

Update on MnDNR response to the RCWD’s WJD 2 Branches 1 and 2 Repair Letter.

Staff updated the Board on DNR’s 6/21/18 email response to the District’s letter regarding the intent to repair WJD 2 Branches 1 and 2 within the City of Hugo. The email response from Jen Sorenson, East Metro Area Hydrologist, provided three concerns that the DNR believed would justify needing a permit or at minimum a letter of permission from the DNR. These concerns are: managing spoils, Paul Hugo WMA, and removal of the rock weir from the culvert at 137th Street. Staff recommended following up with a letter to address these concerns. Following the DNR’s future response, staff will inform the Board, and if there is not full agreement, discuss with Board options to proceed. The Board continued their discussions with some questions related to clarifying MnDNRs jurisdiction and permitting authority over the repair of existing public drainage systems. The Board by consensus directed staff to prepare a response to the DNR, research Paul Hugo WMA’s rules and limitations as stated by the federal government, and research options to proceed.

Discussion on Draft Preliminary 2019 Budget.

Administrator Belfiori reviewed with the Board the proposed 2019 budget planning and development schedule. Administrator Belfiori informed the Board that per the Boards 6/11/18 workshop consensus direction, his recommended draft preliminary 2019 budget is in general alignment with the presented rough draft preliminary 2019 budget from the June workshop with exception of using the actual percent change in tax rate/tax impact from 2017 to 2018 to
calculate the proposed 2019 ad valorem levy increase. Administrator Belfiori read each of the
draft budget highlights as identified in the June 29, 2018 memo and cross referenced each of
the memo items with the draft preliminary budget worksheet tables. He reviewed the fund
balance worksheet and informed the Board that the projected numbers were more or less
place holders since this year’s budgeting is a transitional year due to the writing of the
watershed management plan. The Board will have a better understanding for future
expenditures and revenues for next year’s budgeting. The Board discussed with Administrator
Belfiori the upcoming repair projects, continued project funding for carp management, the
increase in the regulatory budget due to increased permit workload and complexity of
applications, personnel compensation, and vehicle replacement due to the retirement of the
2003 Dodge pickup. Administrator Belfiori reviewed with the Board a table with anticipated
revenue amounts for 2019 located on page 4 of the agenda packet memo.
Managers Bradley, Haake, Preiner and Wagamon had no concerns at this time with the draft
preliminary budget as presented. Manager Waller commented that this budget/plan is based
on a 7.5% increase, he believed not all the projects would happen but had no suggestions for a
budget reduction.
The Board by consensus agreed to bring this draft preliminary budget to the August 6 workshop
for final review and discussion.
The workshop was adjourned at 3:00 p.m.