The Board convened workshop at 2:00 p.m.

Attendance: Board members, Patricia Preiner, John Waller, Barbara Haake, Steve Wagamon and Harley Ogata.

Absent: None.

Others: Administrator Phil Belfiori; Public Drainage Inspector Tom Schmidt (portion of meeting); Office Manager Theresa Stasica (portion of meeting); Inspector Elizabeth Hosch (portion of meeting); District Engineer Mark Deutschman– Houston Engineering (HEI); District Attorney Chuck Holtman-Smith Partners (portion of meeting); District Drainage Attorney’s John Kolb-Rinke Noonan (via phone portion of meeting).

Discussion regarding 06-005 Mainstreet Villages permit application.

Inspector Elizabeth Hosch updated the Board on the history and proposed action with permit 06-005. This permit is 8 years old and no longer can be renewed. The District has notified the applicant that they are required to reapply for a permit under the new rules. At this time there is no activity at the site. Staff will recommend denial of the permit at a future Board meeting. The applicant has chosen to delay new permit application until future activity is imminent.

Follow-up discussion on Anoka County Ditch 55 repair /memo and landowner easement.

District Public Drainage Inspector Schmidt reviewed with the Board the proposed easement with R & R leasing where the tile line will be routed from the center of R & R leasing property to the edge of the property and the existing ditch will be abandoned as recommended in the repair memo prepared by HEI. The easement has been reviewed with R & R leasing and they are generally ok with it. At a future Board meeting, there will be a public hearing for the proposed abandonment and realignment and barring any opposition, the Board may order the reroute and abandonment. Once the order is given, the District will obtain quotes for the reroute project. A large portion of the Engineer’s repair estimate for the rest of the repair for ACD 55 is for the replacement of the pipe under the freeway. Staff will have the pipe televised to see if replacement is necessary. If it is not, there will be a substantial savings in the Engineer’s repair estimate. Manager Haake questioned how the project will be paid for. Administrator Belfiori replied that $38,000 was approved in the 2014 ditch maintenance budget for the reroute. At this time, staff would like to wait to see if the project budget will be revised after the outcome of the televised pipe. At that time he will bring the project budget back before the board for the discussion of further funding.

Discussions/Updates on Anoka County Ditch 53-62 Branch 1 repair permitting status and related work.

Drainage Attorney Kolb updated the Board on his recommendation and opinion on the status of the DNR letter of permission conditions regarding rare/endangered plants and the Corps of Engineers’ authorization for Branch 1, ACD 53-62. District Engineer Deutschman reviewed the draft ACD 53-62 Rare Plant Avoidance Strategy with...
the Board and informed them that the final would be available at the 8/13 Board meeting. Administrator Belfiori directed the Boards attention to the modified plan set which also outlines the avoidances found in the report. District Engineer Deutschman informed the Board that in their initial meetings with him, the contractor feels implementing this avoidance plan would not affect the cost. District Engineer Deutschman informed the Board that the City of Blaine has requested that a proposed plastic culvert under Lever Street be changed to corrugated metal. Administrator Belfiori informed the Board that at the 8/13 meeting staff will be requesting the Board to take action on the following items: consider approval of the of Rare Plant Avoidance Strategy Report and submittal to DNR; consider authorizing the notice to proceed; consider the approval letter dated 8/11/2014 to Kate Drewry, DNR as part of the their request.

**Follow-up discussion on Anoka County Ditch 10-22-32 ditch maintenance.**

Drainage Attorney Kolb reviewed with the Board Butch Robinson's attorney comments given at the last Board meeting. He recommended the Board continue dialog with Mr. Robinson and his attorney with the main points being that the landowner cease any adverse activities that would cause any sloughing of the ditch banks and request access to ditch so it may be repaired. He requested that the engineering provide him with a sketch of the repair plan for a baseline discussion with Mr. Robinson's attorney that provides a reasonable set back from the ditch to protect its integrity. The Board by consensus agreed with this recommendation.

**Discussion on contractor's insurance liability for the ACD 53-62 Branch 1 project.**

Administrator Belfiori informed the Board that the contractor for the project has a 1 million dollar auto and general liability with a 2 million aggregate policy. The District's contract documents calls for $1.5 million. Drainage Attorney Kolb explained to the Board that the District has a statutory tort limit of $1.5 million. Recently the amount was changed from $1 million to $1.5 million. At this time there is a disconnect between insurance companies and consultants. The League of Minnesota risk management has provided a guidance document that states you can evaluate the value of contract and waive the $1.5 to $1 million. The Board discussed who would be taking the risk between the $1 and $1.5 million; would it be the District or the insurance company? The Managers discussed the merits of holding contractors to comply with the new amounts in order to foster more general compliance in the future; if LGUs do not start requiring the new levels, what is the incentive for insurance companies to start offering this product to contractors? The Board by majority consensus agreed to accept the contractor's $1 million liability for the ACD 53-62 Branch 1 project and that they would take this issue on a case by case issue. Manager Haake suggested contacting the League of MN Cities to have their lobbyist look into this issue.

**Discussion on Bald Eagle Lake outlet.**

Manager Ogata informed the Board of an August 8th meeting that he, Manager Preiner, and Administrator Belfiori had with the Hugo Mayor Weidt, Council Member Petryk and the City Administrator Bryan Bear following up on the 7/8 joint workshop with RCWD and the City of Hugo. It was discussed that if the DNR was not willing take ownership of the dam, that Hugo, RCWD, and DNR would each pay roughly 1/3rd of the dam repair cost and that the parties would develop an agreement that would include language disavowing ownership. They would bring this idea back to their respective members for their opinions. The Hugo City Council was meeting on Monday, August 18th where they would discuss the option. Manager Ogata asked for the Boards opinion. The majority consensus was for the District to continue communication with the DNR to get their attorney's opinion on the state statute that requires the DNR to take ownership of an abandoned structure. It was the Board's majority consensus direction that they not take ownership of the dam but would be a willing partner in the roughly 1/3rd cost disbursement approach as described by Manager Ogata.
Discussion on possible future board workshop items.
The Board of Managers reviewed the items and decided by consensus to follow the list from the top, and discuss the first 3 of the items with a 30 minute time limit for all three items combined and to schedule each of the remaining items on the list at an upcoming workshop until the list is complete. At the time of discussion, the Board will give direction to the Administrator on how to follow-up (additional research needed etc.) on the item if it is needed.

Discuss Houston Engineering, Inc. performance evaluation.
The Board of Managers reviewed the survey summary and discussed the results of the evaluation which was completed by 2 Board members and 9 staff members. The engineer’s average rating exceeded expectations.

Update on Technician/Inspector/Water Resource Specialist position and related actions.
Administrator Belfiori reviewed the interview committee’s recommendations with the Board. The Board by consensus directed the Administrator to offer the job to the highest rated candidate, and if the candidate did not accept the offer he could offer the position to the second highest candidate.

The workshop was adjourned at 4:35 p.m.