



DECEMBER						
S	M	T	W	T	F	S
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

JANUARY						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

RCWD BOARD OF MANAGERS WORKSHOP

Monday, December 11, 2023, 9:00 a.m.

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

or via Zoom Meeting:

<https://us06web.zoom.us/j/89883337788?pwd=Vm9YaStvQzBka25weVFTS1MvekIzZz09>

Meeting ID: 898 8333 7788

Passcode: 494170

Dial by your location +1 312 626 6799 US (Chicago)

Meeting ID: 898 8333 7788

Passcode: 494170

Agenda

ITEMS FOR DISCUSSION (times are estimates only)

9:00 Compensation Study Process & Update

10:00 Permit Fee Structure Update

10:15 RCWD Board 2024 Calendar

10:30 Administrator Review

Administrator Updates (If Any)

4325 Pheasant Ridge Drive NE #611 | Blaine, MN 55449 | T: 763-398-3070 | F: 763-398-3088 | www.ricecreek.org

BOARD OF
MANAGERS

Jess Robertson
Anoka County

Steven P. Wagamon
Anoka County

Michael J. Bradley
Ramsey County

Marcie Weinandt
Ramsey County

John J. Waller
Washington County

9:00 Compensation Study Process & Update

MEMORANDUM

Rice Creek Watershed District



Date: December 6, 2023
To: RCWD Board of Managers
From: Nick Tomczik, Administrator
Subject: Compensation Study Process & Update

Introduction

This is an update on staff efforts to review job descriptions, study market salary conditions, and secure guidance on salary structure and administration.

Background

The District routinely engages a consultant to review its salary schedule to remain competitive with market conditions. The effort in previous years and again this year utilizes the services of Gallagher, a human resource and compensation consulting firm. The work periodically requires a deeper consideration of changes to positions and the market; that is this year's work.

Gallagher will present an update on the work to date regarding salary study and share current best practices that are being recommended for incorporation by the District. Staff is coordinating the Gallagher work with Career Enhancement Options, Ellen Hinrichs to operationalize the District approach. Human resource management is evolving as generational shifts propose the use of "compensation philosophy", a documented way to state the general sideboards to the District's compensation approach. The work will also provide tools by which staff can administer compensation.

10:00 Permit Fee Structure Update

MEMORANDUM

Rice Creek Watershed District



Date: December 6, 2023
To: RCWD Board of Managers
From: Patrick Hughes, Permit Coordinator/Wetland Specialist
Subject: 2023 Regulatory Private Fee Schedule Implementation Review

Introduction

The Board of Managers adopted a revised permit application fee structure on December 8th, 2021 which was implemented on January 1, 2022. After two years of implementing the updated fee structure, staff and engineer have evaluated the effectiveness of the new fee structure. One of the goals of the fee structure was to recuperate 60% of the incurred cost associated with review of private permits.

Background

In 2021, the Board of Managers elected to review the permit application fee structure. The existing fee structure required applicants to submit a flat up-front fee based on what rules applied to the proposed project. In updating the permit fee structure, the Board wanted an approach where approximately 60% of the incurred expenses from private permit review were recuperated through submitted fees. An updated fee structure was adopted on December 8th, 2021 (implemented on January 1, 2022) that requires Rule C (stormwater management) applications be accompanied by an up-front fee, and then the applicants must pay any actual review costs exceeding a \$9,000 threshold. As a reminder, public entities are not required to submit any application fee. With almost two full years implementing the new fee structure, staff and engineer have summarized the review costs and the total fees required from private permit applicants. A Houston Engineering technical memorandum has been included in the workshop packet.

The data suggest that the updated permit application fee structure has been successful in meeting the goal of the Board. The fee schedule has simplified the submittal process, resulted in roughly 60% of the application review cost being recuperated for private permit applications, and has improved equity in the cost of permit review for compliance with the regulatory rules. It is important to note that this assessment is only reflective of engineering costs and does not include RCWD staff cost or legal costs (legal cost expected to be small fraction of overall cost).

Staff Recommendation

Staff recommends no changes to the application fee structure.

Board Consensus

Board of Managers to provide staff with any input and direction regarding the implementation of the permit fee structure.

Attachments

- Houston Engineering Technical Memorandum, dated December 6, 2023

Technical Memorandum

To: Nick Tomczik, Administrator
Rice Creek Watershed District

Cc: Patrick Hughes

From: Chris Otterness PE

Subject: RCWD Private Permit Cost Allocation
Private Permit Fee Implementation – 2023 Cost Summary

Date: December 6, 2023

INTRODUCTION

At the request of the Rice Creek Watershed District Board of Managers (Board), Houston Engineering (HEI) assessed historical private permit costs versus fees collected and recommended a revised fee structure which was implemented on January 1, 2022. The goal was to create a District fee structure that would generate revenue to meet 60% of incurred expenses under the private permitting program. The purpose of this memorandum is to evaluate the effectiveness of the fee structure modification to date in achieving this goal.

SUMMARY OF PERMITS

As of November 13, 2023, the RCWD received a total of 186 permits applications since the revised fee schedule has taken effect. Of these, 13 applications are incomplete or have not had a completed review at the time of this memorandum. An additional 69 permit applications were for non-Rule C compliance and were solely reviewed by District staff, **Table 1** below shows the breakdown of the remaining 104 permits reviewed by HEI.

TABLE 1 SUMMARY OF HEI PERMIT REVIEWS

	Rule C	Non-Rule C
Public	22	20
Private	49	13
Total	71	33

The remainder of this memorandum will focus solely on private permits which are subject to the permit fee structure modification.

COST ANALYSIS OF PRIVATE PERMITS

Table 2 below is an analysis of the costs for the 62 private permits. Please note that the costs include only HEI cost and do not include legal counsel cost or staff time.

TABLE 2 PRIVATE PERMIT COST SUMMARY

Up Front fee	Number of Permits	Total HEI review cost	Total fee to be collected upon permit issuance	Average cost per permit	% of review cost covered by fee	No. of permits exceeding \$9,000 review cost
<i>Rule C</i>						
\$3,000	40	\$249,521	\$121,783	\$6,238	49%	4
\$5,400	9	\$98,807	\$74,418	\$10,979	75%	5
Subtotal Rule C	49	\$348,328	\$196,201	\$7,109	56%	9
<i>Non-Rule C</i>						
\$300	13	\$37,022	\$3,900	\$2,848	11%	0
TOTAL	62	\$385,350	\$200,101	\$6,215	52%	9

The following observations were noted when analyzing individual permits:

- No permit fee from any individual permit exceeded the HEI review cost
- The total fees indicated in **Table 2** include two applications in CAPROC status that have not yet paid additional review fees beyond \$9,000.
- The tiered Rule C up-front fee seems reasonable for the purpose of reflecting the review effort required for most permit applications. Applications for new impervious surface greater than five acres (\$5,400 up front fee) required substantially greater review cost than applications less than five acres (\$3,000 up front fee).

CONCLUSIONS AND RECOMMENDATION

The permit fee structure has been successful in simplifying the permit application fee process and providing equity in the apportionment of fee costs proportional to the review cost incurred. The percentage of review cost covered by the permit fees (52%) is close to, but falls a bit short of, the goal of 60% set by the Board in 2021. (Note: Rule C permit review fees recover 56% of the review cost.) There are several factors that can affect this percentage from year to year, including the number of non-Rule C permits vs. Rule C permits and the complexity of permit applications received. Because of these factors, it is infeasible within the current framework to both consistently and precisely match a targeted collection goal, and thus variability must be expected.

No change is recommended in the fee structure in the coming year, or in the process staff utilizes in implementing this charge structure. However, inflation has and will continue to affect the percentage of permit cost collected, and fee adjustments will be required over time to maintain the percentage near the goal amount.

10:15 RCWD Board 2024 Calendar

RICE CREEK WATERSHED DISTRICT – 2024 BOARD OF MANAGERS CALENDAR approved XX/XX/XXXX

JANUARY 1/1: New Year's Holiday- Office Closed 1/3 NO CAC Mtg 8: Board Workshop (9 a.m. RCWD office) 10: Regular Bd. Mtg. (9:00 am Shoreview CC) 11:Per Diem & Mileage Claim Forms Due 15: MLK Day-Office Closed 24: Regular Bd. Mtg. (9:00am Shoreview CC)	FEBRUARY 7: CAC Mtg (5:30 pm RCWD office) Liaison: Mgr Waller 12: Board Workshop (9 a.m. RCWD office) 14: Regular Bd.Mtg. (9:00 am Shoreview CC) 15:Per Diem & Mileage Claim Forms Due 19: President's Day- Office Closed 28: Regular Bd.Mtg. (9:00 am Shoreview CC)	MARCH 6: CAC Mtg (5:30 pm RCWD office) Liaison: Mgr Robertson 6-7:MW Legislative Event & Day at the Capitol Ridge Hotel 11: Board Workshop (9 a.m. RCWD office) 13: Regular Bd.Mtg. (9:00 am Shoreview CC) 11:Per Diem & Mileage Claim Forms Due 27: Regular Bd. Mtg. (9:00 am Shoreview CC)	APRIL 3: CAC Mtg (5:30 pm RCWD office) Liaison: Mgr Wagamon 8: Board Workshop (9 a.m. RCWD office) 10: Regular Bd.Mtg. (9:00 am Shoreview CC) 11:Per Diem & Mileage Claim Forms Due 24: Regular Bd.Mtg. (9:00 am Shoreview CC)	MAY 1: CAC Mtg (5:30 pm RCWD office) Liaison: Mgr Bradley 6: Board Workshop (9 a.m. RCWD office) 8: Regular Bd.Mtg. (9:00 am Shoreview CC) 9:Per Diem & Mileage Claim Forms Due 22: Regular Bd. Mtg. (9:00 am Shoreview CC) 27: Memorial Day -Office Closed	JUNE 5: CAC Mtg (5:30 pm RCWD office) Liaison: Mgr Weinandt 10: Board Workshop (9 a.m. RCWD office) 12: Regular Bd.Mtg. (9:00 am Shoreview CC) 13:Per Diem & Mileage Claim Forms Due 19: Juneteenth -Office Closed TBA: MW Summer Tour 26: Regular Bd.Mtg. (9:00 am Shoreview CC)
JULY 3: NO CAC Mtg 4 Independence Day- Office Closed 8: Board Workshop (9 a.m. RCWD office) 10: Regular Bd.Mtg. (9:00 am Shoreview CC) 11:Per Diem & Mileage Claim Forms Due 24:Regular Bd.Mtg. (9:00 am Shoreview CC)	AUGUST 7: CAC Mtg (5:30 pm RCWD office) Liaison: Mgr Waller 12: Board Workshop (9 a.m. RCWD office) 14: Regular Bd.Mtg.(9:00 am Shoreview CC) 15:Per Diem & Mileage Claim Forms Due 28: Regular Bd.Mtg. & Proposed Budget Hrg & announce Dec. Truth & Taxation public meeting (9:00 am Shoreview CC)	SEPTEMBER 2: Labor Day - Office Closed 4: CAC Mtg (5:30 pm RCWD office) Liaison: Mgr Robertson 9: Board Workshop (9 a.m. RCWD office) 11: Regular Bd.Mtg (9:00 am Shoreview CC) 12:Per Diem & Mileage Claim Forms Due 25: Regular Bd.Mtg. (9:00 am Shoreview CC)	OCTOBER 2: CAC Mtg (5:30 pm RCWD office) Liaison: Mgr Wagamon 7: Board Workshop (9 a.m. RCWD office) 9: Regular Bd.Mtg. (9:00 am Shoreview CC) 10:Per Diem & Mileage Claim Forms Due 23: Regular Bd.Mtg. (9:00 am Shoreview CC)	NOVEMBER 6: CAC Mtg (5:30 pm RCWD office) Liaison: Mgr Bradley 11: Veteran's Day-Office Closed 12: Tuesday, Board Workshop (9 a.m. RCWD office) 13: Regular Bd.Mtg. (9:00 am Shoreview CC*) 14:Per Diem & Mileage Claim Forms Due 27: NO Regular Bd.Mtg 28 & 29 Thanksgiving Holiday- Office Closed	DECEMBER 12/3-12/6 MW Annual Mtg 4: CAC Mtg (5:30 pm RCWD office) Liaison: Mgr Weinandt 9: Board Workshop (9 a.m. RCWD office) 11:Regular Brd.Mtg.&Truth & Taxation public mtg (6:30 pm Shoreview CC) 12:Per Diem & Mileage Claim Forms Due 24 & 25: Christmas Holiday- Office Closed 25: NO Regular Bd.Mtg. 1/1: New Year's Holiday- Office Closed

The RCWD established the option for the public to participate in its meetings either in person or virtually using interactive technology. In-person Board Workshops will be conducted at the RCWD conference room 4325 Pheasant Ridge Drive NE, Blaine, MN. In-person Board Meetings will be conducted at the Shoreview City Council Chambers, 4600 North Victoria Street, Shoreview, MN, unless otherwise noted. CAC=Citizen Advisory Committee meetings held at RCWD offices and virtually.

Revised x/x/xx